

# **Md Realtors\_fav\_sb570**

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Position: FAV



## **Senate Bill 570 - Real Property – Notice of Easements, Covenants, Restrictions, and Conditions – Recordation**

### **Position: Support**

Maryland REALTORS® support SB 570 which permits holders of certain easements, covenants, restrictions, and conditions to record a notice of the property restriction in the land records.

Although title searches are conducted to verify or confirm an owner's rights in their property in order to market it, title searches do not necessarily review the entire history of the property. Few title searches go back longer than 60 years and many title searches only review title changes for the last two owners which could be less than 20 years.

As a result, if an encumbrance was placed on the property outside of the time frame of the title search, the buyer may not discover it. That can be a huge problem for a buyer that just cut down a quarter acre of protected trees and is now facing a five figure fine for violating a forest conservation easement. While title insurance is intended to cover an owner's expenses or damages from an undisclosed item, many policies will also provide a disclaimer stating the policy is "subject to all recorded covenants and easements."

Because of the concern over the lack of notice regarding environmental easements and restrictions, the General Assembly passed legislation last year (SB 25) to allow an easement holder to record a more recent notice in the land records so that it would be picked up by the title search. That notice references back to the original land record covenant or easement so that the title search would give buyer's proper notice. SB 570 is very similar to SB 25 from last year but does not limit the right to provide notice to environmental restrictions.

SB 570 will allow an adjacent property owner who has an easement of any kind to record a notice. The easement might involve the use of their neighbor's driveway, or a farmer's use of their property to use or transit, or a utility. SB 570 will give holders of encumbrances a new tool to protect their right and, more importantly, notify potential buyers of restrictions that may affect their use and enjoyment of the property.

For these reasons, Maryland REALTORS® urges a favorable report of SB 570.

**For more information, contact [bill.castelli@mdrealtor.org](mailto:bill.castelli@mdrealtor.org) or  
[susan.mitchell@mdrealtor.org](mailto:susan.mitchell@mdrealtor.org)**

**WEST\_FAV\_SB570**

Uploaded by: Senator West, Senator West

Position: FAV

**CHRIS WEST**  
*Legislative District 42*  
Baltimore County

Judicial Proceedings Committee

Vice Chair, Baltimore County  
Senate Delegation



**THE SENATE OF MARYLAND**  
ANNAPOLIS, MARYLAND 21401

*Annapolis Office*  
James Senate Office Building  
11 Bladen Street, Room 303  
Annapolis, Maryland 21401  
410-841-3648 · 301-858-3648  
800-492-7122 Ext. 3648  
Chris.West@senate.state.md.us

*District Office*  
1134 York Road, Suite 200  
Lutherville -Timonium, MD 21093  
410-823-7087

February 20, 2020

Senate Judicial Proceedings Committee  
The Honorable William C. Smith  
2 East Miller Senate Building  
Annapolis, Maryland 21401-1991

**RE: SB 570 – Real Property – Notice of Easements, Covenants, Restrictions, and Conditions - Recordation**

Dear Chairman Smith and Members of the Committee:

I am pleased to introduce Senate Bill 570 which aims to address the problem that although easements, covenants, declarations, and the like may last forever, title searchers usually only search back 60 years. Therefore if a restriction was recorded 75 years ago, it would still be effective, but it would not show up on a title search. As a result, people may not know that their property is subject to such a restriction.

Senate Bill 570 would permit, but not require, the notice of an already-recorded Restriction be recorded in the land records. In that way, title searchers would have a heads-up about the old Restriction, which is still effective. The purpose of this legislation is not to change, alter, or extend an old restriction, but just to put a notice in the land records of the existence of existing, effective Restrictions.

The General Assembly passed legislation last year to allow an easement holder to record a more recent notice in the land records referencing back to the original document, thus allowing a title searcher the opportunity to discover the property restriction. However, last year's bill was limited to conservation easements. Senate Bill 570 expands the notice right to all easement and covenant holders.

I ask the committee for a favorable report.