

certain time; and generally relating to the release of the lien of certain mortgages and deeds of trust when payment can be presumed.

BY repealing and reenacting, with amendments,

Article - Real Property
Section 7-106(c)
Annotated Code of Maryland
(1981 Replacement Volume and 1986 Supplement)

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

Article - Real Property

7-106.

(c) (1) If a mortgage or deed of trust remains unreleased of record, the mortgagor or grantor OR ANY INTERESTED PARTY is entitled to a presumption that it has been paid if:

(i) 12 years have elapsed since the last payment date called for in the instrument or the maturity date as set forth in the instrument OR ANY AMENDMENT OR MODIFICATION TO THE INSTRUMENT; or

(ii) If the last payment date or maturity date cannot be ascertained from the record, 40 years have elapsed since the date of record of the instrument.

(2) [The right to release of a mortgage or deed of trust shall be enforced by a bill in equity if the presumption of payment is not rebutted. All parties to the instrument including the mortgagee, trustee in a deed of trust, or any party named in the instrument, shall be made parties to the bill and served or summoned with notice as in other equity cases. If the court finds the petitioner has a right to release, the clerk shall record the release under the procedure set forth in § 3-105(b) and (c) of this article relating to the clerk's duty to record releases.]

IF AN ACTION HAS NOT BEEN BROUGHT TO ENFORCE THE LIEN OF A MORTGAGE OR DEED OF TRUST WITHIN THE TIME PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, AND NOTWITHSTANDING ANY OTHER RIGHT OR REMEDY AVAILABLE EITHER AT LAW OR EQUITY, THE LIEN CREATED BY THE MORTGAGE OR DEED OF TRUST SHALL TERMINATE, NO LONGER BE ENFORCEABLE AGAINST THE PROPERTY, AND SHALL BE EXTINGUISHED AS A LIEN AGAINST THE PROPERTY.

[(3) Recordation by the clerk operates as a release of the mortgage or deed of trust].