

ASSEMBLY, No. 2362

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires limited liability company to disclose ownership information when submitting deed for recording.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT enhancing transparency of certain real estate transfers,
2 amending P.L.1968, c.49, and supplementing P.L.2012, c.50
3 (C.42:2C-1 et seq.).
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
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8 1. Section 2 of P.L.1968, c.49 (C.46:15-6) is amended to read as
9 follows:

10 2. In addition to other prerequisites for recording, no deed
11 evidencing transfer of title to real property shall be recorded in the
12 office of any county recording officer unless it satisfies the following
13 requirements:

14 a. If the transfer is subject to any fee established under section 3
15 of P.L.1968, c.49 (C.46:15-7) or section 2 of P.L.2003, c.113
16 (C.46:15-7.1), a statement of the true consideration for the transfer
17 shall be contained in the deed, the acknowledgment, the proof of the
18 execution, or an appended affidavit by one of the parties to the deed
19 or that party's legal representative.

20 b. If the transfer is exempt from any fee established under
21 section 3 of P.L.1968, c.49 (C.46:15-7) or section 2 of P.L.2003,
22 c.113 (C.46:15-7.1), an affidavit stating the basis for the exemption
23 shall be appended to the deed.

24 c. If the transfer is of real property upon which there is new
25 construction, the words "NEW CONSTRUCTION" in upper case
26 lettering shall be printed clearly at the top of the first page of the
27 deed, and an affidavit by the grantor stating that the transfer is of
28 property upon which there is new construction shall be appended to
29 the deed.

30 d. If the transfer is of residential real property intended for rental
31 purposes containing one or two dwelling units to a limited liability
32 company or foreign limited liability company, an affidavit
33 identifying the registered agent of the company, as required pursuant
34 to section 2 or section 3 of P.L. , c. (C.) (pending before the
35 Legislature as this bill), shall be appended to the deed. If the
36 registered agent is not a member of the company, an affidavit
37 identifying at least one member of the company shall be appended to
38 the deed.

39 (cf: P.L.2004, c.66, s.2)
40

41 2. (New section) When a limited liability company is the
42 grantee of a deed for residential real property intended for rental
43 purposes containing one or two dwelling units, together with the
44 deed, the company shall submit for recording an affidavit disclosing
45 the name and business address of the registered agent for service of

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 process of the limited liability company designated pursuant to
2 section 14 of P.L.2012, c.50 (C.42:2C-14). If the registered agent is
3 not a member of the company, the company shall append to the deed
4 an affidavit identifying at least one member of the company.

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6 3. (New section) When a foreign limited liability company is the
7 grantee of a deed for residential real property intended for rental
8 purposes containing one or two dwelling units, together with the
9 deed, the company shall submit for recording, an affidavit disclosing
10 the name and business address of the registered agent for service of
11 process of the foreign limited liability company designated pursuant
12 to section 14 of P.L.2012, c.50 (C.42:2C-14). If the registered agent
13 is not a member of the company, the company shall append to the
14 deed an affidavit identifying at least one member of the company.

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16 4. This act shall take effect immediately.

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19 STATEMENT

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21 This bill would require a limited liability company or foreign
22 limited liability company that is the grantee of a deed for residential
23 real property containing one or two dwelling units and intended for
24 rental purposes to disclose the registered agent of the company when
25 it files a deed for recording. If the registered agent is not a member
26 of the company, the company would be required to also append to the
27 deed an affidavit identifying at least one member of the company.