

AND RECORDED AS ANY OTHER INSTRUMENT IN THE NATURE OF A RELEASE. THE MARKED NOTE, BOND OR OTHER EVIDENCE OF THE TOTAL INDEBTEDNESS HAS THE SAME EFFECT AS A RELEASE OF THE PROPERTY FOR WHICH IT IS THE SECURITY, AS IF A RELEASE WERE EXECUTED BY THE NAMED MORTGAGEE OR HIS ASSIGNEE, IF THERE IS ATTACHED TO OR ENDORSED ON THE NOTE AN AFFIDAVIT OF THE HOLDER, THE PARTY MAKING SATISFACITON, OR AN AGENT OF EITHER OF THEM, THAT IT HAS BEEN PAID OR SATISFIED, AND SPECIFICALLY SETTING FORTH THE LAND RECORD REFERENCE WHERE THE ORIGINAL MORTGAGE IS RECORDED.

(e) (F) A release of a mortgage or deed of trust may be made on a separate instrument if it states that the mortgagee, trustee, or assignee releases the mortgage or deed of trust and states the names of the parties to the mortgage or deed of trust and the date and recording reference of the mortgage or deed of trust to be released. In addition, any form of release that satisfies the requirements of a deed and is recorded as required by this article is sufficient.

(f)-(G) If a full or partial release of a mortgage or deed of trust is recorded other than at the foot of the recorded mortgage or deed of trust, the clerk shall place a reference to the book and page number or other place where the release is recorded on the recorded mortgage or deed of trust.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1981.

May 19, 1981

The Honorable James Clark, Jr.
President of the Senate
State House
Annapolis, Maryland 21404

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 374.

Senate Bill 374 was introduced to allow the release of a mortgage by recording the mortgage note marked "paid" or "cancelled" along with an affidavit that the note has been paid. The procedure specified in Senate Bill 374 presumes that the holder of the mortgage note is also the owner of the note, and that the holder has the power to release the debt represented by the note. However, under Section 7-103 of the Real Property Article, the mortgagee of record, who is not necessarily the holder of the mortgage note, is conclusively presumed to be the owner of a note secured by a mortgage. Consequently, if a holder of a note, who is not also the mortgagee of record, were to execute a release as