

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 395
Second Edition Engrossed 3/18/93
Senate Judiciary II Committee Substitute Adopted 6/16/93

Short Title: Rec'd Cert Copy/Assign Security Inst.

(Public)

Sponsors:

Referred to:

March 8, 1993

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE LAW REGARDING THE RECORDING OF
CERTIFIED COPIES OF DOCUMENTS IN THE OFFICE OF THE REGISTER
OF DEEDS AND TO PROVIDE THAT AN ASSIGNMENT OF A MORTGAGE
OR DEED OF TRUST NEED NOT BE RECORDED IN ORDER TO PERFECT
THE ASSIGNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 8-20 is repealed.

Sec. 2. G.S. 47-31 reads as rewritten:

"§ 47-31. Certified copies may be registered; used as evidence.

A duly certified copy of any deed or writing required or allowed to be registered
may be registered in any ~~county~~; ~~county~~ without further certification pursuant to G.S.
47-14; and the ~~registry~~-registered or duly certified copy of any deed or writing ~~when that~~
has been registered in the county where the land is situate may be given in evidence in
any court of the State."

Sec. 3. Instruments registered pursuant to G.S. 47-31 prior to the effective
date of this act that were not further certified pursuant to G.S. 47-14 at the time of
registration are hereby validated.

Sec. 4. Article 2 of Chapter 47 of the General Statutes is amended by adding
a new section to read:

**"§ 47-17.2. Assignments of mortgages, deeds of trust, or other agreements
pledging real property as security.**

1 It shall not be necessary in order to effect a valid assignment, collateral, or
2 otherwise, of a deed of trust, mortgage, or other agreement pledging real property or an
3 interest in real property as security for an obligation, to record a written assignment in
4 the office of the register of deeds in the county in which the real property is located. A
5 transfer of the promissory note or other instrument secured by the deed of trust,
6 mortgage, or other security interest that constitutes an effective assignment under the
7 law of this State shall be an effective assignment of the deed of trust, mortgage, or other
8 security instrument. The assignee of the note shall also obtain the legal title to the
9 mortgaged real property and shall have the right to enforce all obligations contained in
10 the promissory note or other agreement, and all the rights of the assignor in the deed of
11 trust, mortgage, or other security instrument, including the right to substitute the trustee
12 named in any deed of trust, and to exercise any power of sale contained in the
13 instrument without restriction. The provisions of this section do not preclude the
14 recordation of a written assignment of a deed of trust, mortgage, or other security
15 instrument, with or without the promissory note or other instrument that it secures,
16 provided that the assignment complies with applicable law."

17 Sec. 5. This act is effective upon ratification, and applies to assignments
18 made on or after that date.