

Article - Real Property
Section 4-106(b)
Annotated Code of Maryland
(1974 Volume and 1975 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 4-106(b) of Article - Real Property, of the Annotated Code of Maryland (1974 Volume and 1975 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article - Real Property

4-106.

(b) No purchase-money mortgage or deed of trust involving land, any part of which is located in the state, is valid either as between the parties or as to any third party unless the mortgage or deed of trust contains or has endorsed on, or attached to it at a time prior to recordation, the oath or affirmation of the party secured by the mortgage or deed of trust stating that the amount of the loan which the mortgage or deed of trust has been given to secure was paid over and disbursed by the party secured by the mortgage or deed of trust to either the borrower or the person responsible for disbursement of funds in the closing transaction or their respective agent at a time no later than the [final and complete] execution AND DELIVERY of the mortgage or deed of trust[.] BY THE BORROWER. However, this subsection does not apply where a mortgage or deed of trust is given to a vendor in a transaction in order to secure payment to him of all or part of the purchase price of the property. The affidavit required by this subsection is required for only that part of the loan that is purchase money and, if the requirements of this subsection are not satisfied, the mortgage or deed of trust is invalid only to the extent of the part of the loan that is purchase money.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.

Approved April 13, 1976.

CHAPTER 154

(House Bill 75)

AN ACT concerning

Racing Commission - Corrective Bill