## FIRST ENGROSSMENT

Sixty-third Legislative Assembly of North Dakota

## **ENGROSSED SENATE BILL NO. 2170**

Introduced by

Senators Holmberg, Hogue, Triplett

**Representative Delmore** 

1 A BILL for an Act to amend and reenact section 47-19-41 of the North Dakota Century Code,

2 relating to the effect of recording.

## 3 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 47-19-41 of the North Dakota Century Code is
amended and reenacted as follows:

## 6 47-19-41. Effect of not recording - Priority of first record - Constructive notice 7 Limitation and validation.

8 EveryAn unrecorded conveyance of real estate not recorded shall be be void as against any 9 subsequent purchaser in good faith, and for a valuable consideration, of the same real estate. 10 or any part or portion thereof of the same real estate, whose conveyance, regardless of whether 11 recorded in the form of a warranty deed, or deed of bargain and sale, or deed of guitclaim and 12 release, of or the form in common use or otherwise, first is deposited with the proper officer for-13 record and subsequently recorded, whether entitled to record or not, or as against an 14 attachment levied thereonon the property or any judgment lawfully obtained, at the suit of any-15 party, against the person in whose name the title to such land appearsowner of record, prior-16 tobefore the recording of such the conveyance. The fact that such the first deposited and 17 recorded conveyance of such subsequent purchaser for a valuable consideration is in the form, 18 or contains the terms, of a deed ofis a quitclaim and release aforesaid, shalldeed does not 19 affect the question of good faith of the subsequent purchaser, or be of itself notice to the 20 subsequent purchaser of any unrecorded conveyance of the same real estate or any part 21 thereofof the same real estate. This section shall be legalis notice to all who claim under 22 unrecorded instruments that prior recording of later instruments not entitled to be recorded may 23 nullify their right, title interest, to or lien, to, in, or upon on affected real property. NoAn action 24 affecting any right, title to, interest, or lien, to, in, or upon on real property shallmay not be

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- 1 commenced or maintained or defense or counterclaim asserted or recognized in court on the
- 2 ground that a recorded instrument was not entitled to be recorded. The record of all instruments
- 3 whether or not the same were entitled to be recorded shall beis deemed valid and sufficient as
- 4 the legal record thereof of the instruments. The holder of an unrecorded conveyance may not
- 5 question the good faith of the first recording party unless it can be established that the first
- 6 recording party had actual knowledge of the existence of the unrecorded conveyance.