

House Research Act Summary

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Overview

This act provides a process for recording a mortgage satisfaction when one or more assignments of the mortgage have not been recorded or filed. It addresses the problem caused in modern real property finance as mortgages are assigned multiple times and finance companies change names, so that the original mortgagee is almost never on the mortgage when it is paid off. The procedure is effective August 1, 2004, for mortgages recorded or filed and certificates of satisfaction executed, recorded, or filed—before, on, or after the effective date.

The act also allows county title registrars to rely on mortgage assignments and satisfactions where the Mortgage Electronic Registration System (MERS) is shown as nominee of the lender. MERS exists to track changes in beneficial interests over the life of a mortgage as it is re-sold.