

Subject Mortgage payment satisfaction and discharge

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Overview

This bill changes provisions related to mortgage payoff statements and the penalty for failing to discharge a mortgage.

Summary

Section	Description
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1	Delivery required.
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Changes the requirements for the delivery of a mortgage satisfaction notice to the county recorder or registrar of titles by requiring the satisfaction to be sent automatically within 45 days of the final payment, and clarifying that the party paying the final payment to get the satisfaction within 45 days of a written request.

2	Understated payoff statement; reliance.
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Clarifies that if a mortgage service sends a corrected payoff amount for a mortgage and it is less than what is actually owed, they can send a follow up to correct the payoff statement, and provides information related to a situation where a homeowner receives a corrected payoff statement.

This section also provides that if someone relies on an understated payoff amount, the mortgagee or mortgage servicer must affirm the accuracy of the payoff amount, but that nothing affects their ability to collect any amount they did not include in the payoff statement or that is owed under the mortgage.

3	Penalty for failure to discharge.
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Clarifying when the mortgagee is liable for failing to discharge a full paid mortgage.