



General Assembly

**Substitute Bill No. 5582**

February Session, 2008

\* \_\_\_\_\_HB05582JUD\_\_\_041108\_\_\_\_\_\*

**AN ACT CONCERNING RECORDING OF MORTGAGE RELEASES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 49-8 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2008*):

3 (a) The mortgagee or a person authorized by law to release the  
4 mortgage shall execute and deliver a release to the extent of the  
5 satisfaction tendered before or against receipt of the release: (1) Upon  
6 the satisfaction of the mortgage; (2) upon a bona fide offer to satisfy the  
7 mortgage in accordance with the terms of the mortgage deed upon the  
8 execution of a release; (3) when the parties in interest have agreed in  
9 writing to a partial release of the mortgage where that part of the  
10 property securing the partially satisfied mortgage is sufficiently  
11 definite and certain; or (4) when the mortgagor has made a bona fide  
12 offer in accordance with the terms of the mortgage deed for such  
13 partial satisfaction on the execution of such partial release.

14 (b) The plaintiff or the plaintiff's attorney shall execute and deliver a  
15 release when an attachment has become of no effect pursuant to  
16 section 52-322 or section 52-324 or when a lis pendens or other lien has  
17 become of no effect pursuant to section 52-326.

18 (c) The mortgagee or a person authorized by law to release the  
19 mortgage shall not record a release required by subsection (a) of this

20 section in the land records. The mortgagee shall, no later than sixty  
21 days after the date of execution of the release, or the receipt of  
22 proceeds in satisfaction or partial satisfaction of the loan, whichever is  
23 earlier, deliver the release as directed by the attorney or such other  
24 party from which the mortgagee received payment in satisfaction or  
25 partial satisfaction of the mortgage, as the case may be. The plaintiff or  
26 the plaintiff's attorney [ , as the case may be,] shall execute and deliver  
27 a release [within] required by subsection (b) of this section no later  
28 than sixty days [from] after the date a written request for a release of  
29 such encumbrance (1) was sent to such [mortgagee,] plaintiff or  
30 plaintiff's attorney at the person's last-known address by registered or  
31 certified mail, postage prepaid, return receipt requested, or (2) was  
32 received by such [mortgagee,] plaintiff or plaintiff's attorney from a  
33 private messenger or courier service or through any means of  
34 communication, including electronic communication, reasonably  
35 calculated to give the person the written request or a copy of it. The  
36 mortgagee or plaintiff shall be liable for damages to any person  
37 aggrieved at the rate of two hundred dollars for each week after the  
38 expiration of such sixty days up to a maximum of five thousand  
39 dollars or in an amount equal to the loss sustained by such aggrieved  
40 person as a result of the failure of the mortgagee or plaintiff or the  
41 plaintiff's attorney to execute and deliver a release in accordance with  
42 this subsection, whichever is greater, plus costs and reasonable  
43 attorney's fees.

44 Sec. 2. Subsection (b) of section 49-8a of the general statutes is  
45 repealed and the following is substituted in lieu thereof (*Effective*  
46 *October 1, 2008*):

47 (b) [If a mortgagee fails to execute and deliver a release] The  
48 mortgagee shall execute and deliver a release of mortgage [to the  
49 mortgagor or to the mortgagor's designated agent within sixty days  
50 from receipt by the mortgagee of] as directed by the attorney or such  
51 other party from which the mortgagee received proceeds in payment  
52 of the mortgage loan (1) in accordance with the payoff statement  
53 furnished by the mortgagee, or (2) if no payoff statement was provided

54 pursuant to a request made under section 49-10a of the 2008  
 55 supplement to the general statutes, in accordance with a good faith  
 56 estimate by the mortgagor of the amount of the unpaid balance on the  
 57 mortgage loan using (A) a statement from the mortgagee indicating  
 58 the outstanding balance due as of a date certain, and (B) a reasonable  
 59 estimate of the per diem interest and other charges due. The release  
 60 shall be so delivered no later than sixty days from the execution of the  
 61 release or the mortgagee's receipt of proceeds in payment of the  
 62 mortgage loan, whichever is earlier. The mortgagee shall not record  
 63 the release of the mortgage in the land records. If the mortgagee  
 64 violates any provision of this subsection, the mortgagee shall be liable  
 65 for damages to any person aggrieved at the rate of two hundred  
 66 dollars for each week after the expiration of such sixty days up to a  
 67 maximum of five thousand dollars or in an amount equal to the loss  
 68 sustained by such aggrieved person as a result of the failure of the  
 69 mortgagee to execute and deliver a release, whichever is greater, plus  
 70 costs and reasonable attorney's fees. In addition, any attorney-at-law or  
 71 duly authorized officer of either a title insurance company or an  
 72 institutional payor may, on behalf of the mortgagor or any successor in  
 73 interest to the mortgagor who has acquired title to the premises  
 74 described in the mortgage or any portion thereof, execute and cause to  
 75 be recorded in the land records of each town where the mortgage was  
 76 recorded, an affidavit which complies with the requirements of this  
 77 section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2008	49-8
Sec. 2	October 1, 2008	49-8a(b)

**BA**            *Joint Favorable Subst.*

**JUD**          *Joint Favorable*