

Robin Watts
Portland, Maine
LD 2240

I am a resident of Portland, Maine and I work as a real estate attorney in South Portland, Maine. I am submitting written testimony in opposition to LD 2240 - An Act to Implement Protections Against Deed Fraud.

Since I work in the real estate industry, I am very sympathetic to concerns about deed fraud and understand that it is a real issue in Maine and nationwide. However, Section 9 of this bill is too broad and would have a significant impact upon the business of real estate in Maine and Mainers' access to the ownership and financing of real estate. It is just not feasible to require every deed, mortgage, mortgage discharge, and lien document recorded with respect to real estate in Maine to be acknowledged by a Maine notarial officer. The type of deed fraud that this bill is intended to prevent usually occurs on vacant land and for unencumbered property. However, this bill proposes restrictions on the acknowledgment for all types of real estate, including improved residential property and improved commercial property. Although remote notarization is now available for use by Maine notarial officers, very few notarial officers have taken the steps to become authorized to perform remote notarization and most lenders who finance residential and commercial transactions will not yet accept deeds and mortgages executed using remote notarization. Requiring out of state sellers and buyers to use remote notarization to sign deeds and mortgages, which documents are necessary to consummate most real estate sales, will significantly limit the financing options available to buyers and borrowers of residential and commercial properties. The law may also make it difficult for borrowers who pay off their mortgages to obtain a discharge of that mortgage in a timely manner because those mortgage discharges will need to be acknowledged by a Maine notary.

I do believe that, while deed fraud is a difficult issue, there are legislative measures that could be taken to assist with early detection and prevention of deed fraud. I encourage the Committee to turn this bill into a Resolve and form a working group of stakeholders and allow them the time needed to explore workable legislative solutions to the problem of deed fraud.

Please feel free to contact me at 207-650-3193 if you have any questions. Thank you for your consideration.