



PA 25-46—SB 1336

Banking Committee

Judiciary Committee

**AN ACT CONCERNING MORTGAGE FORECLOSURES AND
UNDISCHARGED MORTGAGES**

SUMMARY: This act establishes a 10-year statute of limitations for bringing an action to foreclose on certain mortgages for a one-to-four-family dwelling that the mortgagor (borrower) uses as his or her home. (Existing law, unchanged by the act, has a six-year statute of limitations on actions based on contract law (CGS § 52-576).)

The act's bar on bringing an action is generally the earlier of 10 years after the:

1. due date for the mortgage's last payment or the maturity date set or calculated from information in the mortgage or the note, bond, or other obligation secured by the mortgage or
2. last payment by, or on behalf of, the debtor.

However, the act allows for an extension of the 10-year period if there is a written instrument that extends it, in which case the new statute of limitations is 10 years after the extended date. Additionally, if during the last two years of the 10-year period, a law, order, or rule prohibits the action from being brought, the act allows for an extension equal to the prohibition's duration.

The act exempts mortgages from the statute of limitations if they are (1) recorded before 2026 and were first in priority at the time of recording (including one subsequent to a satisfied, but not yet released mortgage) or (2) subordinate to a first mortgage when they were recorded, regardless of recording date, and held by the original mortgagee (lender) or its subsidiary, affiliate, or successor by merger or acquisition. It also exempts actions to cure certain foreclosure errors like improper service or omitting a party from the act's statute of limitations.

Lastly, the act reduces the time after which an unreleased mortgage is deemed invalid under certain circumstances. Under prior law, when there was an unreleased mortgage on the land records and the mortgagor or current landowner had undisputed possession for at least 20 years after the mortgage should have been paid off, the mortgage was invalid if the person in possession filed an affidavit that met certain conditions in the land records. The act reduces the minimum undisputed possession time from 20 to 10 years and specifies that this provision applies regardless of the act's new statute of limitations. (Existing law, unchanged by the act, allows a mortgage holder to record a notice on the land records before this time expires to extend this period for another 10 years.)

EFFECTIVE DATE: January 1, 2026