
By: **Delegates Bozman, McClenahan, Slade, and Conway**
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Assigned to: Economic Matters

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CHAPTER _____

1 AN ACT concerning

2 **Recordation of Releases of Mortgages and Deeds of Trust - Copies of**
3 **Canceled Checks**

4 FOR the purpose of permitting a clerk to receive and record certain copies of a
5 canceled check as a release of a mortgage or deed of trust; providing that under
6 certain circumstances a copy of a canceled check has the same effect as a release
7 on property for which a mortgage or deed of trust is a security; and generally
8 relating to the recordation of instruments showing a release of a mortgage or
9 deed of trust.

10 BY repealing and reenacting, with amendments,
11 Article - Real Property
12 Section 3-105(d)(3)
13 Annotated Code of Maryland
14 (1996 Replacement Volume and 1998 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Real Property**

18 3-105.

19 (d) (3) When the debt secured by a mortgage or deed of trust is paid fully or
20 satisfied, and the canceled check evidencing final payment OR, IF THE CANCELED
21 CHECK IS UNAVAILABLE, A COPY OF THE CANCELED CHECK ACCOMPANIED BY A
22 CERTIFICATE FROM THE INSTITUTION ON WHICH THE CHECK WAS DRAWN STATING
23 THAT THE COPY IS A TRUE AND GENUINE IMAGE OF THE ORIGINAL CHECK is

1 presented, it may be received by the clerk and indexed and recorded as any other
2 instrument in the nature of a release. The canceled check OR COPY ACCOMPANIED BY
3 THE CERTIFICATE has the same effect as a release of the property for which the
4 mortgage or deed of trust is the security, as if a release were executed by the
5 mortgagee or named trustees, if:

6 (i) The party making satisfaction of the mortgage or deed of trust
7 has:

8 1. Allowed at least a 60-day waiting period, from the date
9 the mortgage or deed of trust is paid fully or is satisfied, for the party satisfied to
10 provide a release suitable for recording;

11 2. Sent the party satisfied a copy of this section and a notice
12 that, unless a release is provided within 30 days, the party making satisfaction will
13 obtain a release by utilizing the provisions of this paragraph; and

14 3. Following the mailing of the notice required under
15 sub-subparagraph 2. of this subparagraph, allowed an additional waiting period of at
16 least 30 days for the party satisfied to provide a release suitable for recording; and

17 (ii) The canceled check OR COPY ACCOMPANIED BY THE
18 CERTIFICATE contains the name of the party whose debt is being satisfied, the debt
19 account number, if any, and words indicating that the check is intended as payment in
20 full of the debt being satisfied; and

21 (iii) There is attached to the canceled check OR COPY ACCOMPANIED
22 BY THE CERTIFICATE an affidavit made by a member of the Maryland Bar that the
23 mortgage or deed of trust has been satisfied, that the notice required under
24 subparagraph (i) of this paragraph has been sent, and specifically setting forth the
25 land record reference where the original mortgage or deed of trust is recorded.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 1999.