

**Board of Selectmen of the
Town of Chester, Massachusetts**

Policy Concerning the Acceptance of Deeds
in Lieu of Foreclosure

Whereas, the Special Town Meeting of October 26, 2020 voted to accept the provisions of G.L. c. 60, § 77C, allowing the Town of Chester (the “Town”) to accept deeds in lieu of foreclosure with respect to parcels of real property on which taxes are owed to the Town;

Now, therefore, the Board of Selectmen (the “Board”) of the Town hereby adopts this policy concerning the circumstances in which the power to accept deeds in lieu of foreclosure will be exercised and the process to be followed:

1. Eligible Properties. In order to avoid granting a windfall to a property owner whose tax liability exceeds the value of his property, acceptance under G.L. c. 60, § 77C should generally be limited to parcels with a current fair cash value greater than the amount owed. The Board may demand that the owner prove such value, whether through an appraisal or otherwise. Exceptions may be made, however, if (a) the parcel is particularly suited to a public use and the Board intends to request Town Meeting to transfer the parcel, following acquisition, to such use, under G.L. c. 40, § 15A; or (b) sale of the parcel appears to be the best way to realize any of the taxes owed because enforcement of personal liability against the owner is unlikely or impossible.

2. Procedure. If the Board determines, by vote, to seek to accept a deed in lieu of foreclosure with respect to any parcel, it will place an article on a Town Meeting warrant authorizing the same. Following a majority vote in favor of such acceptance, the Board will promptly accept and record such a deed. Notice of such acceptance and recording will immediately be given in writing to the Board of Assessors, Tax Collector, Treasurer, and Accountant, as well as to any applicable utility providers.

3. Effect on Tax Roll. The Assessors shall remove from the tax roll any parcel accepted in lieu of foreclosure beginning in the fiscal year after the deed is recorded. All real estate taxes and charges (including interest and any Tax Collector’s costs) outstanding as of the date or the recording of the deed shall be deemed paid in full as of that date.

4. Disposition of Parcel As a rule, parcels accepted in lieu of foreclosure shall be treated like any other tax possession, and shall be sold in the same manner as lots acquired by tax title foreclosure in the Land Court. If a particular parcel is well suited to a municipal use, the Board may seek Town Meeting approval under G.L. c. 40, § 15A to transfer its custody, control and purpose accordingly, which approval requires a 2/3 vote of Town Meeting.

5. Prohibition of Sale to Grantor. G.L. c. 60, § 77C provides that any parcel accepted by the Town in lieu of foreclosure may not be conveyed by the Town to the person(s) who, or entity that, granted the deed in lieu of foreclosure to the Town.