

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 963

Short Title: Assignment of Real Prop. Security.

(Public)

Sponsors: Senator Daniel.

Referred to: Judiciary II.

April 26, 1993

A BILL TO BE ENTITLED

AN ACT 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. 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.**

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

- 1 the promissory note or other instrument that it secures, provided that the assignment
2 complies with applicable law."
3 Sec. 2. This act is effective upon ratification, and applies to assignments
4 made on or after that date.