As Introduced

131st General Assembly Regular Session 2015-2016

S. B. No. 257

Senators Seitz, Skindell Cosponsor: Senator Eklund

A BILL

То	amend section 5301.07 of the Revised Code to	1
	create a presumption of validity of recorded	2
	real property instruments, reduce the time	3
	period for curing certain defects related to	4
	those instruments, and provide constructive	5
	notice for those instruments.	6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 5301.07 of the Revised Code be	7
amended to read as follows:	8
Sec. 5301.07. When any (A) As used in this section, "real	9
property instrument" means a deed, mortgage, and installment	10
contract, lease, memorandum of trust, power of attorney, or any	11
instrument accepted by the county recorder under section 317.08	12
of the Revised Code.	13
(B)(1) When a real property instrument conveying real	14
estate, or any interest therein, is delivered to and accepted by	15
the county recorder of the county in which the real property	16
described in the instrument is situated, and is signed and	17
acknowledged by a person with an interest in the real property,	18

the instrument raises both of the following:	
(a) A rebuttable presumption that the instrument conveys,	20
encumbers, or otherwise affects the interest of the person who	21
<pre>signed the instrument;</pre>	
(b) A rebuttable presumption that it is valid,	23
enforceable, and effective as if in all respects the instrument	24
was legally made, executed, acknowledged, and recorded.	25
(2) The presumptions described in division (B)(1) of this	26
section may be rebutted by clear and convincing evidence of	27
fraud, undue influence, duress, forgery, incompetency, or	28
incapacity.	29
(C) When a real property instrument is of record for more	30
than twenty-one four years in the office of the county recorder	31
of the county within this state—in which such—the real estate—	32
property described in the instrument is situated, and the record	33
shows that there is a defect in such the making, execution, or	34
acknowledgment of the instrument, such instrument and the record	35
thereof shall be cured of such defect and be effective in all	36
respects as if such instrument had been legally made, executed,	37
and acknowledged, if such defect is due to any one or more of	38
and recorded. The defects may include but are not limited to the	39
following:	40
$\frac{A}{A}$ Such instrument was not properly witnessed.	41
(B) (2) Such instrument contained no certificate of	42
acknowledgment.	43
$\frac{(C)}{(3)}$ The certificate of acknowledgment $\frac{Was}{(3)}$ defective	44
in any respect.	
Any person claiming adversely to such instrument, if not-	46

already barred by limitation or otherwise, may, at any time-	47
within twenty-one years after the time of recording such	48
instrument, bring proceedings to contest the effect of such-	49
instrument.	50
This section does not affect any suit brought prior to	51
November 9, 1959 in which the validity of the acknowledgment of	52
any such instrument is drawn in question.	53
(4) The name of the person with an interest in the real	54
property does not appear in the granting clause of the	55
instrument, but the person signed the instrument without	56
<u>limitation.</u>	57
(D) A real property instrument when delivered to the	58
county recorder of the county in which the real property	59
described in the instrument is situated and filed in the chain	60
of title to the real property shall be effective and provide	61
constructive notice to all third parties of the instrument	62
notwithstanding any defect in the making, execution, or	63
acknowledgment of the instrument.	64
(E) This section applies to all real property instruments	65
notwithstanding any other provision of the Revised Code. This	66
section controls in the event of a conflict between this section	67
and section 1301.401 of the Revised Code or any other section of	68
the Revised Code with respect to any matters addressed in this	69
section.	70
(F) This section shall be given retroactive effect to the	71
fullest extent permitted under Section 28 of Article II, Ohio	72
Constitution. This section shall not be given retroactive effect	73
if to do so would affect any accrued substantive right or vested	74
rights in any norsen or in any real property instrument	7 5

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Section 2. That existing section 5301.07 of the Revised	76	
Code is hereby repealed.	77	