Article 8.

Memoranda of Leases and Options.

§ 47-117. Forms do not preclude use of others; adaptation of forms.

(a) The form prescribed in this Article does not exclude the use of other forms which are sufficient in law.

(b) The prescribed form may be adapted to fit the various situations in which the grantors or grantees are individuals, firms, associations, corporations, or otherwise, or combinations thereof. (1961, c. 1174.)

§ 47-118. Forms of registration of lease.

(a) A lease of land or land and personal property may be registered by registering a memorandum thereof which shall set forth:

(1) The names of the parties thereto;

(2) A description of the property leased;

(3) The term of the lease, including extensions, renewals and options to purchase, if any; and

(4) Reference sufficient to identify the complete agreement between the parties.

Such a memorandum may be in substantially the following form:

MEMORANDUM OF LEASE

_____

(Name and address or description of lessor or lessors)

hereby lease(s) to _____

,

(Name and address or description of lessee or lessees)

for a term beginning the _____ day of _____, _____

(Month) (Year)

and continuing for a maximum period of _____, including extensions and renewals, if any, the following property:

(HERE DESCRIBE THE PROPERTY)

(If applicable: [There exists an option to purchase with respect to this leased property, in favor of the lessee which expires the ____ day of _____, _____, which

(Month) (Year)

is set forth at large in the complete agreement between the parties].)

The provisions set forth in a written lease agreement between the parties dated the _____ day of _____, _____, are hereby incorporated in this memorandum.

(Month) (Year)

_____ [Seal]

(Lessor)

_____ [Seal]

(Lessee)

(Acknowledgment as required by law.)

(b) If the provisions of the lease make it impossible or impractical to state the maximum period of the lease because of conditions, renewals and extensions, or otherwise, then the memorandum of lease shall state in detail all provisions concerning the term of the lease as fully as set forth in the written lease agreement between the parties.

(c) Registration of a memorandum of lease pursuant to subsections (a) and (b) of this section, shall have the same legal effect as if the written lease agreement had been registered in its entirety. (1961, c. 1174; 1999-456, s. 59.)

§ 47-119. Memorandum for option to purchase or convey, right of first refusal, or right of first offer for real estate.

An option to purchase or convey, a right of first refusal, or a right of first offer for real estate may be registered by registering a memorandum that sets forth all of the following:

(1) The names and signatures, executed and notarized, of all of the following:
   a. Each record title holder selling the option or right.
   b. Each person purchasing the option or right.
(2) A description of the real estate that is subject to the option or right.
(3) The expiration date of the option or right.
(4) The title of the agreement and the parties to it, as contained in the original written contract, or other reference sufficient to identify the complete agreement between the parties. (1961, c. 1174; 1999-456, s. 59; 2022-64, s. 2(a).)

§ 47-119.1. Memorandum for contract to purchase real estate.

A contract to convey real estate may be registered by registering a memorandum that sets forth all of the following:

(1) The names and signatures, executed and notarized, of all of the following:
   a. Each record title holder contracting to convey an interest in the real estate.
   b. Each person contracting to purchase the real estate.
(2) A description of the real estate that is subject to the contract.
(3) The expiration date of the contract.
(4) The title of the agreement and the parties to it, as contained in the original written contract, or other reference sufficient to identify the complete agreement between the parties. (2011-351, s. 1; 2022-64, s. 2(b).)

§ 47-120. Memorandum as notice.

A memorandum of a lease, an option to purchase or convey, a right of first refusal, a right of first offer, or a contract to convey real estate as proposed by G.S. 47-118, 47-119, or 47-119.1 when executed by each record title holder and each other party to the instrument, acknowledged before a notary public, and delivered and registered as required by law, is as good and sufficient notice, and has the same force and effect as if the instrument had been registered in its entirety. However, it is conclusively presumed that the conditions of any instrument reflected in a memorandum have either been complied with or have expired and are no longer enforceable against creditors or purchasers for valuable consideration that have recorded their interests 60 days after the earlier of the following:

(1) The expiration date stated in the memorandum, or any recorded extension or renewal of the memorandum, signed by the parties and acknowledged before a notary public.

(2) The date when the memorandum required the conditions to have been performed, including payment of the last installment of earnest money or balance of purchase price, other than a purchase money note or deed of trust, and delivery of the deed from seller to buyer, or the date of any recorded extension or renewal signed by the parties and acknowledged before a notary public. (1961, c. 1174; 2011-351, s. 2; 2022-64, s. 2(c).)