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H.8

Introduced by Representatives Jewett of Ripton and Flory of Pittsford

Referred to Committee on

Date:

Subject: Conveyance of real estate; recording; notice of mortgage

Statement of purpose: This bill proposes to permit the mortgage recording requirement to be satisfied with respect to mortgages that exceed six pages in total length by recording a notice of mortgage instead of recording the entire mortgage document.

AN ACT RELATING TO A NOTICE OF MORTGAGE

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 27 V.S.A. § 341 is amended to read:

§ 341. REQUIREMENTS GENERALLY; RECORDING

(a) Deeds and other conveyances of lands, or of an estate or interest therein, shall be signed by the party granting the same and acknowledged by the grantor before a town clerk, notary public, master, county clerk, or judge or register of probate and recorded at length in the clerk's office of the town in which such lands lie. Such acknowledgment before a notary public shall be valid without an official seal being affixed to his or her signature.

1 (b) A deed or other conveyance of land which includes a reference to a
2 survey prepared or revised after July 1, 1988 may be recorded only if it is
3 accompanied by the survey to which it refers, or cites the volume and page in
4 the land records showing where the survey has previously been recorded.

5 (c) A lease of real property that has a term of more than one year from the
6 making of the lease need not be recorded at length if a notice or memorandum
7 of lease, which is executed, witnessed, and acknowledged as provided in
8 subsection (a) of this section, is recorded in the land records of the town in
9 which the leased property is situated. The notice of lease shall contain at least
10 the following information:

11 (1) the names of the parties to the lease as set forth in the lease;

12 (2) a statement of the rights of a party to extend or renew the lease;

13 (3) any addresses set forth in the lease as those of the parties;

14 (4) the date of the execution of the lease;

15 (5) the term of the lease, the date of commencement, and the date of

16 termination;

17 (6) a description of the real property as set forth in the lease;

18 (7) a statement of the rights of a party to purchase the real property or
19 exercise a right of first refusal with respect thereto;

20 (8) a statement of any restrictions on assignment of the lease; and

21 (9) the location of an original lease.

1 (d) A mortgage on real property which exceeds six pages in total length
2 need not be recorded at length if a notice of mortgage, which is executed,
3 witnessed, and acknowledged as provided in subsection (a) of this section, is
4 recorded in the land records of the town in which the mortgaged property is
5 situated. The notice of mortgage shall contain at least the following
6 information:

7 (1) the names of the parties to the mortgage, including identification of
8 the mortgagor and mortgagee, as set forth in the mortgage;

9 (2) a statement of the rights of a party to assign the mortgage;

10 (3) any addresses set forth in the mortgage as those of the parties;

11 (4) the date of the execution of the mortgage;

12 (5) the amount, term, and due date of the mortgage;

13 (6) the property address and a description of the property as set forth in
14 the mortgage;

15 (7) whether the mortgage contains a future advances clause;

16 (8) whether the mortgage is a first mortgage and, if it is not a first
17 mortgage, the recording information of any prior mortgage; and

18 (9) the location of an original mortgage.