

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1627

H. P. 1415

House of Representatives, April 14, 1977

Referred to Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Boudreau of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Improve the Marketability of Real Estate.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 9-B MRSA § 439 is enacted to read:

§ 439. Title opinions

Any person seeking or obtaining a mortgage from any financial institution in this State which requires as a condition of granting the mortgage an examination of the title to the property to be mortgaged shall, if that person pays, directly or indirectly, any part of the cost of carrying out the title examination, be entitled to a copy of the results of the examination, including the written opinion of the attorney who examined the title. A copy of such a title opinion may be filed, recorded and indexed in the appropriate registry of deeds in the same manner as a deed, as provided in Title 33. Such a title opinion shall contain the name and address of the attorney who examined the title and of any partnership or professional association of which that attorney is a member, associate or employee. Such an attorney or any such partnership or professional association shall be liable to the mortgagor or to any person taking under the mortgagor within 30 years of the date of the opinion for any damages resulting from any fraud or negligence in the preparation of the opinion.

Sec. 2. 14 MRSA § 815 is amended to read:

§ 815. Thirty years' possession bars action for recovery of land

No real or mixed action for the recovery of lands shall be commenced or maintained against any person in possession thereof, when such person or those under whom he claims have been in actual possession for more than

~~40~~ 30 years, claiming to hold them by adverse, open, peaceable, notorious and exclusive possession, in their own right.

STATEMENT OF FACT

The purpose of this bill is to improve the marketability of real estate by making title opinions available to mortgagors and allowing them to be recorded. In many cases, an extensive and expensive title search in connection with a later transaction will not be necessary, since the future examiner will have the filed opinion to rely upon.

The bill also reduces the statute of limitations with respect to land claims from 40 years to 30 years, and will therefore be less extensive and expensive.