

Connecticut Survey of Real Property Legislation

P.A. 04-39 An Act Concerning the Disclosure of Nonmaterial Facts Concerning Real Property

Conn. Gen. Stat. § 20-329cc, *et seq.*, concern so-called “psychological impacts” on real property, currently defined to include but not be limited to the fact that an occupant is or was at any time infected with or suspected to be infected with the human immunodeficiency syndrome (HIV); or the fact that the property was at any time suspected to have been the site of a homicide, other felony or a suicide. In either case, the existence of such a fact is not a material fact that must be disclosed in a real estate transaction. P.A. 04-39 removes the term “psychologically impacted” and replaces it with this - “a nonmaterial fact concerning real property,” removes the reference to HIV and instead refers to “a disease on the list of reportable diseases issued by the Commissioner of Public Health,” and replaces the reference to a homicide, other felony or suicide with a reference to a death or felony. The act does not amend § 20-329ee, which provides that, notwithstanding § 20-329cc, a prospective purchaser or lessee of real property may advise the owner of the real estate that knowledge of a homicide, other felony or suicide is important to the purchaser’s or lessee’s decision whether to purchase or lease, in which case the owner of the real estate shall either report any such circumstances to the other party or advise the party that the owner refuses to disclose such information. *Effective October 1, 2004.*

P.A. 04-67 An Act Concerning the Validation of Mortgage Releases

This act is designed to address the problem faced by many real estate practitioners in getting mortgage releases from the proper party when there has been a merger or assignment. The act provides that a release executed by any person, other than an individual, that is invalid because it is not issued or executed by, or fails to appear in the name of the record holder of the mortgage on one-to-four family residential property located in Connecticut, shall be as valid as if it had been issued or executed by, or appeared in the name of the record holder of such mortgage, unless an action challenging the validity of the release is commenced and a notice of lis pendens recorded within five years after the release is recorded. An affidavit shall be recorded on the land records stating that the affiant has been the record owner of the property for at least two years and setting forth certain other information concerning the mortgage, the fact that no demand has been made, and that to the best of the affiant’s belief the mortgage has been paid in full. The act’s provisions shall not apply to a release obtained by forgery or fraud. *Effective July 1, 2004.*

P.A. 04-114 An Act Concerning the Conveyance of Interests in Real Property to Land Trusts and Other Nonprofit Land-Holding Organizations

This act provides that any deed or other instrument of conveyance by which an interest in real property, including but not limited to a conservation easement or restriction, is conveyed to a nonprofit land-holding organization on or after October 1, 2004, shall be signed by a duly authorized officer of such organization, in order to indicate acceptance of the interest. A person who conveys such an interest by way of a deed or other instrument, without obtaining the signature, shall be liable for a civil penalty in the amount of five hundred dollars. Any such conveyance shall also be deemed an unfair or deceptive trade practice, pursuant to Conn. Gen. Stat. § 42-110b. Testimony at the public hearing on the bill indicated that in some instances, interests in real property have been conveyed to such organizations, without their knowledge or consent. *Effective October 1, 2004.*

P.A. 04-131 An Act Concerning Real Estate Broker Liens

This act makes a number of revisions to Conn. Gen. Stat. § 20-325a, concerning real estate broker liens. Subsections (g) and (h) are revised, relative to a broker's claim for compensation due in installments. Subsection (l) is amended to provide that the claim for lien may be signed by either the broker or by the broker's authorized agent. Subsection (r) is revised to provide lien rights to the broker even if the broker cannot give notice to a prospective buyer or tenant in that the identity of such person cannot be ascertained after due diligence and reasonable effort. *Effective October 1, 2004.*

P.A.04-132 An Act Concerning the Conveyancing of Real Property

This legislation was sponsored by the Connecticut Bar Association's Real Property Section. Section 1 of the bill provides that the town clerk of any town shall accept for recording any certified copy of a deed or other instrument affecting real property located in such town and recorded in the land records of another town, provided that such copy is certified as a true copy by the other town clerk. Sections 2 and 3 establish statutory forms of acknowledgment for limited liability companies and registered limited liability partnerships. Section 4 amends Conn. Gen. Stat. § 47-236(j) to clarify certain voting requirements relative to common interest communities. Section 5 amends Conn. Gen. Stat. § 49-2(b), concerning the amount which a mortgagee may add to the mortgage debt to cover advancements made to the mortgaged property for repairs, alterations or improvements. For mortgages executed and recorded on or after October 1, 2004, that amount is increased from one thousand dollars to five thousand dollars. The remaining sections of the act provide that a notice of a purchaser's lien may be recorded on the land records, rather than the entire contract. The notice shall contain certain specified information, including the address of the owner and the vendee, the date provided in the contract for performance, or, if no date is set, then the date of execution, and the amount of the deposit paid pursuant to the contract. *Effective October 1, 2004.*