



Legislation Text

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Res. No. 1421

Resolution calling upon the New York State Legislature to pass and the Governor to sign legislation to require all real property conveyances to be memorialized by a deed recorded in the office of the clerk of the county where such real property is situated.

By Council Members Vallone, Rosenthal, Cornegy and Kallos

Whereas, New York State Real Property Law provides that a conveyance of an interest in real property is effective against the whole world when a grantor executes and delivers a deed to the grantee; and

Whereas, New York State Real Property Law also provides that any written instrument conveying an interest in real property may be recorded in the office of the clerk of the county where such real property is situated; and

Whereas, New York State Real Property Law provides that every such conveyance not so recorded is void against any person who subsequently purchases such property in good faith for valuable consideration and whose conveyance is first duly recorded; and

Whereas, In New York City, the Department of Finance oversees the Office of the City Register; and

Whereas, According to the Commissioner of the New York City Department of Finance, Jacques Jiha, it is easy for people to fraudulently record deeds to property they don't own; and

Whereas, New York State Real Property Law requires the Office of the City Register to record any properly filed instrument conveying an interest in real property without inquiring into its authenticity; and

Whereas, According to Commissioner Jiha, people who inherit property and do not record the deeds to their property are often the targets of fraud; and

Whereas, According to the New York Daily News, in order to recover property that has been

fraudulently taken by the filing of a false deed, a property owner may expend significant resources on litigation in actions to cancel and discharge fraudulent deeds and liens on the property, and in squatter holdover proceedings to evict and remove the false filer; and

Whereas, The Department of Finance of has established a “Notice of Recorded Document System” to alert registered property owners when documents are recorded without their knowledge and to allow property owners to take steps to limit the harm caused by the recording of fraudulent documents against their property; and

Whereas, In order to receive notices of recorded documents from the Department of Finance, a property owner must first record the deed conveying their interest in such property; and

Whereas, New York State Real Property Law does not currently require conveyances of interests in real property to be recorded; and

Whereas, The New York City Housing Maintenance Code requires all owners of multiple dwellings and all owners of one- and two-family dwellings where neither the owner nor any family member occupies such dwelling to register with the Department of Housing Preservation and Development so that such owners may be contacted in the event of an emergency; and

Whereas, The New York City Housing Maintenance Code also requires all such owners to provide notice to the Department of Housing Preservation and Development whenever such owner transfers title to another person; and

Whereas, The registration requirements of the Housing Maintenance Code do not register an owner of real property with the “Notice of Recorded Document System” maintained by the Department of Finance; and

Whereas, Owners of buildings not subject to the Housing Maintenance Code are not required to register with the City at all; now, therefore be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass

and the Governor to sign legislation to require all real property conveyances to be memorialized by a deed recorded in the office of the clerk of the county where such real property is situated.

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JHC