Sixty-third Legislative Assembly of North Dakota

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:

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

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

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