

NORTH CAROLINA GENERAL ASSEMBLY
1979 SESSION

CHAPTER 681
HOUSE BILL 512

AN ACT TO REQUIRE WRITTEN NOTICE OF SATISFACTION OF THE MORTGAGE
BE GIVEN BY THE TRUSTEE OR MORTGAGEE TO THE GRANTOR OR
MORTGAGOR.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 45 is amended to add a new section to read as follows:

"§ 45-36.3. Notification by mortgagee of satisfaction of provisions of deed of trust or mortgage, or other instrument; civil penalty. — (a) After the satisfaction of the provisions of any deed of trust or mortgage, or other instrument intended to secure with real property the payment of money or the performance of any other obligation and registered as required by law, the holder of the evidence of the indebtedness, if it is a single instrument, or a duly authorized agent or attorney of such holder shall within 60 days:

- (1) discharge and release of record such documents and forward the cancelled documents to the grantor or mortgagor; or,
- (2) alternatively, the holder of the evidence of the indebtedness or a duly authorized agent or attorney of such holder, at the request of the mortgagor or grantor, shall acknowledge the satisfaction of said instrument's terms in writing on the face of said instrument and forward said instrument and the deed of trust or mortgage instrument, marked 'paid and satisfied', to the grantor or mortgagor.

(b) Any person, institution or agent who fails to cancel of record or give the notice required by this section may be required to pay a civil penalty of one hundred dollars (\$100.00) in addition to attorneys' fees and any other damages awarded by the court to the grantor or mortgagor: Provided, that prior to the institution of an action pursuant to this section, the petitioner shall give written notice to mortgagee, obligee or other responsible party of his intention to bring the action; and upon receipt of this notice, the mortgagee, obligee or other responsible party shall have an additional 30 days to fulfill the requirements of this section."

Sec. 2. This act shall become effective January 1, 1980.

In the General Assembly read three times and ratified, this the 29th day of May, 1979.