

LIENS

CHAPTER 354

SENATE BILL NO. 2464
(Senators Mathern, Marks)

FUTURE ADVANCE LIEN PRIORITY

AN ACT to amend and reenact section 35-01-05.2 of the North Dakota Century Code, relating to the priority of liens securing future advances.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 35-01-05.2 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

35-01-05.2. Priority of liens securing future advances. A lien document relating to a real estate transaction and containing a written provision securing the repayment of future advances, whether or not the lien creditor is obligated to make such future advances, has priority over all subsequent encumbrances to the extent of all sums advanced, with interest thereon, with the same effect as if the entire sum had been advanced at the time of the creation of the lien.

Approved March 23, 1993
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