

SECOND REGULAR SESSION

SENATE BILL NO. 1125

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR COLEMAN.

4726S.01I

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 59, RSMo, by adding thereto one new section relating to real property fraud prevention.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 59, RSMo, is amended by adding thereto
2 one new section, to be known as section 59.306, to read as
3 follows:

59.306. 1. This section shall be known and may be
2 cited as the "Real Property Fraud Prevention Act".
3 2. The recorder of deeds of each county of this state
4 shall provide notice as required under this section to each
5 property owner or owner of record of a parcel of real
6 property, as determined by the most recent real property tax
7 records, that a general warranty deed or quitclaim deed that
8 affects the ownership of such parcel of real property has
9 been submitted for recording.

10 3. The recorder of deeds shall:

11 (1) Delay the recording of a deed described under
12 subsection 2 of this section for at least five working days
13 from the date of such deed's receipt to provide time for the
14 recorder of deeds to notify each property owner or owner of
15 record of such parcel of real property that such deed has
16 been submitted for recording;

(2) Notify each property owner or owner of record of such parcel of real property by telephone, text message, facsimile, or email, if such information is known; and

(3) Send such notification by first class mail to the address of record of each property owner or owner of record of such parcel of real property informing such owner that a deed that affects such owner's ownership interest in the real property described by such deed has been submitted for recording.

4. (1) If each property owner or owner of record of such parcel of real property provides written confirmation that the deed presented for recording is legitimate, the delay required under subdivision (1) of subsection 3 of this section shall no longer apply and the recorder of deeds may immediately proceed with the recording of the deed.

(2) If, prior to the expiration of the delay required under subdivision (1) of subsection 3 of this section, the recorder of deeds is notified by each property owner or owner of record of such parcel of real property that such deed is fraudulent, the recorder of deeds shall delay the recording of the deed for at least an additional two business days to provide time for each property owner or owner of record of such parcel of real property to seek an order from a court of competent jurisdiction to prohibit the recording of the apparently fraudulent deed.

5. The recorder of deeds shall not delay the recording of a general warranty deed or quitclaim deed as required under this section if at least one of the following conditions has been met:

(1) The general warranty deed or quitclaim deed presented for recording was submitted by a real estate

48 broker who holds a valid Missouri real estate broker license
49 under chapter 339; or

50 (2) The general warranty deed or quitclaim deed
51 presented for recording was reviewed by a title company that
52 is duly licensed under chapter 381 and such title company
53 has issued title insurance to guaranty the validity of the
54 deed for the prospective owner or owners of such parcel of
55 real property.

56 6. (1) As used in this subsection, "defective deed"
57 means a deed that:

58 (a) Fails to provide adequate grantees or grantor
59 information;

60 (b) Fails to provide a proper description of the
61 parcel of real property being transferred;

62 (c) Lacks the signature of a grantor;

63 (d) Does not have a proper notary acknowledgment and
64 seal under sections 486.730 and 486.760; or

65 (e) Is notarized by a notary whose commission has
66 expired prior to notarizing the deed.

67 (2) The recorder of deeds of each county of this state
68 is hereby authorized to reject and return a general warranty
69 deed or quitclaim deed that has been deemed by the recorder
70 of deeds to be a defective deed.

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