

AN ACT

To amend sections 5301.01 and 5301.255 of the Revised Code to provide that memoranda of trust be executed and acknowledged only by the trustee of the trust instead of both the settlor and trustee.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 5301.01 and 5301.255 of the Revised Code be amended to read as follows:

Sec. 5301.01. (A) A deed, mortgage, land contract as referred to in division (A)(2)(b) of section 317.08 of the Revised Code, or lease of any interest in real property and a memorandum of trust as described in division (A) of section 5301.255 of the Revised Code shall be signed by the grantor, mortgagor, vendor, or lessor in the case of a deed, mortgage, land contract, or lease or shall be signed by the ~~settlor and~~ trustee in the case of a memorandum of trust. The signing shall be acknowledged by the grantor, mortgagor, vendor, or lessor, or by the ~~settlor and~~ trustee, before a judge or clerk of a court of record in this state, or a county auditor, county engineer, notary public, or mayor, who shall certify the acknowledgement and subscribe the official's name to the certificate of the acknowledgement.

(B)(1) If a deed, mortgage, land contract as referred to in division (A)(2)(b) of section 317.08 of the Revised Code, lease of any interest in real property, or a memorandum of trust as described in division (A) of section 5301.255 of the Revised Code was executed prior to February 1, 2002, and was not acknowledged in the presence of, or was not attested by, two witnesses as required by this section prior to that date, both of the following apply:

(a) The instrument is deemed properly executed and is presumed to be valid unless the signature of the grantor, mortgagor, vendor, or lessor in the case of a deed, mortgage, land contract, or lease or of the settlor and trustee in the case of a memorandum of trust was obtained by fraud.

(b) The recording of the instrument in the office of the county recorder of the county in which the subject property is situated is constructive notice of the instrument to all persons, including without limitation, a subsequent

purchaser in good faith or any other subsequent holder of an interest in the property, regardless of whether the instrument was recorded prior to, on, or after February 1, 2002.

(2) Division (B)(1) of this section does not affect any accrued substantive rights or vested rights that came into existence prior to February 1, 2002.

Sec. 5301.255. (A) A memorandum of trust that satisfies both of the following may be presented for recordation in the office of the county recorder of any county in which real property that is subject to the trust is located:

(1) The memorandum shall be executed by the ~~settlor and~~ trustee of the trust and acknowledged by the ~~settlor and~~ trustee of the trust in accordance with section 5301.01 of the Revised Code.

(2) The memorandum shall state all of the following:

(a) The ~~names~~ name and ~~addresses~~ address of the ~~settlor and~~ trustee of the trust;

(b) The date of execution of the trust;

(c) The powers specified in the trust relative to the acquisition, sale, or encumbering of real property by the trustee or the conveyance of real property by the trustee, and any restrictions upon those powers.

(B) A memorandum of trust that satisfies divisions (A)(1) and (2) of this section also may set forth the substance or actual text of provisions of the trust that are not described in those divisions.

(C) A memorandum of trust that satisfies divisions (A)(1) and (2) of this section shall constitute notice only of the information contained in it.

(D) Upon the presentation for recordation of a memorandum of trust that satisfies divisions (A)(1) and (2) of this section and the payment of the requisite fee prescribed in section 317.32 of the Revised Code, a county recorder shall record the memorandum of trust as follows:

(1) Unless division (D)(2) of this section applies, in the record of deeds described in division (A)(1) of section 317.08 of the Revised Code, if the memorandum of trust describes specific real property, or in the record of powers of attorney described in division (A)(3) of that section, if the memorandum of trust does not describe specific real property;

(2) If the county recorder records instruments in accordance with division (C) of section 317.08 of the Revised Code, in the official records described in that division.

SECTION 2. That existing sections 5301.01 and 5301.255 of the Revised Code are hereby repealed.

S. B. No. 134

127th G.A.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

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The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____