

January 11, 1980

LB 306

SENATOR BEUTLER: The banker would go to the joint tenant for payment and then get a judgment and foreclose on the joint tenant I assume.

SENATOR CHAMBERS: Now all right, is foreclosure the only way the banker can proceed or could the banker seek a personal judgment against the joint tenant, the survivor, for the amount of the loan, up to 50% of that property?

SENATOR BEUTLER: Well I would like to look again at the bill on that point, Senator Chambers. I am not sure what you are ultimately getting at.

SENATOR CHAMBERS: I am just getting at an answer to this question. What I am asking you is if the property becomes the basis for recovering or recouping the debt and answer from general law then...

SENATOR BEUTLER: Yes.

SENATOR CHAMBERS: ...is the lender restricted to foreclosure and satisfying it out of the property?

SENATOR BEUTLER: Oh, yes, if you are asking whether they can go against the surviving joint tenant, against all their assets or against their...okay, I'm sorry. I misunderstood your question.

SENATOR CHAMBERS: Yes.

SENATOR BEUTLER: No, just the property.

SENATOR CHAMBERS: Okay, so then all of the other assets of the survivor are exempt?

SENATOR BEUTLER: Yes.

SENATOR CHAMBERS: Now suppose the survivor would sell the property before the banker could do anything on it?

SENATOR BEUTLER: Then in that event I imagine they could get a judgment against the surviving joint tenant up to the amount of the value of the property.

SENATOR CHAMBERS: And suppose what was obtained from the sale by the survivor was eaten up before the banker could get a grip on those proceeds. Then would any other property that the survivor had be available? Had these matters even really been considered, can you answer me that? Were these things I am asking you discussed with you by the bankers and whoever else wanted you to bring the bill?