

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO.

Introduced by

Senator Holmberg

1 A BILL for an Act to create and enact two new sections to chapter 47-19 of the North Dakota
2 Century Code, relating to recording of change of name or identity of mortgagee or the
3 assignment, satisfaction, release, or authorization of foreclosure by a mortgagee.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** Two new sections to chapter 47-19 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Corporate change noted in assignment, satisfaction, or release.** When a change in
8 the name or identity of a corporate mortgagee or assignee of the mortgagee is caused by or
9 results from a merger, consolidation, amendment to charter or articles of incorporation, or
10 conversion of articles of incorporation or charter from federal to state, from state to federal, or
11 from one form of entity to another, a mortgage assignment, satisfaction, or release that is
12 otherwise recordable and that specifies in the body of the instrument the merger, consolidation,
13 amendment, or conversion event causing the change in name or identity is in recordable form.
14 The assignment, satisfaction, or release is entitled to be recorded in the office of the county
15 recorder or filed with the registrar of titles, without further evidence of corporate merger,
16 consolidation, amendment, or conversion. For purposes of assigning, satisfying, or releasing
17 the mortgage, the assignment, satisfaction, or release is prima facie evidence of the facts
18 stated in it with respect to the corporate merger, consolidation, amendment, or conversion, and
19 the county recorder and the registrar of titles shall rely upon it to assign, satisfy, or release the
20 mortgage.

21 **Authority of Mortgagee designated as nominee or agent.**

22 1. An assignment, satisfaction, release, or power of attorney to foreclose is entitled to
23 be recorded in the office of the county recorder or filed with the registrar of titles

1 and is sufficient to assign, satisfy, release, or authorize the foreclosure of a
2 mortgage if:

- 3 a. A mortgage is granted to a mortgagee as nominee or agent for a third party
4 identified in the mortgage, and the third party's successors and assigns;
5 b. A subsequent assignment, satisfaction, release of the mortgage, or power of
6 attorney to foreclose the mortgage, is executed by the mortgagee or the third
7 party, its successors or assigns; and
8 c. The assignment, satisfaction, release, or power of attorney to foreclose is in
9 recordable form.

10 The county recorded and registrar of titles shall rely upon this assignment,
11 satisfaction, release, or power of attorney to foreclose to assign, satisfy,
12 release, or foreclose the mortgage.

- 13 2. This section applies to any mortgage, assignment, satisfaction, release, or power
14 of attorney to foreclose executed, recorded, or filed before, on, or after August 1,
15 2004.