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Alabama

§ 35-10-27. Entry of full payment or satisfaction in record -- Generally.

If a mortgage or deed of trust which is of record has been fully paid or satisfied, the mortgagee or transferee or assignee of the mortgage, or trustee or cestui que trust of the deed of trust, who has received payment or satisfaction, must on request in writing of the mortgagor, or of a creditor of the mortgagor having a lien or claim on the property mortgaged, or of a purchaser from the mortgagor, or owner of the lands mortgaged, or a junior mortgagee, or of the debtor in a deed of trust, enter the fact of payment or satisfaction on the margin of the record of the mortgage or deed of trust. Such entry must be witnessed by the judge of probate, or his clerk, who, in his official capacity, must attest said satisfaction, and for making such attestation the judge of probate is entitled to a fee of \$.25. Or satisfaction may be made by an attorney-in-fact authorized by an instrument executed and acknowledged as is required of conveyances and filed for record, which entry need not be attested. Such entry operates as a release of the mortgage or deed of trust, and is a bar to all actions thereon.

' 35-10-30. Penalty.

(a) If, for 30 days after such request, the mortgagee or assignee or transferee, trustee or cestui que trust, fails to make any entry required by this article he forfeits to the party making the request \$200.00 unless there is pending, or there is instituted, an action within that time, in which the fact of partial payment or satisfaction is or may be contested. In construing this article, the right of action given herein shall be considered as a personal right, and shall not be lost or waived by a sale of the property covered by the mortgage or deed of trust before a demand was made for the satisfaction to be entered upon the record.

(b) All actions for the recovery of the penalties mentioned in this article shall be brought in the county where such mortgage or other instrument is recorded.

Alaska

§ 34.20.050. Penalty for failure to discharge mortgage or execute certificate.

If a mortgagee, or personal representatives, successors in interest or assigns of the mortgagee, after full performance of the condition of the mortgage, whether before or after a breach, for 10 days after being so requested in writing, and after tender of the reasonable charges, neglects or refuses to discharge the mortgage, or to execute and acknowledge a certificate of discharge or release of the mortgage, the mortgagee is liable to the mortgagor, the heirs, successors in interest, representatives or assigns of the mortgagor, in the sum of \$300 damages, and also for all damages occasioned by the neglect or refusal.

Arizona

' 33-707. Acknowledgment of satisfaction; recording

A. If a mortgagee, trustee or person entitled to payment receives full satisfaction of a mortgage or deed of trust, he shall acknowledge satisfaction of the mortgage or deed of trust by delivering to the person making satisfaction or by recording a sufficient release or satisfaction of mortgage or deed of release and reconveyance of the deed of trust, which release, satisfaction of mortgage or deed of release and reconveyance shall contain the docket and page number or recording number of the mortgage or deed of trust. It shall not be necessary for the trustee to join in the acknowledgment or satisfaction, or in the release, satisfaction of mortgage or deed of release and reconveyance. The recorded release or satisfaction of mortgage or deed of release and reconveyance constitutes conclusive evidence of full or partial satisfaction and release of the mortgage or deed of trust in favor of purchasers and encumbrancers for value and without actual notice.

B. When a mortgage or deed of trust is satisfied by a release or satisfaction of mortgage or deed of release and reconveyance, except where the record of such deed of trust or mortgage has been destroyed or reduced to microfilm, the recorder shall record the release or satisfaction of the deed of trust or mortgage showing the book and page or recording number where the deed of trust or mortgage is recorded.

C. If the record of such mortgage or deed of trust has been destroyed and the record thereof reduced to microfilm, it shall be sufficient evidence of satisfaction of any such mortgage or deed of trust for the release or satisfaction of mortgage or deed of release and reconveyance to be recorded and indexed as such. The instrument shall sufficiently identify the mortgage or deed of trust by parties and by book and page or recording number of the official records. Such instrument shall be treated as a release or satisfaction of mortgage or deed of release and reconveyance and recorded.

D. If the note secured by a mortgage or deed of trust has been lost or destroyed, the assignee, mortgagee or beneficiary shall, before acknowledging satisfaction, make an affidavit that he is the lawful owner of the note and that it has been paid, but cannot be produced for the reason that it has been lost or destroyed, and the affidavit shall be recorded. If the record of such mortgage or deed of trust has been destroyed and the record thereof reduced to microfilm, such affidavit shall be recorded and indexed as releases, satisfactions of mortgage and deeds of release and reconveyance are recorded and indexed and shall have the same force and effect as a release or satisfaction of a mortgage or deed of release and reconveyance as provided in subsection A of this section.

E. If a full release or satisfaction of mortgage or deed of release and reconveyance of deed of trust

that, according to its terms, recites that it secures an obligation having a stated indebtedness not greater than five hundred thousand dollars exclusive of interest, or a partial release or satisfaction of mortgage or partial deed of release and reconveyance of deed of trust that, according to its terms, recites that the payment required for the partial satisfaction or release does not exceed five hundred thousand dollars exclusive of interest, has not been executed and recorded pursuant to subsection A or C of this section within sixty days of full or partial satisfaction of the obligation secured by such mortgage or deed of trust, a title insurer as defined in § 20-1562 may prepare, execute and record a full or partial release or satisfaction of mortgage or deed of full or partial release and reconveyance of deed of trust. No earlier than sixty days after full or partial satisfaction and at least thirty days prior to the issuance and recording of any such release or satisfaction of mortgage or deed of release and reconveyance pursuant to this subsection, the title insurer shall mail by certified mail with postage prepaid, return receipt requested, to the mortgagee of record or to the trustee and beneficiary of record and their respective successors in interest of record at their last known address shown of record and to any persons who according to the records of the title insurer received payment of the obligation at the address shown in such records, a notice of its intention to release the mortgage or deed of trust accompanied by a copy of the release or satisfaction of mortgage or deed of release and reconveyance to be recorded which shall set forth: 1. The name of the beneficiary or mortgagee or any successors in interest of record of such mortgagee or beneficiary and, if known, the name of any servicing agent. 2. The name of the original mortgagor or trustor. 3. The name of the current record owner of the property and if the release or satisfaction of mortgage or deed of release and reconveyance is a partial release, the name of the current record owner of the parcel described in the partial release or satisfaction of mortgage or deed of partial release and reconveyance of deed of trust. 4. The recording reference to the deed of trust or mortgage. 5. The date and amount of payment, if known. 6. A statement that the title insurer has actual knowledge that the obligation secured by the mortgage or deed of trust has been paid in full, or if the release or satisfaction of mortgage or deed of release and reconveyance of deed of trust is a partial release, a statement that the title insurer has actual knowledge that the partial payment required for the release of the parcel described in the partial release or satisfaction has been paid.

F. The release or satisfaction of mortgage or release and reconveyance of deed of trust may be executed by a duly appointed attorney-in-fact of the title insurer, but such delegation shall not relieve the title insurer from any liability pursuant to this section.

G. A full or partial release or satisfaction of mortgage or deed of full or partial release and reconveyance of deed of trust issued pursuant to subsection E of this section shall be entitled to recordation and, when recorded, shall constitute a full or partial release or satisfaction of mortgage or deed of release and reconveyance of deed of trust issued pursuant to subsection A or C of this section.

H. Where an obligation secured by a deed of trust or mortgage was paid in full prior to September

21, 1991, and no release or satisfaction of mortgage or deed of release and reconveyance of deed of trust was issued and recorded by November 20, 1991, a release or satisfaction of mortgage or deed of release and reconveyance of deed of trust as provided for in subsection E of this section may be prepared and recorded without the notice prescribed by subsection E of this section.

I. A release or satisfaction of mortgage or a release and reconveyance of deed of trust by a title insurer under the provisions of subsection E of this section shall not constitute a defense nor release any person from compliance with subsections A through D of this section or from liability under § 33-712.

J. In addition to any other remedy provided by law, a title insurer preparing or recording the release and satisfaction of mortgage or the release and reconveyance of deed of trust pursuant to subsection E of this section shall be liable to any party for actual damage, including attorney fees, which any person may sustain by reason of the issuance and recording of the release and satisfaction of mortgage or release and reconveyance of deed of trust.

K. The title insurer shall not record a release and satisfaction of mortgage or release and reconveyance of deed of trust if, prior to the expiration of the thirty day period specified in subsection E of this section, the title insurer receives a notice from the mortgagee, trustee, beneficiary, holder or servicing agent which states that the mortgage or deed of trust continues to secure an obligation, or in the case of a partial release or satisfaction of mortgage or deed of partial release and reconveyance of deed of trust, a notice that states that the partial payment required to release the parcel described in the partial release or satisfaction has not been paid.

L. The title insurer may charge a reasonable fee to the owner of the land or other person requesting a release and satisfaction of mortgage or release and reconveyance of deed of trust for services, including but not limited to search of title, document preparation and mailing services rendered, and may in addition collect official fees.

' 33-712. Liability for failure to acknowledge satisfaction

A. If any person receiving satisfaction of a mortgage or deed of trust shall, within thirty days, fail to record or cause to be recorded, with the recorder of the county in which the mortgage or deed of trust was recorded, a sufficient release, satisfaction of mortgage or deed of release or acknowledge satisfaction as provided in § 33-707, subsection C, he shall be liable to the mortgagor, trustor or current property owner for actual damages occasioned by the neglect or refusal.

B. If, after the expiration of the time provided in subsection A of this section, the person fails to record or cause to be recorded a sufficient release and continues to do so for more than thirty days after receiving a written request which identifies a certain mortgage or deed of trust by certified mail

from the mortgagor, trustor, current property owner or his agent, he shall be liable to the mortgagor, trustor, or current property owner for one thousand dollars, in addition to any actual damage occasioned by the neglect or refusal.

C. Any action to enforce the provisions of this section, including any action to recover amounts due under this section, shall be brought and maintained in the individual names of, and shall be prosecuted by, persons entitled to recover under the terms thereof, and not in a representative capacity or otherwise. This subsection shall apply to all actions under this section, whether brought before or after July 13, 1988.

Arkansas

' 18-40-104. Acknowledgment of satisfaction on record.

(a) If any mortgagee, or his executor, administrator, or assignee, shall receive full satisfaction for the amount due on any mortgage, then, at the request of the person making satisfaction, the mortgagee shall acknowledge satisfaction thereof on the margin of the record in which the mortgage is recorded.

(b) Acknowledgment of satisfaction, made as stated in subsection (a) of this section, shall have the effect to release the mortgage, bar all actions brought thereon, and revert in the mortgagor or his legal representatives all title to the mortgaged property.

(c) If any person receiving satisfaction does not, within sixty (60) days after being requested, acknowledge satisfaction as stated in subsection (a) of this section, he shall forfeit to the party aggrieved any sum not exceeding the amount of the mortgage money, to be recovered by a civil action in any court of competent jurisdiction.

(d)(1) Effective January 1, 1996, this section does not apply in counties which use other than paper recording systems.

(2) The clerks in counties which use other than paper recording systems shall not allow satisfactions by marginal notations after December 31, 1995.

(3) Satisfactions by marginal notations made in counties which use other than paper recording systems after December 31, 1995, are void.

California

Cal. Civ. Code § 2941. Satisfaction; obligation to issue discharge certificate or reconvey; failure to execute or record reconveyance; damages; fee; reproduced "original" instruments

(a) Within 30 days after any mortgage has been satisfied, the mortgagee or the assignee of the mortgagee shall execute a certificate of the discharge thereof, as provided in Section 2939, and shall record or cause to be recorded in the office of the county recorder in which the mortgage is recorded. The mortgagee shall then deliver, upon the written request of the mortgagor or the mortgagor's heirs, successors, or assignees, as the case may be, the original note and mortgage to the person making the request.

(b)(1) Within 30 calendar days after the obligation secured by any deed of trust has been satisfied, the beneficiary or the assignee of the beneficiary shall execute and deliver to the trustee the original note, deed of trust, request for a full reconveyance, and other documents as may be necessary to reconvey, or cause to be reconveyed, the deed of trust.

(A) The trustee shall execute the full reconveyance and shall record or cause it to be recorded in the office of the county recorder in which the deed of trust is recorded within 21 calendar days after receipt by the trustee of the original note, deed of trust, request for a full reconveyance, the fee that may be charged pursuant to subdivision (e), recorder's fees, and other documents as may be necessary to reconvey, or cause to be reconveyed, the deed of trust.

(B) The trustee shall deliver a copy of the reconveyance to the beneficiary, its successor in interest, or its servicing agent, if known. The reconveyance instrument shall specify one of the following options for delivery of the instrument, the addresses of which the recorder has no duty to validate:

(i) The trustor or successor in interest, and that person's last known address, as the person to whom the recorder will deliver the recorded instrument pursuant to Section 27321 of the Government Code.

(ii) That the recorder shall deliver the recorded instrument to the trustee's address. If the trustee's address is specified for delivery, the trustee shall mail the recorded instrument to the trustor or the successor in interest to the last known address for that party.

(C) Following execution and recordation of the full reconveyance, upon receipt of a written request by the trustor or the trustor's heirs, successors, or assignees, the trustee shall then deliver, or caused to be delivered, the original note and deed of trust to the person making that request.

(D) If the note or deed of trust, or any copy of the note or deed of trust, is electronic, upon satisfaction of an obligation secured by a deed of trust, any electronic original, or electronic copy which has not been previously marked solely for use as a copy, of the note and deed of trust, shall be altered to indicate that the obligation is paid in full.

(2) If the trustee has failed to execute and record, or cause to be recorded, the full reconveyance within 60 calendar days of satisfaction of the obligation, the beneficiary, upon receipt of a written request by the trustor or trustor's heirs, successor in interest, agent, or assignee, shall execute and acknowledge a document pursuant to Section 2934a substituting itself or another as trustee and

issue a full reconveyance.

(3) If a full reconveyance has not been executed and recorded pursuant to either paragraph (1) or paragraph (2) within 75 calendar days of satisfaction of the obligation, then a title insurance company may prepare and record a release of the obligation. However, at least 10 days prior to the issuance and recording of a full release pursuant to this paragraph, the title insurance company shall mail by first-class mail with postage prepaid, the intention to release the obligation to the trustee, trustor, and beneficiary of record, or their successor in interest of record, at the last known address.

(A) The release shall set forth:

(i) The name of the beneficiary.

(ii) The name of the trustor.

(iii) The recording reference to the deed of trust.

(iv) A recital that the obligation secured by the deed of trust has been paid in full.

(v) The date and amount of payment.

(B) The release issued pursuant to this subdivision shall be entitled to recordation and, when recorded, shall be deemed to be the equivalent of a reconveyance of a deed of trust.

(4) Where an obligation secured by a deed of trust was paid in full prior to July 1, 1989, and no reconveyance has been issued and recorded by October 1, 1989, then a release of obligation as provided for in paragraph (3) may be issued.

(5) Paragraphs (2) and (3) do not excuse the beneficiary or the trustee from compliance with paragraph (1). Paragraph (3) does not excuse the beneficiary from compliance with paragraph (2).

(6) In addition to any other remedy provided by law, a title insurance company preparing or recording the release of the obligation shall be liable to any party for damages, including attorneys' fees, which any person may sustain by reason of the issuance and recording of the release, pursuant to paragraphs (3) and (4).

(7) A beneficiary may, at its discretion, in accordance with the requirements and procedures of Section 2934a, substitute the title company conducting the escrow through which the obligation is satisfied for the trustee of record, in which case the title company assumes the obligation of a trustee under this subdivision, and may collect the fee authorized by subdivision (e).

(8) In lieu of delivering the original note and deed of trust to the trustee within 30 days of loan satisfaction, as required by paragraph (1) of subdivision (b), a beneficiary who executes and delivers to the trustee a request for a full reconveyance within 30 days of loan satisfaction may, within 120 days of loan satisfaction, deliver the original note and deed of trust to either the trustee or trustor. If the note and deed of trust are delivered as provided in this paragraph, upon satisfaction of the note and deed of trust, the note and deed of trust shall be altered to indicate that the obligation is paid in full. Nothing in this paragraph alters the requirements and obligations set forth in paragraphs (2) and (3).

(c) For the purposes of this section, the phrases "cause to be recorded" and "cause it to be recorded" include, but are not limited to, sending by certified mail with the United States Postal Service or by an independent courier service using its tracking service that provides documentation

of receipt and delivery, including the signature of the recipient, the full reconveyance or certificate of discharge in a recordable form, together with payment for all required fees, in an envelope addressed to the county recorder's office of the county in which the deed of trust or mortgage is recorded. Within two business days from the day of receipt, if received in recordable form together with all required fees, the county recorder shall stamp and record the full reconveyance or certificate of discharge. Compliance with this subdivision shall entitle the trustee to the benefit of the presumption found in Section 641 of the Evidence Code.

(d) The violation of this section shall make the violator liable to the person affected by the violation for all damages which that person may sustain by reason of the violation, and shall require that the violator forfeit to that person the sum of five hundred dollars (\$500).

(e)(1) The trustee, beneficiary, or mortgagee may charge a reasonable fee to the trustor or mortgagor, or the owner of the land, as the case may be, for all services involved in the preparation, execution, and recordation of the full reconveyance, including, but not limited to, document preparation and forwarding services rendered to effect the full reconveyance, and, in addition, may collect official fees. This fee may be made payable no earlier than the opening of a bona fide escrow or no more than 60 days prior to the full satisfaction of the obligation secured by the deed of trust or mortgage.

(2) If the fee charged pursuant to this subdivision does not exceed forty-five dollars (\$45), the fee is conclusively presumed to be reasonable.

(3) The fee described in paragraph (1) may not be charged unless demand for the fee was included in the payoff demand statement described in Section 2943.

(f) For purposes of this section, "original" may include an optically imaged reproduction when the following requirements are met:

(1) The trustee receiving the request for reconveyance and executing the reconveyance as provided in subdivision (b) is an affiliate or subsidiary of the beneficiary or an affiliate or subsidiary of the assignee of the beneficiary, respectively.

(2) The optical image storage media used to store the document shall be nonerasable write once, read many (WORM) optical image media that does not allow changes to the stored document.

(3) The optical image reproduction shall be made consistent with the minimum standards of quality approved by either the National Institute of Standards and Technology or the Association for Information and Image Management.

(4) Written authentication identifying the optical image reproduction as an unaltered copy of the note, deed of trust, or mortgage shall be stamped or printed on the optical image reproduction.

(g) No fee or charge may be imposed on the trustor in connection with, or relating to, any act described in this section except as expressly authorized by this section.

(h) The amendments to this section enacted at the 1999-2000 Regular Session shall apply only to

a mortgage or an obligation secured by a deed of trust that is satisfied on or after January 1, 2001.

(i)(1) In any action filed before January 1, 2002, that is dismissed as a result of the amendments to this section enacted at the 2001-02 Regular Session, the plaintiff shall not be required to pay the defendant's costs.

(2) Any claimant, including a claimant in a class action lawsuit, whose claim is dismissed or barred as a result of the amendments to this section enacted at the 2001-02 Regular Session, may, within 6 months of the dismissal or barring of the action or claim, file or refile a claim for actual damages occurring before January 1, 2002, that were proximately caused by a time lapse between loan satisfaction and the completion of the beneficiary's obligations as required under paragraph (1) of subdivision (b). In any action brought under this section, the defendant may be found liable for actual damages, but may not be found liable for any civil penalty authorized by Section 2941.

(j) Notwithstanding any other penalties, if a beneficiary collects a fee for reconveyance and thereafter has knowledge, or should have knowledge, that no reconveyance has been recorded, the beneficiary shall cause to be recorded the reconveyance, or in the event a release of obligation is earlier and timely recorded, the beneficiary shall refund to the trustor the fee charged to perform the reconveyance. Evidence of knowledge includes, but is not limited to, notice of a release of obligation pursuant to paragraph (3) of subdivision (b).

Colorado

§ 38-39-102. When liens of deeds of trust shall be released

(1)(a) Except as otherwise provided in subsection (3.5) of this section, liens of deeds of trust to the public trustee, upon compliance with the provisions of such deeds of trust, shall be released by the public trustee upon the:

(I) Receipt of a written request of the owner of the evidence of debt secured by such deed of trust, or the agent or attorney thereof, or a title insurance company providing an indemnification agreement and affidavit described in paragraph (c) of subsection (3) of this section, which request shall be duly executed and acknowledged;

(II) Production of the original cancelled evidence of debt such as a note or bond as evidence that the indebtedness secured by such deed of trust has been paid; except that such production may be omitted in the circumstances contemplated in subsection (3.5) of this section; and

(III) Receipt by the public trustee of the fee prescribed by section 38-37- 104(1)(a) and the fee for recording the release.

(b) Immediately upon execution of the release of the lien of deed of trust by the public trustee, the public trustee shall cause such release to be recorded in the office of the county clerk and recorder of the county in which the property described in such release is located.

(2) If the purpose of the deed of trust has been fully or partially satisfied and the indebtedness secured by such deed of trust has not been paid, the public trustee shall release the lien of the deed of trust as to all or portions of the property encumbered by the deed of trust pursuant to the provisions of subsection (1) of this section if the request to release certifies that the purpose of the deed of trust has been fully or partially satisfied and if either the original evidence of debt is exhibited or the owner is an entity described in paragraph (b) of subsection (3.5) of this section that has made, in the owner's request for release or partial release, the certification contemplated in paragraph (a) of subsection (3.5) of this section.

(3) With respect to either subsection (1) or (2) of this section, if such original evidence of debt cannot be produced, the public trustee may accept one of the following in lieu thereof:

(a) An indemnification agreement accompanied by a certified copy of an authorizing resolution passed by the board of directors of a bank, as defined in section 11-1-102(2), C.R.S., an industrial bank, as provided for in article 22 of title 11, C.R.S., a savings and loan association licensed to do business in Colorado, a federal housing administration approved mortgagee, or a federally chartered credit union operating in Colorado or a state-chartered credit union, as defined in section 11-30-101, C.R.S., or an indemnification agreement which has been duly authorized by any agency of the federal government or by any federally created corporation which originates, guarantees, or purchases loans indemnifying the public trustee against claims for issuing a release under this subsection (3) made within the time period described in subsection (7) of this section, which indemnification agreement is satisfactory to the public trustee;

(b) A corporate surety bond issued by a company authorized to issue such bonds in the state of Colorado with the public trustee as obligee, conditioned against the delivery of any such original evidence of debt to the damage of the public trustee and in a sum equal to the original principal amount recited in such deed of trust, which corporate surety bond shall remain in full force and effect for the time period described in subsection (7) of this section; or

(c) An indemnification agreement from a title insurance company licensed and qualified in Colorado in a form acceptable to the public trustee indemnifying the public trustee from any and all damages as the result of issuing such release accompanied by an affidavit executed by an officer of the title insurance company stating that the title insurance company has caused the indebtedness secured by the deed of trust to be satisfied in full or, in the case of a partial release, to the extent required by the holder of the indebtedness.

(3.5)(a) If the owner of the evidence of debt is a financial institution described in paragraph (b) of this subsection (3.5), the public trustee may accept, in lieu of production or exhibition of the original evidence of debt required by subsection (1) or (2) of this section, a certification made in the owner's request for release or partial release certifying that the owner is a financial institution described in paragraph (b) of this subsection (3.5), that the original evidence of debt is not being exhibited or produced, and that the owner agrees that the owner is obligated to indemnify the public trustee pursuant to this paragraph (a). Whether such agreement is contained in the certification, the owner, by requesting release or partial release without production or exhibition of the evidence of indebtedness, shall be deemed to have agreed to indemnify the public trustee for any and all damages, costs, liabilities, and reasonable attorney fees incurred as a result of the action of the public trustee taken in accordance with such request, and no separate indemnification agreement shall be necessary for the agreement to indemnify to be effective. Venue for any action based upon such indemnification agreement shall be proper only in the county in which the public trustee receiving the certification is located.

(b) Only the following financial institutions shall be entitled to submit a certification pursuant to paragraph (a) of this subsection (3.5):

(I) A bank, as defined in section 11-1-102(2), C.R.S.;

(II) An industrial bank, as defined in section 11-22-101(1), C.R.S.;

(III) A savings and loan association licensed to do business in Colorado;

(IV) A supervised lender, as defined in section 5-1-301(46), C.R.S., that is licensed to make supervised loans pursuant to section 5-2-302, C.R.S., and that is either:

(A) A public entity, as defined in paragraph (c) of this subsection (3.5); or

(B) An entity in which all of the outstanding voting securities are held, directly or indirectly, by a public entity;

(V) An entity in which all of the outstanding voting securities are held, directly or indirectly, by a public entity also owning, directly or indirectly, all of the voting securities of a supervised lender, as defined in section 5-1-301(46), C.R.S., that is licensed to make supervised loans pursuant to section 5-2-302, C.R.S.;

(VI) A federal housing administration approved mortgagee;

(VII) A federally chartered credit union doing business in Colorado or a state chartered credit union, as defined in section 11-30-101, C.R.S.;

(VIII) An agency of the federal government; or

(IX) A federally created corporation that originates, guarantees, or purchases loans.

(c) For purposes of this subsection (3.5), "public entity" means an entity that has issued voting securities that are listed on a national securities exchange registered under the federal "Securities Exchange Act of 1934".

(4) A public trustee shall have no duty to retain the original cancelled evidence of debt or deed of trust upon a release granted pursuant to this section.

(5) The lien of any deed of trust to the public trustee which secures an obligation other than an evidence of debt shall be released by the public trustee pursuant to the provisions of subsection (1) of this section as to all or portions of the property encumbered by the deed of trust upon the:

(a) Receipt of a written request of the beneficiary or assignee of such deed of trust, which request shall be duly executed and acknowledged;

(b) Presentation to the public trustee of an affidavit of such beneficiary or assignee stating that the purpose of the deed of trust has been fully or partially satisfied; and

(c) Receipt by the public trustee of the fee prescribed by section 38-37- 104(1)(a) and the fee for recording the release.

(6) The public trustee shall have no liability to any person, and no action may be commenced against the public trustee, as a result of issuing a release or partial release of a deed of trust under subsection (3) of this section, unless such action is commenced within six years from the date of the recording of such release or partial release or within the period of time prescribed by any statute of limitation of this state in which a suit to enforce payment of the indebtedness or performance of the obligation secured by said deed of trust may be commenced, whichever is less. Nothing in this article shall be construed to waive immunity of a public trustee that is provided in sections 24-10-101 to 24-10-120, C.R.S.

(7) The indemnification agreements or the corporate surety bond described in this section shall, in each case, remain effective for the time period described in subsection (6) of this section or until such time as any claim made against the public trustee within such time period has been finally resolved, whichever is longer.

(8) If the written request to release the lien of any deed of trust is a fraudulent request, the release by the public trustee based upon such request shall be void.

§ 38-35-124. Requirements upon satisfaction of indebtedness

Except as provided in articles 22 and 23 of this title, when all indebtedness, whether absolute or

contingent, secured by a lien on real property has been satisfied, unless the debtor requests in writing that the lien not be released, the creditor or holder of the indebtedness shall, within ninety days after the satisfaction of the indebtedness and receipt from the debtor of the reasonable costs of procuring and recording the release documents, record with the appropriate clerk and recorder the documents necessary to release or satisfy the lien of record or, in the case of an indebtedness secured by a deed of trust to a public trustee, file with the public trustee the documents required for a release as prescribed by section 38-39-102. If the debtor requests in writing that the lien be released, or fails to request in writing that the lien not be released, then the debtor's request or the actual release shall cancel any obligations on the part of the creditor or holder to make any further loan or advance that would be secured by the lien. If the person satisfying the indebtedness requests in writing delivery to him or her of the cancelled instruments of indebtedness at the time of satisfaction, the creditor or holder shall be relieved of any further obligation or liability under this section after such delivery has been completed. Upon satisfaction of the indebtedness, the creditor or holder shall return to the person satisfying the indebtedness all papers and personal property of the debtor that have been held by the creditor or holder in connection with the indebtedness. Any creditor or holder who fails to comply with this section shall be liable to the owner of the real property encumbered by such indebtedness and to any other person liable on such indebtedness for all actual economic loss incurred enforcing the rights provided under this section, including reasonable attorney fees and costs.

Connecticut

§ 49-8. Release of satisfied or partially satisfied mortgage or ineffective attachment, lis pendens or lien. Damages

(a) The mortgagee or a person authorized by law to release the mortgage shall execute and deliver a release to the extent of the satisfaction tendered before or against receipt of the release: (1) Upon the satisfaction of the mortgage, or (2) upon a bona fide offer to satisfy the same in accordance with the terms of the mortgage deed upon the execution of a release, or (3) when the parties in interest have agreed in writing to a partial release of the mortgage where that part of the property securing the partially satisfied mortgage is sufficiently definite and certain, or (4) when the mortgagor has made a bona fide offer in accordance with the terms of the mortgage deed for such partial satisfaction on the execution of such partial release.

(b) The plaintiff or the plaintiff's attorney shall execute and deliver a release when an attachment has become of no effect pursuant to section 52-322 or section 52-324 or when a lis pendens or other lien has become of no effect pursuant to section 52-326.

(c) The mortgagee or plaintiff or the plaintiff's attorney, as the case may be, shall execute and deliver a release within sixty days from the date a written request for a release of such encumbrance (1) was sent to such mortgagee, plaintiff or plaintiff's attorney at the person's last-known address by registered or certified mail, postage prepaid, return receipt requested or (2) was received by such mortgagee, plaintiff or plaintiff's attorney from a private messenger or courier service or through any means of communication, including electronic communication, reasonably calculated to give the person the written request or a copy of it. The mortgagee or plaintiff shall be liable for damages to any person aggrieved at the rate of two hundred dollars for each week after the expiration of such sixty days up to a maximum of five thousand dollars or in an amount equal to the loss sustained by such aggrieved person as a result of the failure of the mortgagee or plaintiff or the plaintiff's attorney to execute and deliver a release, whichever is greater, plus costs and reasonable attorney's fees.

§ 49-8a. Release of mortgage. Affidavit. Recording of affidavit with town clerk. Penalty for recording false information

(a) For purposes of this section and section 49-10a:

(1) "Mortgage loan" means a loan secured by a mortgage on one, two, three or four family residential real property located in the state of Connecticut, including but not limited to, a residential unit in any common interest community as defined in section 47-202.

(2) "Person" means an individual, corporation, limited liability company, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

- (3) "Mortgagor" means the grantor of a mortgage.
- (4) "Mortgagee" means the grantee of a mortgage; provided, if the mortgage has been assigned of record, "mortgagee" means the last person to whom the mortgage has been assigned of record; provided further, if the mortgage has been serviced by a mortgage servicer, "mortgagee" means the mortgage servicer.
- (5) "Mortgage servicer" means the last person to whom the mortgagor has been instructed by the mortgagee to send payments of the mortgage loan. The person who has transmitted a payoff statement shall be deemed to be the mortgage servicer with respect to the mortgage loan described in that payoff statement.
- (6) "Attorney-at-law" means any person admitted to practice law in this state and in good standing.
- (7) "Title insurance company" means any corporation or other business entity authorized and licensed to transact the business of insuring titles to interests in real property in this state.
- (8) "Payoff statement" means a statement of the amount of the unpaid balance on a mortgage loan, including principal, interest and other charges properly assessed pursuant to the loan documentation of such mortgage and a statement of the interest on a per diem basis with respect to the unpaid principal balance of the mortgage loan.

(b) If a mortgagee fails to execute and deliver a release of mortgage to the mortgagor or to the mortgagor's designated agent within sixty days from receipt by the mortgagee of payment of the mortgage loan (1) in accordance with the payoff statement furnished by the mortgagee or (2) if no payoff statement was provided pursuant to a request made under section 49-10a, in accordance with a good faith estimate by the mortgagor of the amount of the unpaid balance on the mortgage loan using (A) a statement from the mortgagee indicating the outstanding balance due as of a date certain and (B) a reasonable estimate of the per diem interest and other charges due, any attorney-at-law or duly authorized officer of a title insurance company may, on behalf of the mortgagor or any successor in interest to the mortgagor who has acquired title to the premises described in the mortgage or any portion thereof, execute and cause to be recorded in the land records of each town where the mortgage was recorded, an affidavit which complies with the requirements of this section.

(c) An affidavit pursuant to this section shall state that:

- (1) The affiant is an attorney-at-law or the authorized officer of a title insurance company, and that the affidavit is made in behalf of and at the request of the mortgagor or the current owner of the interest encumbered by the mortgage;
- (2) The mortgagee has provided a payoff statement with respect to the mortgage loan or the mortgagee has failed to provide a payoff statement requested pursuant to section 49-10a;
- (3) The affiant has ascertained that the mortgagee has received payment of the mortgage loan (A) in accordance with the payoff statement or (B) in the absence of a payoff statement requested pursuant to section 49-10a, in accordance with a good faith estimate by the mortgagor of the amount of the unpaid balance on the mortgage loan calculated in accordance subdivision (2) of subsection (b) of this section, as evidenced by a bank check, certified check, attorney's clients'

funds account check or title insurance company check, which has been negotiated by the mortgagee or by other documentary evidence of such receipt of payment by the mortgagee, including a confirmation of a wire transfer;

(4) More than sixty days have elapsed since payment was received by the mortgagee; and

(5) At least fifteen days prior to the date of the affidavit, the affiant has given the mortgagee written notice by registered or certified mail, postage prepaid, return receipt requested of intention to execute and cause to be recorded an affidavit in accordance with this section, with a copy of the proposed affidavit attached to such written notice; and that the mortgagee has not responded in writing to such notification, or that any request for additional payment made by the mortgagee has been complied with at least fifteen days prior to the date of the affidavit.

(d) Such affidavit shall state the names of the mortgagor and the mortgagee, the date of the mortgage, and the volume and page of the land records where the mortgage is recorded. The affidavit shall provide similar information with respect to every recorded assignment of the mortgage.

(e) The affiant shall attach to the affidavit (1) photostatic copies of the documentary evidence that payment has been received by the mortgagee, including the mortgagee's endorsement of any bank check, certified check, attorney's clients' funds account check, title insurance company check, or confirmation of a wire transfer and (2) (A) a photostatic copy of the payoff statement, or (B) in the absence of a payoff statement requested pursuant to section 49-10a, a copy of a statement from the mortgagee that is in the possession of the mortgagor indicating the outstanding balance due on the mortgage loan as of a date certain and a statement setting out the mortgagor's basis for the estimate of the amount due, and shall certify on each that it is a true copy of the original document.

(f) Such affidavit, when recorded, shall constitute a release of the lien of such mortgage or the property described therein.

(g) The town clerk shall index the affidavit in the name of the original mortgagee and the last assignee of the mortgage appearing of record as the grantors, and in the name of the mortgagors and the current record owner of the property as grantees.

(h) Any person who causes an affidavit to be recorded in the land records of any town in accordance with this section having actual knowledge that the information and statements therein contained are false shall be fined not more than five thousand dollars or imprisoned not less than one year nor more than five years or both.

Delaware

Del. Code Ann. tit. 25, § 2111. Satisfaction of mortgages; penalty; enforcement in Superior Court.

(a) Whenever the debt or duty secured by a mortgage or conveyance in the nature of a mortgage affecting properties in New Castle, Kent and Sussex Counties is satisfied or performed, the legal holder of such mortgage or conveyance at the time the satisfaction or performance is completed shall, forthwith, after satisfaction or performance is completed, cause an entry of such satisfaction or performance to be made upon the record by the procedure enumerated in this subsection. The fee for entering such satisfaction or performance upon the record shall be paid by the debtor or obligor unless the mortgage or conveyance provides otherwise.

(1) A satisfaction of a mortgage or conveyance shall be made by recordation of either a satisfaction piece, if the instrument is presented in substantially the same form as set out in subsection (b) of this section and acknowledged in the same manner as provided by law for the acknowledgment of deeds, or an attorney's affidavit pursuant to § 2120 of this title. The satisfaction piece shall be presented to the Recorder, and the Recorder shall accept such document for recordation providing such document conforms to the requirements set out in subsection (b) of this section.

(2) If a full or partial release of the mortgage or conveyance is recorded, the recorder of deeds shall place a reference to a book and page number in the indices as to where the release is recorded.

(b) The following shall be a sufficient form of satisfaction piece as authorized by subsection (a)(1) of this section:

To: Recorder of Deeds This instrument prepared by:

..... County Name:

State of Delaware Address:

Tax Parcel Identification Number:

Property Address:

You are hereby requested and authorized to enter satisfaction of, and cancel of record, the mortgage executed by, mortgagor, to, mortgagee, dated,, and recorded,, in your office in Mortgage Record, at Page [and if applicable, Assigned by to and recorded in Assignment Record, Page]

INDIVIDUAL SIGNATURE AND ACKNOWLEDGEMENT

IN WITNESS WHEREOF, Mortgagee(s), [Assignee(s)] has(ve) hereunto set its/their hand(s) and seal(s) this day of,

..... (Seal)

WITNESS MORTGAGEE

State of

County of

This instrument was acknowledged before me on (date) by (Name(s) of person(s).

.....

(Signature of notarial officer)
(Seal, if any)

.....

(Title and rank)

My commission expires

SIGNATURE AND ACKNOWLEDGEMENT IN A REPRESENTATIVE CAPACITY

IN WITNESS WHEREOF, Mortgagee [Assignee] has hereunto set its hand and seal this day
of,

MORTGAGEE [ASSIGNEE] NAME

..... BY: (SEAL)

WITNESS ATTEST: (SEAL)

State of

County of

This Instrument was acknowledged before me on (date), by [name(s) of person(s)] as
..... [type of authority, e.g., officer, trustee, etc.] of [name of party on behalf of whom
instrument was executed].

.....

(Signature of notarial officer)

(Seal, if any)

.....

(Title and rank)

My commission expires

(c) Each Recorder shall either create and maintain a separate index and record of the recording of documents which are authorized to be recorded by this chapter including, but not limited to, powers of attorney to satisfy mortgages, satisfaction pieces, partial and complete releases of mortgages and security interests or index the same in the index used for recorded mortgages. If the Recorder creates a separate index, it may be called the Release and Satisfaction Index, which shall reference the mortgagor, mortgagee, record book and page of the mortgage being released or satisfied and the address or lot number, if any, of the property being released or satisfied. The Recorder may also maintain a separate record of said instruments and shall not be required to maintain other than a micrographic or electronic record of said instruments.

(d) Whoever, being the holder of a mortgage, wilfully fails to satisfy a mortgage upon the record as required by subsection (a) of this section shall be fined not more than \$1,000 for each such failure.

(e) The Recorder of Deeds or the mortgage commissioner of the county in which any mortgage is recorded that has been satisfied or performed shall file a complaint with the Attorney General's Office in said county against any mortgage holder who has not satisfied of record said mortgage within 60 days of its satisfaction or performance.

(f) The Superior Court shall have jurisdiction of offenses under this section.

Del. Code Ann. tit. 25, § 2114. Damages for nonentry of satisfaction.

If any person commits a default under § 2111 of this title, such person, his executors or administrators, or if it is a corporation, such corporation, in addition to the other penalties provided for shall be liable to the party by or on whose behalf the satisfaction or performance has been made or completed, in damages to be recovered by a civil action. The damages shall not be less than \$10 nor more than \$500, except when special damage to a larger amount is alleged in the complaint and proved.

Del. Code Ann. tit. 25, § 2120. Authorization to satisfy mortgage.

(a) An attorney authorized to practice law in the State who has paid in full or caused to be paid in full a debt owed by any debtor to any creditor holding a mortgage securing such debt and encumbering a property owned by the debtor, may, at any time after the expiration of 4 months after such debt has been paid in full, and after giving a minimum of 15 days notice to said creditor, record with the recorder of deeds in the county in which such property is located, an affidavit and request which shall contain the following information:

- (1) The mortgage record, volume and page of the mortgage proposed to be marked fully paid and satisfied;
- (2) The full name and address of the original mortgagee;
- (3) The name of the original mortgagor(s);
- (4) The original date of the mortgage;
- (5) The original amount of the mortgage;
- (6) A satisfactory description of the property which is encumbered by the mortgage, including, but not limited to:
 - a. The property address and/or lot number;
 - b. Subdivision name, if any; and
 - c. The tax parcel number assigned to such property;
- (7) The name of each entity to whom the mortgage was subsequently assigned, together with the dates and recording information of said assignments;
- (8) The full name and address of the last mortgagee in interest which appears of record on the mortgage;
- (9) The full name and address of the creditor or mortgage loan servicer who was fully paid;
- (10) If the fully paid creditor or mortgage loan servicer is other than the last mortgagee of record on the date of full payment, a statement by the attorney whose signature appears on the affidavit that (i) the attorney was provided with a written payoff statement by the creditor or mortgage loan servicer, (ii) the attorney relied upon the written payoff statement, and (iii) the attorney made payment or caused payment to be made of the outstanding debt to the creditor or mortgage loan servicer;

- (11) If the mortgage secured a home equity or other consumer open line of credit, affiant attorney, where requested in writing by the mortgagee, shall, also in writing, instruct said mortgagee to close, effective upon the date and time of receipt of the mortgage "payoff figure," the open line of credit and that no additional funds are to be advanced under the open line of credit;
- (12) The date on which the debt was fully paid;
- (13) That at least 4 months have elapsed since the debt was fully paid;
- (14) That the affiant attorney has fully paid or has caused to be fully paid the debt to the creditor or to the mortgage loan servicer and retains evidence of that payment;
- (15) That after a minimum of 15 days notice, by certified mail, return receipts requested, the mortgagee of record at the time of the full payment described in the affidavit, has failed to accomplish satisfaction of the mortgage in the mortgage record, volume and page in which such mortgage appears in the public records;
- (16) That the attorney requests the recorder of deeds in the county in which such property is located to indicate in the property records of that county that such mortgage is fully paid and satisfied;
- (17) That the attorney whose signature appears on said affidavit has personally reviewed all of the information and each of the facts contained in said affidavit and request; and
- (18) That the information contained in said affidavit and request is true and correct to the best of the attorney's knowledge.

(b) The recorder of deeds, or a duly appointed deputy, in the county in which the debtor's property encumbered by such mortgage is located shall be authorized to cause said mortgage to be satisfied upon receipt of such affidavit and request by the attorney fully paying such debt.

(c) The recorder of deed's office may charge a fee for accepting and recording the affidavit and satisfying the mortgage.

(d) This section shall, in no way, limit the authority of the recorder of deeds to otherwise satisfy mortgages as provided by law.

(e) The following or substantially consistent revisions by the recorder of deeds shall be a sufficient form of mortgage satisfaction affidavit pursuant to this section:

AFFIDAVIT CERTIFYING MORTGAGE PAYOFF AND REQUEST FOR MORTGAGE SATISFACTION PURSUANT TO 25 DEL. C. § 2120

STATE OF DELAWARE)

) SS.

NEW CASTLE COUNTY)

I, the undersigned, an attorney authorized to practice law in the State of Delaware, after having first been duly sworn, depose and say as follows:

- (1) The mortgage proposed to be marked fully paid and satisfied appears in Mortgage Record _____, Volume _____, Page _____;
- (2) The full name and address of the original mortgagee is _____;
- (3) The name of the original mortgagor(s) is (are) _____;
- (4) The original date of the mortgage is _____;
- (5) The original amount of the mortgage is _____;
- (6) A satisfactory description of the property which is encumbered by the mortgage, including, but not limited to the following is:
- a. The property address and/or lot number is _____;
 - b. Subdivision name, if any, _____; and
 - c. The county tax parcel number assigned to such property is _____
- _____;
- (7) After the original mortgage was recorded, the mortgage was subsequently assigned of record to each of the following entities on the date and at the book and page there noted:
- to _____ on _____ at Book/Volume _____ and Page No. _____
- to _____ on _____ at Book/Volume _____ and Page No. _____
- to _____ on _____ at Book/Volume _____ and Page No. _____
- to _____ on _____ at Book/Volume _____ and Page No. _____
- (8) The full name and address of the last mortgagee in interest on the mortgage is _____;
- (9) The full name and address of the creditor or mortgage loan servicer who was fully paid is _____; _____, who is the creditor or mortgage loan servicer that was fully paid is other than _____, the last mortgagee in interest which appeared of record on the date of said payment. I did, however, obtain a written payoff statement from the creditor or mortgage loan servicer on account of said mortgage, and, in accordance with and in reliance on the payoff statement, I made payment or caused payment to be made of the outstanding debt to the creditor or mortgage loan servicer;
- (11) I have, where applicable, instructed the mortgagee, in writing, effective the date and time of receipt of the mortgage "payoff figure", to close and decline any further advances on the home equity or other consumer open line of credit which was secured by the affected mortgage;
- (12) The date on which the debt was fully paid is _____;
- (13) At least 4 months have elapsed since the debt was fully paid and the amount of the debt so paid is not in dispute;
- (14) I fully paid or caused to be fully paid such debt to the creditor or mortgage loan servicer and I retain evidence of that payment;
- (15) After a minimum of 15 days notice by me, by certified mail, return receipt requested, the last mortgagee in interest has failed to take appropriate steps to accomplish satisfaction of the mortgage in the mortgage record, volume and page where such mortgage appears in the public records;
- (16) I request the Recorder of Deeds in _____ County to indicate in the record of said County that such mortgage is fully paid and satisfied;
- (17) I have personally reviewed all of the information and each of the facts contained in this affidavit and request; and

(18) The information contained in this affidavit and request is true and correct to the best of my knowledge.

(f) An affidavit given in the form above shall be notarized by a notary public.

Florida

Fla. Stat. ch. 701.03. Cancellation

Whenever the amount of money due on any mortgage shall be fully paid, the mortgagee or assignee shall within 60 days thereafter cancel the same in the manner provided by law.

Fla. Stat. ch. 701.04. Cancellation of mortgages, liens, and judgments

(1) Within 14 days after receipt of the written request of a mortgagor, the holder of a mortgage shall deliver to the mortgagor at a place designated in the written request an estoppel letter setting forth the unpaid principal balance, interest due, and the per diem rate. Whenever the amount of money due on any mortgage, lien, or judgment shall be fully paid to the person or party entitled to the payment thereof, the mortgagee, creditor, or assignee, or the attorney of record in the case of a judgment, to whom such payment shall have been made, shall execute in writing an instrument acknowledging satisfaction of said mortgage, lien, or judgment and have the same acknowledged, or proven, and duly entered of record in the book provided by law for such purposes in the proper county. Within 60 days of the date of receipt of the full payment of the mortgage, lien, or judgment, the person required to acknowledge satisfaction of the mortgage, lien, or judgment shall send or cause to be sent the recorded satisfaction to the person who has made the full payment. In the case of a civil action arising out of the provisions of this section, the prevailing party shall be entitled to attorney's fees and costs.

(2) Whenever a writ of execution has been issued, docketed, and indexed with a sheriff and the judgment upon which it was issued has been fully paid, it shall be the responsibility of the party receiving payment to request, in writing, addressed to the sheriff, return of the writ of execution as fully satisfied.

Fla. Stat. ch. 701.05. Failing or refusing to satisfy lien; punishment for

Any person entitled to and receiving the payment of the amount of money due upon any mortgage, lien, or judgment, who shall fail for 30 days after written demand made by the person paying the same, to cancel and satisfy of record, as provided by law, any such mortgage, lien or judgment so paid, shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

Georgia

§ 44-14-3. Method and time of cancellation; penalty for failure of proper cancellation

(a) As used in this Code section, the term:

(1) "Account" means the loan, note, or other such agreement executed by the parties.

(2) "Finance charge" means interest and other charges agreed to by the parties.

(3) "Grantee" means heirs, devisees, executors, administrators, successors, transferees or assigns, and any servicing agent or any person or entity to whom indebtedness is paid on behalf of or by any grantor.

(4) "Grantor" means heirs, devisees, executors, administrators, successors, transferees, or assigns.

(5) "Instrument" means a deed to secure debt, a security instrument, a purchase money mortgage, a financing statement, a personalty mortgage, a loan contract, or other instrument executed in connection with any loan.

(6) "Revolving loan account" means an arrangement between a lender and a debtor for the creation of debt pursuant to an agreement secured by an instrument and under which:

(A) The lender may permit the debtor to create debt from time to time;

(B) The unpaid balances of principal of such debt and the loan finance and other appropriate charges are debited to an account;

(C) A loan finance charge is computed on the outstanding balances of the debtor's account from time to time;

(D) The debtor agrees to repay the debt and accrued finance charges in accordance with the written agreement with the lender; and

(E) The limitation on the maximum amount which the debtor is entitled to become indebted under said arrangement between the lender and debtor is stated on the face of the instrument, and said amount shall be deemed to be notice of the maximum amount secured by the instrument.

(b)(1) Whenever the indebtedness secured by any instrument is paid in full, the grantee or holder of the instrument, within 60 days of the date of the full payment, shall cause to be furnished to the clerk of the superior court of the county or counties in which the instrument is recorded a legally sufficient satisfaction or cancellation to authorize and direct the clerk or clerks to cancel the instrument of record. The grantee or holder shall further direct the clerk of the court to transmit to the grantor the original cancellation or satisfaction document at the grantor's last known address as shown on the records of the grantee or holder. In the case of a revolving loan account, the debt shall be considered to be "paid in full" only when the entire indebtedness including accrued finance charges has been paid and the lender or debtor has notified the other party to the agreement in writing that he wishes to terminate the agreement pursuant to its terms.

(2) Notwithstanding paragraph (1) of this subsection, if an attorney at law remits the pay-off balance of an instrument to a grantee or holder on behalf of a grantor, the grantee or holder may direct the clerk of the court to transmit to such attorney the original cancellation or satisfaction document.

(3) A grantee or holder shall be authorized to add to the pay-off amount the costs of recording a cancellation or satisfaction of an instrument.

(c) Upon the failure of the grantee or holder to transmit properly a legally sufficient satisfaction or cancellation as provided in this Code section, the grantee or holder shall, upon written demand, be liable to the grantor for the sum of \$ 500.00 as liquidated damages and, in addition thereto, for such additional sums for any loss caused to the grantor plus reasonable attorney's fees. The grantee or holder shall not be liable to the grantor if he or she demonstrates reasonable inability to comply with subsection (b) of this Code section; and the grantee or holder shall not be liable to the grantor unless and until a written demand for the liquidated damages is made. No other provision of this Code section shall be construed so as to affect the obligation of the grantee or holder to pay the liquidated damages provided for in this subsection.

(c.1) In the event that a grantee or holder of record has failed to transmit properly a legally sufficient satisfaction or cancellation to authorize and direct the clerk or clerks to cancel the instrument of record within 60 days after a written notice mailed to such grantee or holder of record by registered or certified mail or statutory overnight delivery, return receipt requested, the clerk or clerks are authorized and directed to cancel the instrument upon recording an affidavit by an attorney who has caused the secured indebtedness to be paid in full or by an officer of a regulated or chartered financial institution whose deposits are federally insured if that financial institution has paid the secured indebtedness in full. The notice to be mailed to the grantee or holder of record shall identify the indebtedness and include a recital or explanation of this subsection. The affidavit shall include a recital of actions taken to comply with this subsection. Such affidavit shall include as attachments the following items:

(1) A written verification which was given at the time of payment by the grantee or holder of record of the amount necessary to pay off such loan; and

(2)(A) Copies of the front and back of a canceled check to the grantee or holder of record paying off such loan.

(B) Confirmation of a wire transfer to the grantee or holder of record paying off such loan.

(C) A bank receipt showing payment to the grantee or holder of record of such loan.

Any person who files an affidavit in accordance with this subsection which affidavit is fraudulent shall be guilty of a felony and shall be punished by imprisonment for not less than one year nor more than three years or by a fine of not less than \$ 1,000.00 nor more than \$ 5,000.00, or both.

(d) In all cases, any servicing agent or any person or entity to whom the indebtedness is paid on behalf of any grantee shall be responsible for notifying the holder thereof upon payment in full and for securing the satisfaction or cancellation as provided in this Code section; and, upon failure to do so, the servicing agent or payee shall be subject to the same liability as provided in this Code section.

Hawaii

' 506-8. Release of mortgages of real property or fixtures.

The mortgagee of real property or the record assignee of a mortgage interest shall provide to the mortgagor a release of mortgage upon full satisfaction of the mortgage and discharge of any secured debt. The instrument shall be duly acknowledged, shall sufficiently describe the mortgage that has been satisfied, and be recordable in the bureau of conveyances or office of the assistant registrar of the land court, or both, as appropriate. If the mortgagee or record assignee fails to provide a release of the mortgage as required by this section within sixty days from the date of a request made in writing by any party in interest, and sent by certified or registered mail to the mortgagee or record assignee at its last known address, then:

(1) Any title insurer or underwritten title company as defined in section 431:20-102 may execute the release of mortgage on behalf of the mortgagee or record assignee; provided that:

(A) The release shall have attached to it an affidavit setting forth proof, such as a cancelled check or written confirmation from the mortgagee, that reasonably establishes that the mortgage debt has been discharged and the mortgage has been fully satisfied; and

(B) The release shall be executed by an officer of the title insurer or underwritten title company.

In the event that a mortgage is released by a title insurer or underwritten title company under the provisions of this section but the mortgage debt has not been discharged, the mortgage has not been fully satisfied, and the title insurer or underwritten title company acted with gross negligence or in bad faith in releasing the mortgage, the title insurer or underwritten title company releasing the mortgage shall be liable to the mortgagee for treble damages and reasonable attorneys' fees and costs; or

(2) The mortgagor or a company issuing title insurance to a new owner of the mortgaged subject real property or to another mortgagee of the subject real property, or the escrow company charged by the mortgagor with obtaining the release of mortgage, or any other interested party, as plaintiff, may institute an action in any circuit court to obtain the release of mortgage; provided that:

(A) The plaintiff in the action shall mail a copy of the complaint to the mortgagee or record assignee by certified or registered mail addressed to the mortgagee or record assignee at its last known address;

(B) If the mortgagee or record assignee does not file an answer to the complaint within forty-five days after the mailing, the court, upon receipt of an affidavit of mailing required by this section and upon satisfactory proof that the mortgage debt has been discharged and the mortgage has been fully satisfied, shall issue an order releasing the mortgage;

(C) This order shall be recorded in the bureau of conveyances or office of the assistant registrar of the land court, or both, as appropriate; and

(D) Upon a finding of good cause by the court, the plaintiff shall be entitled to treble damages and reasonable attorneys' fees and costs incurred in the action unless the court finds that the mortgagee had a reasonable basis for believing that a dispute existed regarding whether the mortgage should have been released.

Idaho

§ 45-913. Discharge of mortgage on certificate.

A recorded mortgage if not discharged as provided in the preceding section, must be discharged upon the record by the officer having custody thereof, on the presentation to him of a certificate signed by the mortgagee, his personal representative or assigns, acknowledged or proved and certified as prescribed by the chapter on recording transfers, stating that the mortgage has been paid, satisfied or discharged: provided, that whenever a bank or the person appointed to liquidate the affairs of a bank as provided in section 26-908, has failed or neglected to issue a certificate showing the release, discharge or satisfaction of a real mortgage, the director of the department of finance, or his successor in office, may, upon the request of the owner, or any subsequent owner, or party in interest, issue to such party his certificate showing such mortgage to have been paid, discharged or satisfied even though the affairs of said bank have been completely liquidated.

§ 45-915. Mortgage -- Satisfaction -- Failure to release of record -- Penalty.

When any mortgage, affecting the title to real property, has been satisfied, the holder thereof or his assignee must immediately, on the demand of the mortgagor, purchaser, or the successor in interest of either, execute, acknowledge, and deliver to him a certificate of the discharge thereof so as to entitle it to be recorded, or he must enter satisfaction or cause satisfaction of such mortgage or affecting the title to real property, to be entered of record; and any holder, or assignee of such holder, who refuses to execute, acknowledge, and deliver to the mortgagor, purchaser, or the successor in interest of either, the certificate of discharge, or to enter satisfaction, or cause satisfaction of the mortgage to be entered, as provided in this chapter, is liable to the mortgagor, purchaser, or his grantee or heirs, for all damages which he or they may sustain by reason of such refusal, and shall also forfeit to him or them the sum of \$100.

Illinois

Ill. Comp. Stat. 765/105-1. Trust deed; release

That in all cases where associations have been formed in this state under "An Act to enable associations or persons to become a body corporate to raise funds to be loaned only among the members of such association," in force July 1, 1879, "An Act in relation to mutual building, loan and homestead associations", filed June 19, 1919, as amended, "The Illinois Savings and Loan Act", approved July 5, 1955, as amended, or the Illinois Savings and Loan Act of 1985, as amended; and said associations have taken bonds, and trust deeds made to third persons, conveying real estate to said third persons as trustees, as security for the payment of said bonds; and when it becomes necessary for any such trust deed to be released, and said trustee shall refuse to make such release, or he shall be absent from the town, city or county where such real estate is located, then it shall be lawful for the president or secretary of such association, on being requested so to do by the board of directors of such associations, to act in the capacity of alternate trustee, fully authorized and empowered to release all claim, right, title and interest his association has in and to the real estate described in the trust deed to be released.

Ill. Comp. Stat. 765/905-2. Release; manner

Every mortgagee of real property, his assignee of record, or other legal representative, having received full satisfaction and payment of all such sum or sums of money as are really due to him from the mortgagor, and every trustee, or his successor in trust, in a deed of trust in the nature of a mortgage, the notes, bonds or other indebtedness secured thereby having been fully paid before September 7, 1973, shall, at the request of the mortgagor, or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, in case such mortgage or trust deed has been recorded or registered, make, execute and deliver to the mortgagor or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, an instrument in writing executed in conformity with the provisions of this section releasing such mortgage or deed of trust in the nature of a mortgage, which release shall be entitled to be recorded or registered and the recorder or registrar upon receipt of such a release and the payment of the recording fee therefor shall record or register the same.

Mortgages of real property and deeds of trust in the nature of a mortgage shall be released of record only in the manner provided herein or as provided in the Mortgage Certificate of Release Act; however, nothing contained in this Act shall in any manner affect the validity of any release of a mortgage or deed of trust made prior to January 1, 1952 on the margin of the record.

Every mortgagee of real property, his assignee of record, or other legal representative, having received full satisfaction and payment of all such sum or sums of money as are really due to him from the mortgagor, and every trustee, or his successor in trust, in a deed of trust in the nature of

a mortgage, the notes, bonds or other indebtedness secured thereby having been fully paid after September 7, 1973, shall make, execute and deliver to the mortgagor or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, an instrument in writing releasing such mortgage or deed of trust in the nature of a mortgage or shall deliver that release to the recorder or registrar for recording or registering. If the release is delivered to the mortgagor or grantor, it must have imprinted on its face in bold letters at least 1/4 inch in height the following: "FOR THE PROTECTION OF THE OWNER, THIS RELEASE SHALL BE FILED WITH THE RECORDER OR THE REGISTRAR OF TITLES IN WHOSE OFFICE THE MORTGAGE OR DEED OF TRUST WAS FILED". The recorder, or registrar, upon receipt of such a release and the payment of the recording or registration fee, shall record or register the release.

Ill. Comp. Stat. 765/905-4. Failure to release; penalty

If any mortgagee or trustee, in a deed in the nature of a mortgage, of real property, or his executor or administrator, heirs or assigns, knowing the same to be paid, shall not, within one month after the payment of the debt secured by such mortgage or trust deed, comply with the requirements of Section 2 of this Act, he shall, for every such offense, be liable for and pay to the party aggrieved the sum of \$200 which may be recovered by the party aggrieved in a civil action, together with reasonable attorney's fees. In any such action, introduction of a loan payment book or receipt which indicates that the obligation has been paid shall be sufficient evidence to raise a presumption that the obligation has been paid. Upon a finding for the party aggrieved, the court shall order the mortgagee or trustee, or his executor or administrator, heirs or assigns, to make, execute and deliver the release as provided in Section 2 of this Act. The successor in interest to the mortgagee or trustee in a deed in the nature of a mortgage shall not be liable for the penalty prescribed in this Section if he complies with the requirements of Section 2 of this Act within one month after succeeding to the interest.

Indiana

§ 32-28-1-1. Debt or obligation paid

(a) This section applies to a person, a firm, a limited liability company, a corporation, a copartnership, an association, an administrator, an executor, a guardian, a trustee, or another person who is the owner, holder, or custodian of any mortgage, mechanic's lien, judgment, or other lien recorded in Indiana.

(b) When the debt or obligation and the interest on the debt or obligation that the mortgage, mechanic's lien, judgment, or other lien secures has been fully paid, lawfully tendered, and discharged, the owner, holder, or custodian shall: (1) release; (2) discharge; and (3) satisfy of record; the mortgage, mechanic's lien, judgment, or other lien.

(c) If the release, discharge, or satisfaction is a release, discharge, or satisfaction in part, the instrument must:

(1) state on its face that the instrument is a:

(A) partial release;

(B) partial discharge; or

(C) partial satisfaction; and

(2) describe what portion of the mortgage, mechanic's lien, judgment, or other lien is released, discharged, or satisfied.

§ 32-28-1-2. Forfeiture; commissioner to release and satisfy lien

(a) This section applies if:

(1) the mortgagor or another person having the right to demand the release of a mortgage or lien makes a written demand, sent by registered or certified mail with return receipt requested, to the owner, holder, or custodian to release, discharge, and satisfy of record the mortgage, mechanic's lien, judgment, or other lien; and

(2) the owner, holder, or custodian fails, neglects, or refuses to release, discharge, and satisfy of record the mortgage, mechanic's lien, judgment, or other lien as required under section 1 of this chapter not later than fifteen (15) days after the date the owner, holder, or custodian receives the written demand.

(b) An owner, holder, or custodian shall forfeit and pay to the mortgagor or other person having the right to demand the release of the mortgage or lien:

(1) a sum not to exceed five hundred dollars (\$500) for the failure, neglect, or refusal of the owner, holder, or custodian to:

(A) release;

(B) discharge; and

(C) satisfy of record the mortgage or lien; and
(2) costs and reasonable attorney's fees incurred in enforcing the release, discharge, or satisfaction of record of the mortgage or lien.

(c) If the court finds in favor of a plaintiff who files an action to recover damages under subsection (b), the court shall award the plaintiff the costs of the action and reasonable attorney's fees as a part of the judgment.

(d) The court may appoint a commissioner and direct the commissioner to release and satisfy the mortgage, mechanic's lien, judgment, or other lien. The costs incurred in connection with releasing and satisfying the mortgage, mechanic's lien, judgment, or other lien shall be taxed as a part of the costs of the action.

(e) The owner, holder, or custodian, by virtue of having recorded the mortgage, mechanic's lien, judgment, or other lien in Indiana, submits to the jurisdiction of the courts of Indiana as to any action arising under this section.

§ 32-29-1-7. Certificate of payment and satisfaction

If a mortgage has been paid and satisfied by the mortgagor, the mortgagor may take a certificate of satisfaction, duly acknowledged by the mortgagee or the mortgagee's lawful agent, as required for the acknowledgment of conveyances to entitle them to be recorded. The certificate and acknowledgment shall be recorded by the recorder in whose office the mortgage is recorded, with a reference to the location of the record of the mortgage. The recorded certificate discharges and releases the mortgagor from the mortgage (or portion of the mortgage as indicated in a partial satisfaction), and bars all suits and actions on the mortgage.

§ 32-29-6-9. Certificate of release

An officer or appointed agent of a title insurance company may, on behalf of a mortgagor or a person who acquired from the mortgagor a lien against all or part of the property described in a mortgage, execute a certificate of release that complies with the requirements of this chapter and record the certificate of release in the real property records of each county in which the mortgage is recorded if:

- (1) a satisfaction or release of the mortgage has not been executed and recorded within sixty (60) days after the date payment in full of the loan secured by the mortgage was sent in accordance with a payoff statement furnished by the mortgagee or the mortgage servicer; and
- (2) the title insurance company, an officer of the title insurance company, or an agent of the title insurance company has sent to the last known address of the mortgagee or the mortgage servicer, at least thirty (30) days before executing the certificate of release, written notice of its intention to execute and record a certificate of release in accordance with this section after the expiration of

the sixty (60) day period.

§ 32-29-6-10. Certificate of release; contents

A certificate of release executed under this chapter must contain substantially all of the following:

(1) The name of the mortgagor, the name of the original mortgagee and, if applicable, the name of the mortgage servicer, the date of the mortgage, the date of recording of the mortgage, and the volume and page or instrument number for the mortgage in the real property records where the mortgage is recorded, together with similar information for the last recorded assignment of the mortgage.

(2) A statement that the mortgage was in the original principal amount of not more than one million dollars (\$1,000,000).

(3) A statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in Indiana under IC 27.

(4) A statement that the certificate of release is made on behalf of the mortgagor or a person who acquired a lien from the mortgagor against all or part of the property described in the mortgage.

(5) A statement that the mortgagee or mortgage servicer provided a payoff statement that was used to make payment in full of the unpaid balance of the loan secured by the mortgage.

(6) A statement that payment in full of the unpaid balance of the loan secured by the mortgage was made in accordance with the written or verbal payoff statement and received by the mortgagee or mortgage servicer, as evidenced in the records of the title insurance company or its agents by:

(A) a bank check;

(B) a certified check;

(C) an escrow account check from the title company or title insurance agent;

(D) an attorney trust account check that has been negotiated by the mortgagee or mortgage servicer; or

(E) any other documentary evidence of payment to the mortgagee or mortgage servicer.

(7) A statement indicating that more than sixty (60) days have elapsed since the date payment in full was sent.

(8) A statement that after the expiration of the sixty (60) day period referred to in section 9 of this chapter, the title insurance company, its officers, or its agent sent to the last known address of the mortgagee or mortgage servicer, at least thirty (30) days before executing the certificate of release, notice in writing of its intention to execute and record a certificate of release as required under this section, with an unexecuted copy of the proposed certificate of release attached to the written notice.

(9) A statement that neither the title insurance company nor its officers or agent have received notification in writing of any reason why the certificate of release should not be executed and recorded after the expiration of the thirty (30) day notice period referred to in section 9 of this chapter.

§ 32-29-6-12. Notice of authorization

(a) A title insurance company may authorize an appointed agent of the title insurance company to execute certificates of release under this chapter by recording a notice of authorization in the office of the county recorder for each county in which the duly appointed agent is authorized to execute and record certificates of release on behalf of the title insurance company. The notice of authorization must state the following:

(1) The name of the title insurance company that is authorizing an appointed agent to execute certificates of release on behalf of the title insurance company.

(2) The identity of the person who is an appointed agent of the title insurance company and who is authorized to execute and record certificates of release in accordance with the requirements of this chapter on behalf of the title insurance company.

(3) That the appointed agent has full authority to execute and record certificates of release in accordance with the requirements of this chapter on behalf of the title insurance company.

(b) The notice of authorization must be executed and acknowledged in the same manner as required by law in Indiana for the execution and acknowledgment of a deed.

(c) A single notice of authorization recorded in the office of a county recorder under this section constitutes the authority of the appointed agent to execute and record certificates of release in that county on behalf of the title insurance company. A separate notice of authority is not required for each certificate of release recorded by an appointed agent.

(d) The authority granted to an appointed agent by a title insurance company under this section continues until a revocation of the notice of authorization is recorded in the office of the county recorder for the county in which the notice of authorization was recorded.

(e) The delegation of authority to an appointed agent by a title insurance company under this section does not relieve the title insurance company of any liability for damages for the wrongful or erroneous execution and recording of a certificate of release by the appointed agent.

Iowa

Iowa Code § 535B.11. Servicing mortgages and payoffs

A licensee or other mortgagee who services mortgages on residential real estate located in this state shall do all of the following:

1. Disburse required funds paid by the mortgagor and held in escrow for the payment of real estate taxes and insurance payments no later than their final due date.
 2. Pay penalties incurred by the mortgagor due to the licensee's or mortgagee's failure to meet the due dates referred to in subsection 1 unless the licensee or mortgagee can show that the failure was due solely to the fact that the mortgagor received a statement of the amount due more than fifteen days before the due date and has failed to remit it to the licensee or mortgagee.
 3. Perform a complete escrow analysis yearly. A clear and legible copy of the yearly analysis shall be promptly mailed to the mortgagor. If there is a change in the payment amount, the analysis shall be mailed at least twenty days before the effective date of the change. The summary shall contain all of the following information:
 - a. The name and address of the mortgagee.
 - b. The name and address of the mortgagor.
 - c. A summary of escrow account activity during the year which includes all of the following:
 - (1) The balance of the escrow account at the beginning of the year.
 - (2) The aggregate amount of deposits to the escrow account during the year.
 - (3) The aggregate amount of withdrawals from the escrow account for each of the following categories:
 - (a) Payments against loan principal.
 - (b) Payments against interest.
 - (c) Payments against real estate taxes.
 - (d) Payments for real property insurance premiums.
 - (e) All other withdrawals.
 - (4) A summary of loan principal for the year as follows:
 - (a) The amount of principal outstanding at the beginning of the year.
 - (b) The aggregate amount of payments against principal during the year.
 - (c) The amount of principal outstanding at the end of the year.
- Compliance with sections 524.905, 533.16, 534.206, and 536A.20 shall constitute compliance with this subsection.
4. Answer in writing, within ten business days of receipt, any written request for payoff information received from a mortgagor or the mortgagor's designated representative.
5. Execute and deliver a release after payoff and within forty-five days after receipt of correct payment. If the licensee or mortgagee fails to execute and deliver a release of lien to the mortgagor or the mortgagor's designated representative, the mortgagor or the mortgagor's designated representative may notify in writing the administrator and any other official to whom the mortgagee is primarily subject. The administrator shall promptly mail by certified mail to the licensee or

mortgagee a notice stating that the licensee or mortgagee must both release the mortgage and deliver the release to the administrator within fifteen days of receipt of said notice or face a penalty as provided in this section. If the licensee or mortgagee fails to make the release and deliver it to the administrator, the administrator may assess a penalty not to exceed fifty dollars for each day of delinquency after the fifteen days. The administrator may waive the penalty if the administrator finds the failure was not intentional and resulted from bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid error.

6. If a person in connection with a first mortgage loan has possession of an abstract of title and fails to deliver the abstract to the borrower within twenty calendar days of the borrower's request made by certified mail return receipt requested in connection with a proposed sale of the property, then the borrower may authorize the preparation of a new abstract of title to the property and the person failing to deliver the original abstract shall pay to the borrower the reasonable costs of preparation. If the borrower brings an action against the person failing to deliver to recover such payment and in the action recovers the payment, then the borrower shall also be entitled to recover attorney fees and court costs incurred in the action.

7. When the servicing of a first mortgage loan is transferred, sold, purchased, or accepted by a licensee or registrant, the licensee or registrant who is transferring or selling the servicing shall issue to the mortgagor, within five business days of the transfer, a notice which shall include at a minimum:

- a. The name and address of the licensee or registrant transferring or selling the servicing.
- b. The name and address of the licensee or registrant accepting or purchasing the servicing.
- c. The effective date of the transfer.
- d. A statement concerning the effect of the transfer on the terms and conditions of the mortgage.
- e. The address where payments are to be submitted for at least the next three months.
- f. The name and address of the licensee or registrant to whom questions related to the mortgage may be addressed.

Iowa Code § 655.3. Penalty for failure to discharge

If a mortgagee, or a mortgagee's personal representative or assignee, upon full performance of the conditions of the mortgage, fails to discharge such mortgage within thirty days after a request for discharge, the mortgagee is liable to the mortgagor and the mortgagor's heirs or assigns, for all actual damages caused by such failure, including reasonable attorney fees. A claim for such damages may be asserted in an action for discharge of the mortgage. If the defendant is not a resident of this state, such action may be maintained upon the expiration of thirty days after the conditions of the mortgage have been performed, without such previous request or tender.

Kansas

§ 58-2309a. Entry of satisfaction of mortgage; duties and liability of mortgagee or assignee of mortgage; entry of satisfaction of mortgage by lender or closing agent, when.

(a) When the indebtedness secured by a recorded mortgage is paid and there is no agreement for the making of future advances to be secured by the mortgage, the mortgagee or the mortgagee's assignee shall enter satisfaction or cause satisfaction of such mortgage to be entered of record forthwith, paying the required fee. In the event the mortgagee or the mortgagee's assignee fails to enter satisfaction or cause satisfaction of such mortgage to be entered within 20 days after written demand by certified or registered mail, the lender or a designated closing agent acting as a closing agent in the sale, financing or refinancing of the real estate subject to such mortgage, who upon reliance of written payoff information provided by the mortgagee, and which payoff information shall be deemed as the correct and full amount due and owing under such mortgage, has caused the indebtedness to be paid in full may cause satisfaction of the mortgage to be entered. If in fact the mortgagee or mortgagee's assignee was not paid in accordance with the aforesaid payoff information when the mortgage was released the lender or the closing agent in the sale, financing or refinancing of the real estate subject to such mortgage who signed the false release shall be liable in damages to the mortgagee or mortgagee's assignee for the entire indebtedness together with interest thereon, attorney fees, and any additional damages that the mortgagee or mortgagee's assignee has incurred. Upon recording of such satisfaction by the lender or closing agent in the sale, financing or refinancing of the real estate subject to such mortgage, who has caused the indebtedness to be paid in full, such mortgage shall be deemed fully released as if discharged by the mortgagee or mortgagee's assignee.

(b) When a mortgage is recorded covering real estate in which the mortgagor has no interest, the mortgagee or the mortgagee's assignee shall enter satisfaction or cause satisfaction of such mortgage to be entered of record, paying the required fee without charge to the mortgagor or the mortgagor's assigns.

(c) The following persons may make demand upon a mortgagee or assignee of a mortgagee for the entering of satisfaction of the mortgage, as provided for in subsections (a) and (b):

- (1) A mortgagor, a mortgagor's heirs or assigns or anyone acting for such mortgagor, heirs or assigns;
- (2) an owner of real estate upon which a mortgage has been recorded by someone having no interest in the real estate; or
- (3) a lender or designated closing agent acting as a closing agent in the sale, financing or refinancing of the real estate subject to such mortgage.

(d) Any mortgagee or assignee of a mortgagee who refuses or neglects to enter satisfaction of such mortgage within 20 days after demand has been made as provided in subsection (c) shall be liable

in damages to the person for whom the demand was made in the sum of \$500, together with a reasonable attorney's fee for preparing and prosecuting the action. The plaintiff in such action may recover any additional damages that the evidence in the case warrants. Civil actions may be brought under this act before any court of competent jurisdiction, and attachments may be had as in other cases.

(e) The mortgagee or assignee of a mortgagee entering satisfaction or causing to be entered satisfaction of a mortgage under the provisions of subsection (a) shall furnish to the office of the register of deeds the full name and last known post office address of the mortgagor or the mortgagor's assignee. The register of deeds shall forward such information to the county clerk who shall make any necessary changes in address records for mailing tax statements.

Kentucky

§ 382.365. RELEASE OF LIEN, WITH NOTICE TO PROPERTY OWNER, WITHIN THIRTY DAYS OF SATISFACTION; PROCEEDING AGAINST LIENHOLDER IN DISTRICT COURT OR CIRCUIT COURT; LIABILITY OF LIENHOLDER WHEN LIEN NOT RELEASED OR NOTICE NOT SENT; NOTICE TO STATE OR LIENHOLDER

(1) A holder of a lien on real property, including a lien provided for in KRS 376.010, shall release the lien in the county clerk's office where the lien is recorded within thirty (30) days from the date of satisfaction.

(2) A proceeding may be filed by any owner of real property or any party acquiring an interest in the real property in District Court or Circuit Court against a lienholder that violates subsection (1) of this section. A proceeding filed under this section shall be given precedence over other matters pending before the court.

(3) Upon proof to the court of the lien being satisfied, the court shall enter a judgment releasing the lien. The judgment shall be with costs including a reasonable attorney's fee. If the court finds that the lienholder received written notice of its failure to release and lacked good cause for not releasing the lien, the lienholder shall be liable to the owner of the real property in the amount of one hundred dollars (\$100) per day for each day, beginning on the fifteenth day after receipt of the written notice, of the violation for which good cause did not exist.

(4) A lienholder that continues to fail to release a satisfied real estate lien, without good cause, within forty-five (45) days from the date of written notice shall be liable to the owner of the real property for an additional four hundred dollars (\$400) per day for each day for which good cause did not exist after the forty-fifth day from the date of written notice, for a total of five hundred dollars (\$500) per day for each day for which good cause did not exist after the forty-fifth day from the date of written notice. The lienholder shall also be liable for any actual expense including a reasonable attorney's fee incurred by the owner in securing the release of real property by such violation.

(5) The former holder of a lien on real property shall send by regular mail a copy of the lien release to the property owner at his last known address within seven (7) days of the release. A former lienholder that violates this subsection shall be liable to the owner of the real property for fifty dollars (\$50) and any actual expense incurred by the owner in obtaining documentation of the lien release.

(6) For the purposes of this section, "date of satisfaction" means that date of receipt by a holder of a lien on real property of a sum of money in the form of a certified check, cashier's check, wired transferred funds, or other form of payment satisfactory to the lienholder that is sufficient to pay the

principal, interest, and other costs owing on the obligation that is secured by the lien on the property.

(7) The provisions of this section shall not apply when a lienholder is deceased and the estate of the lienholder has not been settled.

(8) The state licensing agency, if applicable, or any holder of a lien on real property shall be notified of the disposition of any actions brought under this section against the lienholder.

(9) The provisions of this section shall be held and construed as ancillary and supplemental to any other remedy provided by law.

Louisiana

§ 9:5385. Satisfaction of mortgage; production of promissory note or release for cancellation; liability

A. When the obligation secured by a mortgage has been fully satisfied, the mortgagee, the servicing agent, or any holder of the note shall, within thirty days of receipt of written demand by the person providing full satisfaction, produce the satisfied promissory note or an instrument of release in a form sufficient to bring about the cancellation of the inscription of the recorded mortgage to the person providing full satisfaction. However, if the note is held by a federal agency or instrumentality, or a federally sponsored or supported lender, or any nonoriginating secondary mortgage market lender domiciled outside the state of Louisiana, the holder of the note shall, within sixty days after receipt of notice of the satisfaction from the servicing agent, produce the satisfied promissory note or an instrument of release to the servicing agent.

B. If the mortgagee, the servicing agent, or any holder of the note fails to produce the satisfied promissory note or an instrument of release in a form sufficient to bring about cancellation of the mortgage within thirty days after receipt of written demand by the person providing full payment of the balance of the note, the mortgagee and the servicing agent or the mortgagee and any holder of the note shall be liable in solido to the person providing full satisfaction for all damages and costs resulting therefrom, including reasonable attorney fees. However, if the note is held by a federal agency or instrumentality, or a federally sponsored or supported lender, or any nonoriginating secondary mortgage market lender domiciled outside the state of Louisiana, the servicing agency shall, within thirty days of receipt of the satisfied promissory note or an instrument of release from the holder of the note, produce the note or instrument to the person providing full satisfaction.

C. For purposes of this Section, "person" shall include the mortgagor acting in his own behalf, or a notary public or any person, firm, or corporation acting in place of or on behalf of the mortgagor.

Maine

Me. Rev. Stat. Ann. tit. 33 § 551. Entry on record; neglect to discharge

A mortgage only may be discharged by a written instrument acknowledging the satisfaction thereof and signed and acknowledged by the mortgagee or by the mortgagee's duly authorized officer or agent, personal representative or assignee. The instrument must recite the name or identity of the mortgagee and mortgagor, or their successors in interest and the record location of the mortgage discharged. The instrument, when recorded, has the same effect as a deed of release duly acknowledged and recorded.

Within 60 days after full performance of the conditions of the mortgage, the mortgagee shall record a valid and complete release of mortgage together with any instrument of assignment necessary to establish the mortgagee's record ownership of the mortgage. As used in this paragraph, the term "mortgagee" means both the owner of the mortgage at the time it is satisfied and any servicer who receives the final payment satisfying the debt. If a release is not transmitted to the registry of deeds within 60 days, the owner and any such servicer are jointly and severally liable to an aggrieved party for damages equal to exemplary damages of \$200 per week after expiration of the 60 days, up to an aggregate maximum of \$5,000 for all aggrieved parties or the actual loss sustained by the aggrieved party, whichever is greater. If multiple aggrieved parties seek exemplary damages, the court shall equitably allocate the maximum amount. The mortgagee is also liable for court costs and reasonable attorney's fees in any successful action to enforce the liability. The mortgagee may charge the mortgagor for any recording fees incurred in recording the release of mortgage.

With respect to a mortgage securing an open-end line of credit, the 60-day period to deliver a release commences after the mortgagor delivers to the address designated for payments under the line of credit a written request to terminate the line and the mortgage together with payment in full of all amounts secured by the mortgage. The mortgagee may designate in writing a different address for delivery of written notices under this paragraph.

All discharges of recorded mortgages, attachments or liens of any nature must be recorded by a written instrument and, except for termination statements filed pursuant to Title 11, section 9-1513, acknowledged in same manner as other instruments presented for record and no such discharges may be permitted by entry in the margin of the instrument to be discharged.

Me. Rev. Stat. Ann. tit. 33 § 553-A. Discharge by attorney

1. Affidavit. A recorded mortgage on a residential owner-occupied one-to-4- family dwelling may be discharged in the office of the registry of deeds by an attorney-at-law licensed to practice in the State if the mortgagee, after receipt of payment of the mortgage in accordance with the payoff statement furnished to the mortgagor by the mortgagee, fails to make that discharge or to execute

and acknowledge a deed of release of the mortgage. The attorney shall execute and record an affidavit in the registry of deeds affirming that:

- A. The affiant is an attorney-at-law in good standing and licensed to practice in the State;
- B. The affidavit is made at the request of the mortgagor or the mortgagor's executor, administrator, successor, assignee or transferee or the transferee's mortgagee;
- C. The mortgagee has provided a payoff statement with respect to the loan secured by the mortgage;
- D. The mortgagee has received payment that has been proved by a bank check, certified check or attorney client funds account check negotiated by the mortgagee or by evidence of receipt of payment by the mortgagee;
- E. More than 30 days have elapsed since the payment was received by the mortgagee; and
- F. The mortgagee has received written notification by certified mail 15 days in advance, sent to the mortgagee's last known address, that the affiant intends to execute and record an affidavit in accordance with this section, enclosing a copy of the proposed affidavit; the mortgagee has not delivered a discharge or deed of release in response to the notification; and the mortgagor has complied with any request made by the mortgagee for additional payment at least 15 days before the date of the affidavit.

2. Name; address; mortgagee; mortgagor. The affidavit must include the names and addresses of the mortgagor and the mortgagee, the date of the mortgage, the title reference and similar information with respect to recorded assignment of the mortgage.

3. Copy. The affiant shall attach to the affidavit the following, certifying that each copy is a true copy of the original document:

- A. Photostatic copies of the documentary evidence that payment has been received by the mortgagee, including the mortgagee's endorsement of a bank check, certified check or attorney client funds account check; and
- B. A photostatic copy of the payoff statement if that statement is made in writing.

4. Effect. An affidavit recorded under this section has the same effect as a recorded discharge.

5. Exception. A mortgage may not be discharged as provided by this section if the holder of the mortgage at the time a discharge is sought is a financial institution or credit union authorized to do business in the State as defined in Title 9-B, section 131, subsection 12-A or 17-A.

Maryland

Md. Code. Ann. Real Prop. § 7-106. Presumption of release; continuation statements

(a) No trustee of a deed of trust may charge, demand, or receive any money or any other item of value exceeding \$15 for the partial or complete release of the deed of trust unless the fee is specified in the instrument. Any person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100.

(b)(1) Subject to the provisions of paragraph (5) of this subsection a person who has undertaken responsibility for the disbursement of funds in connection with the grant of title to property, shall mail or deliver to the vendor and purchaser in the transaction, the original or a photographic, photostatic, or similarly reproduced copy of the recorded release of any mortgage or deed of trust which the person was obliged to obtain and record with all or part of the funds to be disbursed. If the original or copy of a recorded release is not readily obtainable at the time of recording, the person may mail or deliver to the purchaser or vendor the original or a copy of the court's recordation receipt for the release, or any other certified court document clearly evidencing the recordation of the release.

(2) The required evidence of a recorded release shall be mailed or delivered to the vendor and purchaser within 30 days from the delivery of the deed granting title to the property. However, if the recording of the release is delayed beyond the 30-day period for causes not attributable to the neglect, omission, or malfeasance of the person responsible for the disbursement of funds, a letter explaining the delay shall be mailed or delivered to the vendor and purchaser within the 30-day period, and the person shall mail or deliver to the vendor and purchaser the required evidence of the recorded release at the earliest opportunity. The person shall follow the procedure of mailing or delivering a letter of explanation every 30 days until the required evidence of a recorded release is mailed or delivered to the purchaser and vendor.

(3) If the person responsible for the disbursement of funds does not comply with the provisions of paragraphs (1) and (2), the vendor, purchaser, or a duly organized bar association of the State may petition a court of equity to order an audit of the accounts maintained by the person for funds received in connection with closing transactions in the State. The petition shall state concisely the facts showing noncompliance and shall be verified. On receipt of the petition, the court shall issue an order to the person to show cause within ten days why the audit should not be conducted. If cause is not shown, the court may order the audit to be conducted. The court may order other relief as it deems appropriate under the circumstances of the case.

(4) Prior to delivery of the deed granting title to the property, the person responsible for the disbursement of funds shall inform the vendor and purchaser in writing of the provisions of this section.

(5) Unless specifically requested to do so by either the purchaser or the vendor, a person responsible for the disbursement of funds in a closing transaction is not required to provide the purchaser or vendor with the required evidence of a recorded release if the person properly

disburses all funds entrusted to him in the course of the closing transaction within five days from the date of the delivery of any deed granting title to the property.

(6) The vendor shall bear the cost of reproducing and mailing a recorded release under this section unless the parties otherwise agree.

(c)(1) If a mortgage or deed of trust remains unreleased of record, the mortgagor or grantor or any interested party is entitled to a presumption that it has been paid if:

(i) 12 years have elapsed since the last payment date called for in the instrument or the maturity date as set forth in the instrument or any amendment or modification to the instrument and no continuation statement has been filed;

(ii) The last payment date or maturity date cannot be ascertained from the record, 40 years have elapsed since the date of record of the instrument, and no continuation statement has been filed;
or

(iii) One or more continuation statements relating to the instrument have been recorded and 12 years have elapsed since the recordation of the last continuation statement.

(2) Except as otherwise provided by law, if an action has not been brought to enforce the lien of a mortgage or deed of trust within the time provided in paragraph (1) of this subsection and, notwithstanding any other right or remedy available either at law or equity, the lien created by the mortgage or deed of trust shall terminate, no longer be enforceable against the property, and shall be extinguished as a lien against the property.

(3)(i) A continuation statement may be filed within 1 year before the expiration of the applicable time period under paragraph (1) of this subsection.

(ii) A continuation statement shall:

1. Be signed by:

A. The current mortgagee, if the instrument is a mortgage; or

B. The current beneficiary or any one or more of the current trustees if the instrument is a deed of trust;

2. Identify the original instrument by:

A. The office, docket or book, and first page where the instrument is recorded; and

B. The name of the parties to the instrument; and

3. State that the purpose of the continuation statement is to continue the effectiveness of the original instrument.

(iii) Upon timely recordation in the land records where the original instrument was recorded of a continuation statement under this subparagraph, the effectiveness of the original instrument shall be continued for 12 years after the day on which the continuation statement is recorded.

(iv) A continuation statement is effective if it substantially complies with the requirements of subparagraph (ii) of this paragraph.

(d) Any person who has a lien on real property in this State, or the agent of the lienholder, on payment in satisfaction of the lien, on written request, shall furnish to the person responsible for the disbursement of funds in connection with the grant of title to that property the original copy of the

executed release of that lien. If the lien instrument is a deed of trust the original promissory note marked "paid" or "cancelled" in accordance with Section 3-105(d)(1) of this article constitutes an executed release. If the lien instrument is a mortgage, the original mortgage marked "paid" or "cancelled" in accordance with § 3-105(d)(2) of this article constitutes an executed release. This release shall be mailed or otherwise delivered to the person responsible for the disbursement of funds:

(1) Within seven days of the receipt, by the holder of the lien, of currency, a certified or cashier's check, or money order in satisfaction of the debt, including all amounts due under the lien instruments and under instruments secured by the lien; or

(2) Within seven days after the clearance of normal commercial channels of any type of commercial paper, other than those specified in paragraph (1), received by the holder of the lien in satisfaction of the outstanding debt, including all amounts due under the lien instruments and under the instruments secured by the lien.

(e) If the holder of a lien on real property or his agent fails to provide the release within 30 days, the person responsible for the disbursement of funds in connection with the grant of title to the property, after having made demand therefor, may bring an action to enforce the provisions of this section in the circuit court for the county in which the property is located. In the action the lienholder, or his agent, or both, shall be liable for the delivery of the release and for all costs and expenses in connection with the bringing of the action, including reasonable attorney fees.

Massachusetts

Mass. Gen. Laws ch. 183 § 54C. Recordation of discharge; effect; discharge by mortgage servicer or note holder who is not holder of record

The recordation of a discharge duly executed and acknowledged by a mortgagee, mortgage holder, mortgage servicer or note holder shall constitute a discharge of the mortgage and a release of the lien created by such mortgage on the mortgaged premises; provided, however, that a discharge executed by a mortgage servicer or note holder who is not the holder of record of such mortgage deed will operate as a discharge and release of lien as aforesaid only as to a federally related mortgage securing a one-to-four family residence and only where such a discharge is accompanied by the following:

(A) In the case of a mortgage servicer:

(1) an original or photostatic copy of the servicing agreement, power of attorney or other document evidencing the authority of the mortgage servicer to service the mortgage, which shall be duly recorded and referenced on said discharge. Such copy shall contain a certification by the mortgagee, mortgage holder or mortgage servicer that it is a true copy of the original document.

(2) In the absence of such documents, said discharge may be effected by the recording of:--

(i)(a) an affidavit executed under the pains and penalties of perjury by the mortgagor affirming the inability to obtain any of said documents, the payments made and the reasons why such payments were made to such mortgage servicer, and attaching thereto evidence of such payments in the form of cancelled checks or otherwise, or,

(b) in the event the mortgagor is no longer the record owner of the premises and cannot be located, an affidavit executed under the pains and penalties of perjury by an owner of record for more than three years other than the mortgagor, who purchased the premises subsequent to the recording of the mortgage, and whose recorded deed made no reference to the mortgage remaining outstanding, stating as follows: that said owner purchased the premises in good faith and for value in the belief that the premises were not encumbered by the mortgage; that said owner has not made any payments on account of the mortgage; and that no claims have been made under the mortgage subsequent to said purchase against said owner, and

(ii) an affidavit executed by the attorney who, pursuant to a payoff statement from said mortgage servicer, transmitted funds to said mortgage servicer sufficient to satisfy in full the outstanding balance of the loan secured by such mortgage, affirming the inability to obtain any of said documents despite sending a demand by registered or certified mail to the servicer and the holder of record at their last known addresses at least thirty days prior, the payment in full of said outstanding balance of the mortgage loan, and the acceptance thereof by said mortgage servicer. Evidence of such acceptance in the form of a cancelled check or otherwise shall be attached to said affidavit.

(B) In the case of a note holder who is not the holder of record of the mortgage deed: an original

or photostatic copy of the note, with the endorsements thereon evidencing the transfer of ownership of such note to said holder, shall be duly recorded with or referenced in such discharge. Such copy shall contain a certificate by the note holder that it is a true copy of the original document.

The provisions of this section shall apply to discharges executed on and after the effective date of this act relative to mortgages recorded prior to, on and after said effective date.

Mass. Gen. Laws ch. 183 § 55. Liability for neglect or refusal to discharge; affidavits

A mortgagee, mortgage holder, mortgage servicer, or note holder, who has accepted full payment and satisfaction of the conditions of a mortgage in accordance with a payoff statement issued by such mortgagee, mortgage holder, mortgage servicer or note holder, as the case may be, and who refuses or neglects to provide a duly executed deed of release or written acknowledgement of payment or satisfaction of the debt thereby secured, or of the conditions therein contained, or to provide such supporting documents as may be required by section fifty-four C, relative to such mortgage within forty-five days after such acceptance shall be liable in damages to the owner of the equity of redemption or his successors in an amount equal to the actual damages sustained by said owner or his successors as the result of such refusal or neglect in addition to all other remedies available at law.

Notwithstanding the foregoing, if such mortgagee, mortgage holder, mortgage servicer, or note holder fails to provide a duly executed deed of release or written acknowledgement of payment or satisfaction of the debt secured by the mortgage, or of the conditions therein contained, within thirty days from receipt and acceptance of payment in accordance with a written payoff statement furnished to the mortgagor by such mortgagee, mortgage holder, mortgage servicer or note holder, as the case may be, an attorney-at-law licensed to practice in the commonwealth may, on behalf of the mortgagor, his executor, administrator, successor, assignee, transferee, or his transferee's mortgagee, execute and cause to be recorded in the registry of deeds in which the mortgage is recorded, an affidavit which states that:--

- (1) the affiant is an attorney-at-law in good standing and licensed to practice in the commonwealth;
- (2) the affidavit is made on behalf of and at the request of the mortgagor, his executor, administrator, successor, assignee or transferee, or his transferee's mortgagee;
- (3) the mortgagee, mortgage holder, mortgage servicer, or note holder, has provided a written payoff statement with respect to the loan secured by the mortgage;
- (4) the affiant has ascertained that the mortgagee, mortgage holder, mortgage servicer, or note holder, has received payment of the loan secured by the mortgage in accordance with the payoff statement, as evidenced by a bank check, certified check or attorney's clients' funds account check which has been negotiated by the mortgagee, mortgage holder, mortgage servicer, or note holder, or by other documentary evidence of such receipt of payment;
- (5) more than thirty days have lapsed since such payment was received by the mortgagee, mortgage holder, mortgage servicer, or note holder;

(6) the affiant has given the mortgagee, mortgage holder, mortgage servicer, or note holder at least fifteen days notice in writing by certified mail of his intention to execute and cause to be recorded an affidavit in accordance with this section, together with a copy of the proposed affidavit; and that the mortgagee, mortgage holder, mortgage servicer, or note holder has not delivered a discharge or deed of release in response to such notification and that the mortgagor has complied with any request made by the mortgagee, mortgage holder, mortgage servicer, or note holder for additional payment at least fifteen days prior to the date of the affidavit.

If the payoff was made to a note holder who was not a mortgagee or mortgage holder, an original or photostatic copy of the note, with the endorsements thereon evidencing the transfer of ownership of such note to said holder, shall be duly recorded and referenced in such affidavit, and such affidavit will operate as a discharge and release of lien as aforesaid only as to a federally related mortgage. Such copy shall contain a certificate by the note holder that it is a true copy of the original document.

If the payoff was made to a mortgage servicer who was not a mortgagee or mortgage holder, such affidavit shall operate as a discharge and release of lien as aforesaid only as to a federally related mortgage and only so long as, in addition to such affidavit, one or more of the following are also duly recorded and referenced in such affidavit: an original or photostatic copy of the servicing agreement, power of attorney or other document evidencing the authority of the mortgage servicer to service the mortgage, with said copy containing a certification by the mortgage servicer or the party giving servicing authority that it is a true copy of the original instrument; or an affidavit of the mortgagor or an owner of record pursuant to clause (i) of subparagraph (2) of paragraph (A) of section fifty-four C.

The affidavit shall also include the names and addresses of both the mortgagor and the mortgagee, mortgage holder, mortgage servicer or note holder, as the case may be, the date of the mortgage and the title reference. Similar information shall be included with respect to any recorded assignment of the mortgage.

The affiant shall attach to the affidavit (a) photostatic copies of the documentary evidence that payment has been received by the mortgagee, mortgage holder, mortgage servicer, or note holder, including endorsement of any bank check, certified check or attorney's client funds account check, and (b) a photostatic copy of the payoff statement, and shall certify on each that it is a true copy of the original document.

The affidavit, when so recorded, shall constitute a discharge of the mortgage and a release of the lien created by such mortgage on the mortgaged premises.

Any person who causes any such affidavit to be recorded in accordance with this section, knowing information and statements contained therein to be false, shall be punished by a fine of not more

than five thousand dollars in addition to all other remedies at law.

Michigan

Mich. Comp. Laws § 565.41. Discharge of mortgage; payment of filing fee by mortgagee

A mortgagee or his personal representative, successor or assign, within 90 days after a mortgage has been paid or otherwise satisfied and discharged, shall prepare and file a discharge thereof with the register of deeds for the county where the mortgaged property is located and pay the fee for recording the discharge.

Mich. Comp. Laws § 565.43. Discharge of mortgage; recording of certificate; reproduction process

Every certificate described in section 42, and the proof or acknowledgment of the certificate, shall be recorded at full length, and a reference shall be made to the book and page containing the certificate, in the minute of the discharge of the mortgage made by the register upon the mortgage. If the register of deeds is authorized by the board of commissioners to reproduce deeds, mortgages, maps, instruments, or writings, as provided in section 2 of Act No. 105 of the Public Acts of 1964, being section 691.1102 of the Michigan Compiled Laws, and the mortgage does not exist in a hard copy medium, it is not necessary for him or her to make reference to the book and page containing the certificate on the book or page containing the mortgage. Instead, reference to the book and page containing the certificate shall be made in the index to the entry book of mortgages.

Mich. Comp. Laws § 565.44. Discharge of mortgage; refusal; civil liability, penalty

If any mortgagee, or his personal representative or assignee, as the case may be, after full performance of the condition of the mortgage, whether before or after a breach thereof, or if the same be entirely due and payable, after a tender of the whole amount so due and payable thereon, shall, for the space of 7 days after being thereto requested, and after tender of his reasonable charges, refuse or neglect to discharge the same as provided in this chapter, or to execute and acknowledge a certificate of discharge or release thereof, he shall be liable to the mortgagor, his heirs or assigns, in the sum of 100 dollars damages, and also for all actual damages, occasioned by such neglect or refusal, to the person who shall perform the condition of such mortgage, or make such tender to the mortgagee, his heirs or assigns, or to any one who may have an interest in the mortgaged premises, to be recovered in an action on the case, or be awarded by a court of equity upon a bill filed to procure a discharge, or a release of such mortgage, with double costs, in the discretion of the court.

Minnesota

§ 507.401. Title insurance company; mortgage release certificate

Subdivision 1. Definitions. (a) The definitions in this subdivision apply to this section.

(b) "Assignment of rents and profits" means an assignment, whether in a separate document or in a mortgage, of any of the benefits accruing under a recorded or unrecorded lease or tenancy existing, or subsequently created, on property encumbered by a mortgage, which is given as additional security for the debt secured by the mortgage.

(c) "Mortgage" means a mortgage or mortgage lien, including any assignment of rents and profits given as additional security for the debt secured by that lien, on an interest in real property in this state given to secure a loan in the original principal amount of \$1,500,000 or less.

(d) "Mortgagee" means:

(1) the grantee of a mortgage; or

(2) if a mortgage has been assigned of record, the last person to whom the mortgage has been assigned of record.

(e) "Mortgage servicer" means the last person to whom a mortgagor or the mortgagor's successor in interest has been instructed by a mortgagee to send payments on a loan secured by a mortgage. A person transmitting a payoff statement is the mortgage servicer for the mortgage described in the payoff statement.

(f) "Mortgagor" means the grantor of a mortgage.

(g) "Partial release" means the release of specified parcels of land from a mortgage.

(h) "Payoff statement" means a statement of the amount of:

(1) the unpaid balance of a loan secured by a mortgage, including principal, interest, and any other charges properly due under or secured by the mortgage, and interest on a per day basis for the unpaid balance; or

(2) the portion of the unpaid balance of the loan secured by the mortgage required by the mortgagee or mortgage servicer to be paid as a condition for the issuance of a partial release.

(i) "Record" means to record with the county recorder or file with the registrar of titles.

(j) "Title insurance company" means a corporation or other business entity authorized and licensed to transact the business of insuring titles to interests in real property in this state under chapter 68A.

Subd. 2. Certificate of release. An officer or duly appointed agent of a title insurance company may, on behalf of a mortgagor or a person who acquired from the mortgagor title to all or a part of the property described in a mortgage, execute a certificate of release that complies with the requirements of this section and record the certificate of release in the real property records of each county in which the mortgage is recorded if a satisfaction or release of the mortgage has not been executed and recorded after the date payment in full of the loan secured by the mortgage was sent in accordance with a payoff statement furnished by the mortgagee or the mortgage servicer.

Subd. 3. Contents. A certificate of release executed under this section must contain substantially

all of the following:

- (1) the name of the mortgagor, the name of the original mortgagee, and, if applicable, the mortgage servicer, the date of the mortgage, the date of recording, and volume and page or document number in the real property records where the mortgage is recorded, together with similar information for the last recorded assignment of the mortgage;
- (2) if applicable, the date of any assignment of rents and profits, the date of its recording, and its volume and page or document number in the real property records where it has been recorded or filed, together with similar information for the last recorded assignment thereof;
- (3) a statement that the mortgage was in the original principal amount of \$1,500,000 or less;
- (4) a statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in this state under chapter 68A;
- (5) a statement that the certificate of release is made on behalf of the mortgagor or a person who acquired title from the mortgagor to all or a part of the property described in the mortgage;
- (6) a statement that the mortgagee or mortgage servicer provided a payoff statement which was used to make full or partial payment of the unpaid balance of the loan secured by the mortgage;
- (7) a statement that full or partial payment of the unpaid balance of the loan secured by the mortgage was made in accordance with the written or verbal payoff statement; and
- (8) where the certificate of release affects only a portion of the land encumbered by the mortgage, a legal description of the portion being released.

Subd. 4. Execution. (a) A certificate of release authorized by subdivision 2 must be executed and acknowledged as required by law in the case of a deed and may be executed by a duly appointed agent of a title insurance company, but such delegation to an agent by a title insurance company shall not relieve the title insurance company of any liability for damages caused by its agent for the wrongful or erroneous execution of a certificate of release.

(b) The appointment of agent must be executed and acknowledged as required by law in the case of a deed and must state:

- (1) the title insurance company as the grantor;
- (2) the identity of the person, partnership, or corporation authorized to act as agent to execute and record certificates of release provided for in this section on behalf of the title insurance company;
- (3) that the agent has the full authority to execute and record certificates of release provided for in this section on behalf of the title insurance company;
- (4) the term of appointment of the agent; and
- (5) that the agent has consented to and accepts the terms of the appointment.

(c) A single appointment of agent may be recorded in each county in each recording or filing office. A separate appointment of agent shall not be necessary for each certificate of release. For registered land the appointment of agent shall be shown as a memorial on each certificate of title on which a mortgage to be released by a certificate of release under this section is a memorial. The appointment of agent may be rerecorded where necessary to establish authority of the agent, but such authority shall continue until a revocation of appointment is recorded in the office of the county

recorder, or registrar of titles, where the appointment of agent was recorded.

Subd. 5. Effect. For purposes of releasing the mortgage, a certificate of release containing the information and statements provided for in subdivision 3 and executed as provided in this section is prima facie evidence of the facts contained in it, is entitled to be recorded with the county recorder or registrar of titles, and operates as a release of the mortgage described in the certificate of release. The county recorder and the registrar of titles shall rely upon it to release the mortgage. Recording of a wrongful or erroneous certificate of release by a title insurance company or its agent shall not relieve the mortgagor, or the mortgagor's successors or assigns, from any personal liability on the loan or other obligations secured by the mortgage. In addition to any other remedy provided by law, a title insurance company wrongfully or erroneously recording a certificate of release under this section shall be liable to the mortgagee for actual damage sustained due to the recordings of the certificate of release.

Subd. 6. Recording. If a mortgage is recorded in more than one county and a certificate of release is recorded in one of them, a certified copy of the certificate of release may be recorded in another county with the same effect as the original. In all cases, the certificate of release shall be entered and indexed as satisfactions of mortgage and releases of assignments of rents and profits are entered and indexed.

Subd. 7. Application. This section applies only to a mortgage in the original principal amount of \$1,500,000 or less.

§ 507.41. Penalty for failure to discharge

When any mortgagee, mortgagee's personal representative or assignee, upon full performance of the conditions of the mortgage, shall fail to discharge the same within ten days after being thereto requested and after tender of the mortgagee's reasonable charges therefor, that mortgagee shall be liable to the mortgagor, the mortgagor's heirs or assigns, for all actual damages thereby occasioned; and a claim for such damages may be asserted in an action for discharge of the mortgage. If the defendant be not a resident of the state, such action may be maintained upon the expiration of 60 days after the conditions of the mortgage have been performed, without such previous request or tender.

§ 507.412. Satisfaction or release by fewer than all mortgagees

A real estate mortgage securing an undivided debt owned by more than one mortgagee or assignee, including joint tenants, may be satisfied or released by an instrument executed by any one of the mortgagees or assigns unless the mortgage specifically states otherwise. The debt is presumed to be undivided unless the mortgage specifically states otherwise. This section does not affect the rights or liabilities of the holders of the debt secured by the mortgage as among themselves. Unless

the mortgage specifically states otherwise, this section does not permit fewer than all of the holders of a mortgage to assign, amend, extend, or foreclose the mortgage, or to discharge the secured debt, as distinguished from satisfying or releasing the mortgage.

Mississippi

§ 89-5-21. Satisfaction to be recorded; lines of credit

(1) Except as otherwise provided in this subsections (3), (4) and (5), any mortgagee or cestui que trust, or assignee of any mortgagee or cestui que trust, of real or personal estate, having received full payment of the money due by the mortgage or deed of trust, shall enter satisfaction upon the margin of the record of the mortgage or deed of trust, which entry shall be attested by the clerk of the chancery court and discharge and release the same, and shall bar all actions or suits brought thereon, and the title shall thereby revert in the grantor.

(2) Any such mortgagee or cestui que trust, or such assignee, by himself or his attorney, who does not, after payment of all sums owed, within one (1) month after written request, cancel on the record the mortgage or deed of trust shall forfeit the sum of Two Hundred Dollars (\$200.00), which can be recovered by suit on part of the party aggrieved, and if after request, he fails or refuses to make such acknowledgment of satisfaction, the person so neglecting or refusing shall forfeit and pay to the party aggrieved any sum not exceeding the mortgage money, to be recovered by action; but such entry of satisfaction may be made by anyone authorized to do it by the written authorization of the mortgagee or beneficiary, duly acknowledged and recorded, and shall have the same effect as if done by the mortgagee or beneficiary.

(3) With respect to a mortgage or deed of trust which states on its face that it secures a line of credit, satisfaction of record shall be accomplished and extinguishment shall occur as provided in subsection (5).

(4) As used in this section, the term "line of credit" means any loan, extension of credit or financing arrangement where the lender has agreed to make additional or future advances.

(5) Any mortgagee or cestui que trust, or the assignee of a mortgagee or cestui que trust, under a mortgage or deed of trust securing a line of credit shall, upon (a) the termination or maturity of the line of credit and the payment of all sums owing in connection with the line of credit, or (b) the payment of all sums owing in connection with the line of credit and a written request by the debtor to cancel the line of credit and the mortgage or deed of trust securing the line of credit, enter satisfaction upon the margin of the record of the mortgage or deed of trust, which entry shall be attested by the clerk of the chancery court and discharge and release the same, and shall bar all actions or suits brought thereon, and the title shall thereby revert in the grantor. For the purpose of this subsection (5), the requirement of a written request by the debtor may be satisfied by a prospective creditor's delivery of a document, signed by the debtor, requesting cancellation of the line of credit and the mortgage or deed of trust securing the line of credit.

Missouri

§ 443.130. Forfeiture for failing to satisfy

1. If any such person, thus receiving satisfaction, does not, within fifteen business days after request and tender of costs, deliver to the person making satisfaction a sufficient deed of release, such person shall forfeit to the party aggrieved ten percent upon the amount of the security instrument, absolutely, and any other damages such person may be able to prove such person has sustained, to be recovered in any court of competent jurisdiction. A business day is any day except Saturday, Sunday and legal holidays.

2. To qualify under this section, the mortgagor shall provide the request in the form of a demand letter to the mortgagee, cestui qui trust, or assignee by certified mail, return receipt requested. The letter shall include good and sufficient evidence that the debt secured by the deed of trust was satisfied with good funds, and the expense of filing and recording the release was advanced.

3. In any action against such person who fails to release the lien as provided in subsection 1 of this section, the plaintiff, or his attorney, shall prove at trial that the plaintiff notified the holder of the note by certified mail, return receipt requested.

Montana

§ 71-1-212. Penalties for failure to give certificate of discharge or release after full performance

After the full performance of the conditions of a mortgage and whether before or after a breach of the mortgage, a mortgagee or the personal representative or assignee of the mortgagee who refuses or neglects to execute, acknowledge, and deliver to the mortgagor a certificate of discharge or release of the mortgage within 90 days after a request for one is liable to the mortgagor or the mortgagor's heirs or assigns the sum of \$500 and all actual damages resulting from the neglect or refusal.

§ 71-1-213. Discharge or release by other than mortgagee

(1) If the discharge or release is made by the personal representative of the mortgagee, it must be accompanied by a certified copy of his authority unless such authority is already of record in the office of the county clerk and recorder where the mortgage is recorded.

(2) If the discharge or release is made by an assignee, it must be accompanied by the assignment of the mortgage unless the assignment is already of record in the office of the county clerk and recorder where the mortgage is recorded.

(3) If the discharge or release is executed by an attorney in fact, the discharge or release must have attached to it the power of attorney under which it is made unless the power of attorney is already of record in the office of the county clerk and recorder where the mortgage is recorded.

(4) If the discharge or release is executed by the heir or heirs of the mortgagee, the discharge or release must be accompanied by a certified copy of an order or decree of a court of competent jurisdiction showing such authority unless the order or decree is already of record in the office of the county clerk and recorder where the mortgage is recorded.

(5) Foreign administrators and executors may discharge or release mortgages of record in Montana if the discharge or release of mortgages is accompanied by an authenticated copy of their letters of administration or letters testamentary, with the certificate of the clerk of the court in which the appointment was made that the same have not been revoked and are in full force, which certificate and certified copy of letters shall be recorded with the discharge or release of the mortgage. When presented and recorded, the discharge or release has the same effect as if the mortgage was discharged or released by the mortgagee.

Nebraska

§ 76-251. Deed intended as mortgage; recording; effect.

Every deed conveying real estate, which, by any other instrument in writing, shall appear to have been intended only as a security in the nature of a mortgage, though it be an absolute conveyance in terms, shall be considered as a mortgage. The person for whose benefit such deed shall be made shall not derive any advantage from the recording thereof, unless every writing operating as a defeasance, or explaining its effect as a mortgage, or conditional deed, is also recorded therewith and at the same time.

§ 76-252. Release of mortgage; required; when; failure to deliver; effect; damages.

When the obligation secured by any mortgage has been satisfied, the mortgagee shall, upon receipt of a written request by the mortgagor or the mortgagor's successor in interest or designated representative or by a holder of a junior trust deed or junior mortgage, execute and deliver a release of mortgage in recordable form to the mortgagor or mortgagor's successor in interest or designated representative, as directed in the written request. Any mortgagee who fails to deliver such a release within sixty days after receipt of such written request shall be liable to the mortgagor or the mortgagor's successor in interest, as the case may be, for one thousand dollars or actual damages resulting from the failure, whichever is greater. In any action against the mortgagee pursuant to this section, the court shall award, in addition to the foregoing amounts, the cost of suit, including reasonable attorney's fees, and may further order the mortgagee to execute a release. Successor in interest of the mortgagor shall include the current owner of the property and shall also include the person issuing a payoff check in accordance with the terms of a payoff letter from a beneficiary.

§ 76-253. Mortgage; record; certificate of discharge or satisfaction.

Any mortgage shall be discharged upon the record thereof by the register of deeds in whose custody it shall be, whenever there shall be presented to him a certificate executed by the mortgagee, his legal personal representative or assignee, acknowledged or proved or certified as prescribed in sections 76-216 to 76-236, specifying that such mortgage has been paid, or otherwise satisfied and discharged.

Nevada

§ 106.290. Recording of discharge of mortgage by mortgagee; liability for failure to record discharge; requirements for release of mortgage when discharge not recorded; liability for improperly recording release; criminal penalty

1. Within 21 calendar days after receiving written notice that a debt secured by a mortgage has been paid or otherwise satisfied or discharged, the mortgagee shall cause a discharge of the mortgage to be recorded pursuant to NRS 106.260 or 106.270 if the mortgagor, his heirs or assigns have fully performed the conditions of the mortgage.

2. If a mortgagee fails to comply with the provisions of this section, the mortgagee is liable in a civil action to the mortgagor, his heirs or assigns for:(a) The sum of \$500;(b) Any actual damages caused by the failure of the mortgagee to comply with the provisions of this section; and(c) A reasonable attorney's fee and the costs of bringing the action.

3. Except as otherwise provided in this subsection, if a mortgagee fails to cause a discharge of the mortgage to be recorded pursuant to subsection 1 within 75 calendar days, a title insurer may prepare and cause to be recorded a release of the mortgage. At least 30 calendar days before the recording of a release pursuant to this subsection, the title insurer shall mail, by first-class mail, postage prepaid, notice of the intention to record the release of the mortgage to the mortgagor and mortgagee, or their successors in interest, at the last known address of each such person. A release prepared and recorded pursuant to this subsection shall be deemed a discharge of the mortgage. The title insurer shall not cause a release to be recorded pursuant to this subsection if the title insurer receives written instructions to the contrary from the mortgagor, the mortgagee or a successor in interest.

4. The release prepared pursuant to subsection 3 must set forth:(a) The name of the mortgagor;(b) The name of the mortgagee;(c) The recording reference to the mortgage;(d) A statement that the debt secured by the mortgage has been paid in full or otherwise satisfied or discharged;(e) The date and amount of payment or other satisfaction or discharge; and(f) The name and address of the title insurer issuing the release.

5. A release prepared and recorded pursuant to subsection 3 does not relieve a mortgagee of the requirements imposed by subsections 1 and 2.

6. In addition to any other remedy provided by law, a title insurer who improperly causes to be recorded a release of a mortgage pursuant to this section is liable in a civil action for actual damages and for a reasonable attorney's fee and the costs of bringing the action to any person who is injured because of the improper recordation of the release.

7. Any person who willfully violates this section is guilty of a misdemeanor.

8. As used in this section, "title insurer" has the meaning ascribed to it in NRS 692A.070.

§ 107.077. Delivery of documents by beneficiary to trustee; recording by trustee; liability for failure to deliver or record documents; requirements for release of deed of trust when reconveyance not recorded; liability for improperly recording deed of trust; criminal penalty

1. Within 21 calendar days after receiving written notice that a debt secured by a deed of trust made on or after October 1, 1991, has been paid or otherwise satisfied or discharged, the beneficiary shall deliver to the trustee or the trustor the original note and deed of trust, if he is in possession of those documents, and a properly executed request to reconvey the estate in real property conveyed to the trustee by the grantor. If the beneficiary delivers the original note and deed of trust to the trustee or the trustee has those documents in his possession, the trustee shall deliver those documents to the grantor.

2. Within 45 calendar days after a debt secured by a deed of trust made on or after October 1, 1991, is paid or otherwise satisfied or discharged, and a properly executed request to reconvey is received by the trustee, the trustee shall cause to be recorded a reconveyance of the deed of trust.

3. If the beneficiary fails to deliver to the trustee a properly executed request to reconvey pursuant to subsection 1, or if the trustee fails to cause to be recorded a reconveyance of the deed of trust pursuant to subsection 2, the beneficiary or the trustee, as the case may be, is liable in a civil action to the grantor, his heirs or assigns in the sum of \$500, plus a reasonable attorney's fee and the costs of bringing the action, and he is liable in a civil action to any party to the deed of trust for any actual damages caused by his failure to comply with the provisions of this section and for a reasonable attorney's fee and the costs of bringing the action.

4. Except as otherwise provided in this subsection, if a reconveyance is not recorded pursuant to subsection 2 within:(a) Seventy-five calendar days after the payment, satisfaction or discharge of the debt, if the payment, satisfaction or discharge was made on or after October 1, 1993; or(b) Ninety calendar days after the payment, satisfaction or discharge of the debt, if the payment, satisfaction or discharge was made before October 1, 1993, a title insurer may prepare and cause to be recorded a release of the deed of trust. At least 30 calendar days before the recording of a release pursuant to this subsection, the title insurer shall mail, by first-class mail, postage prepaid, notice of the intention to record the release of the deed of trust to the trustee, trustor and beneficiary of record, or their successors in interest, at the last known address of each such person. A release prepared and recorded pursuant to this subsection shall be deemed a reconveyance of a deed of trust. The title insurer shall not cause a release to be recorded pursuant to this subsection if the title insurer receives written instructions to the contrary from the trustee, the trustor, the owner

of the land, the holder of the escrow or the owner of the debt secured by the deed of trust or his agent.

New Hampshire

§ 479:7. Discharge; Record.

I. When a mortgage upon real estate is satisfied, the mortgagee shall give the mortgagor a discharge thereof. Said discharge shall be in the form of a written document and shall be signed by the mortgagee, his executor, administrator, successor, or assign whose signature shall be witnessed or acknowledged and shall be sufficient when substantially in the following form:

(Form for Mortgage Discharge)

For value received, _____, holder of a mortgage from _____ to _____, dated _____ and recorded in _____ County Registry of Deeds at Book _____, Page _____, hereby discharges the said mortgage.(1) Witness my hand this _____ day of _____, 20_____ Witness:_____

or

(2) Subscribed, sworn to and acknowledged before me by _____, the mortgagee, this _____ day of _____, 20_____. (Signed)

(Notary Public/Justice of the Peace)

II. The mortgagee, within 60 days after said mortgage is satisfied and having reasonable charges tendered to the mortgagee, shall cause the discharge of the mortgage to be recorded in the registry of deeds where the land lies. The recording fees associated with the discharge of mortgage may be charged to the mortgagor, if the mortgagor received written disclosure that such fees would be so charged. The mortgagee shall provide written confirmation of the discharge within the 60-day period to the payor of the final payment in satisfaction of the mortgage.

§ 479:7-a. Discharge by Affidavit.

I. Notwithstanding the provisions of RSA 479:10, if such mortgagee fails to make such discharge of the mortgage within 60 days from receipt of payment of the mortgage in accordance with the payoff statement furnished to the mortgagor by the mortgagee, an attorney-at-law licensed to practice in the state of New Hampshire may, on behalf of the mortgagor; the mortgagor's executor, administrator, assignee, transferee, or other successor in title; or the mortgagee of the mortgagor's transferee or other successor in title; execute and cause to be recorded in the registry of deeds in which the mortgage is recorded, an affidavit which states that:(a) The affiant is an attorney-at-law in good standing and licensed to practice in the state of New Hampshire.(b) The affidavit is made on behalf of, and at the request of, the mortgagor; the mortgagor's executor, administrator, assignee, transferee, or other successor in title; or the mortgagee of the mortgagor's transferee or

other successor in title.(c) The mortgagee has provided a payoff statement with respect to the loan secured by the mortgage.(d) The affiant has ascertained that the mortgagee has received payment of the loan secured by the mortgage in accordance with the payoff statement, as evidenced by a bank check, certified check or attorney's clients' funds account check which has been negotiated by the mortgagee and bears no indication of a stop payment order or return for insufficient funds, or by other equivalent documentary evidence of such receipt of payment by the mortgagee.(e) More than 60 days have elapsed since such payment was received by the mortgagee.(f) The affiant has given the mortgagee at least 15 days' notice in writing by certified mail, sent to the mortgagee's last known address, of intention to execute and cause to be recorded an affidavit in accordance with this section, together with a copy of the proposed affidavit; and the mortgagee has not delivered a discharge in response to such notification and the mortgagor has complied with any request made by the mortgagee for additional payment at least 15 days prior to the date of the affidavit.

II. The affidavit shall include the names and addresses of both the mortgagor and the mortgagee, the date of the mortgage, and the title reference. Similar information shall be included with respect to any recorded assignment of the mortgage.

III. The affiant shall attach to the affidavit the following, certifying that each copy is a true copy of the original document:(a) Photostatic copies of the documentary evidence that payment has been received by the mortgagee, including the mortgagee's endorsement of any bank check, certified check, or attorney's clients' funds account check; and(b) A photostatic copy of the payoff statement.

IV. The affidavit, when recorded, shall constitute a discharge of the mortgage and a release of the lien created by the mortgage on the mortgaged premises.

V. Any person who causes an affidavit to be recorded in accordance with this section, knowing the information and statements contained in the affidavit to be false, shall be punished by a fine of not more than \$5,000.

VI. In this section, the term "payoff statement" means a written statement of the amount of the unpaid balance on the mortgage including principal, interest, and other charges properly assessed pursuant to the loan documentation of such mortgage and a statement of the interest on a per diem basis with respect to the unpaid principal balance on the mortgage. For the purposes of this section, a regular periodic account statement is not considered a payoff statement unless the mortgagee expressly states thereon that the statement represents a final payoff statement and it also contains a per diem rate or amount for calculating the final mortgage payoff amount.

§ 479:8. Penalty.

Any mortgagee violating the provisions of RSA 479:7, or any mortgagee who after the satisfaction of his mortgage refuses to give a sufficient discharge of such mortgage, shall be guilty of a violation.

New Jersey

§ 46:18-11.2. Redemption, payment or satisfaction of mortgage; banks, savings and loan associations, etc.; when mortgage deemed satisfied

a. When any mortgage registered or recorded pursuant to R.S.46:17-1 et seq. shall be redeemed, paid and satisfied, a mortgagee, other than a bank, savings bank, savings and loan association, credit union or other corporation engaged in the business of making or purchasing mortgage loans, or his agents or assigns shall within 10 days notify the mortgagor that he has the right to demand the mortgagee to cancel the mortgage of record upon payment by the mortgagor of the fee required by the county to effect the cancellation and the mortgagee shall within 30 days of the receipt by the mortgagee of the required fee from the mortgagor: (1) apply to the county recording officer to have the mortgage canceled of record; and (2) send to the mortgagor or mortgagor's agent at the same time the mortgage is sent to the county recording officer for cancellation of record a copy of the letter of transmittal which the mortgagee sent to the county recording officer requesting the cancellation of the mortgage of record.

b. (1) When any mortgage registered or recorded pursuant to R.S.46:17-1 et seq. shall be redeemed, paid and satisfied and the mortgagee is a bank, savings bank, savings and loan association, credit union or other corporation in the business of making or purchasing mortgage loans, that mortgagee, its agents or assigns shall: (a) cause the mortgage to be submitted to the county recording officer for cancellation of record within 30 days of receipt of all fees which are required to be paid by the mortgagor pursuant to this subsection; and (b) send to the mortgagor or mortgagor's agent at the same time the mortgage is sent to the county recording officer for cancellation of record a copy of the letter of transmittal which the mortgagee sent to the county recording officer requesting the cancellation of the mortgage of record.

(2) The mortgagee shall have the right to receive from the mortgagor the amount of the fee charged by the county recording officer to cancel the mortgage plus an additional service fee from the mortgagor, which service fee shall not exceed \$25 or such higher amount which the Commissioner of Banking and Insurance may approve by regulation, provided the mortgagor has received notice of the fees required by the mortgagee. The mortgagee may collect the service fee at the time of the mortgage transaction or at the time the mortgage is redeemed, paid and satisfied. The fee charged by the county recording officer to cancel the mortgage of record shall be collectible at the time the mortgage is redeemed, paid and satisfied.

c. If the final payment is made in cash, by certified check or cashier's check, the mortgage shall be deemed paid, satisfied and redeemed upon receipt of the cash, certified check or cashier's check by the mortgagee, his agents or assigns.

§ 46:18-11.3. Failure to comply; notice of noncompliance; fines; disposition and collection of fines; damages to mortgagor

a. (1) If the mortgagee, his agent or assigns fails to comply with the applicable provisions of subsection a. or b. of section 1 of P.L.1975, c. 137 (C.46:18-11.2), the mortgagor or the mortgagor's agent may serve the mortgagee or his assigns with written notice of the noncompliance, which notice shall identify the mortgage and the date and means of its redemption, payment and satisfaction. If the mortgagee has not complied within 15 business days after receipt of the written notice from the mortgagor or mortgagor's agent pursuant to this paragraph (1), the mortgagee or his assigns shall be subject to a fine of \$50 per day for each day after the 15-day period until compliance, except that the total fine imposed pursuant to this paragraph (1) shall not exceed \$1,000.

(2) If the mortgagee, his agent or assigns fails to comply with the applicable provisions of section 1 of P.L.1975, c. 137 (C.46:18-11.2), the purchaser or the purchaser's agent may serve the mortgagee or his assigns with written notice of the noncompliance, which notice shall identify the mortgage and the date and means of its redemption, payment and satisfaction. If the mortgagee has not complied within 15 business days after receipt of the written notice from the purchaser or purchaser's agent pursuant to this paragraph (2), the mortgagee or his assigns shall be subject to a fine of \$50 per day for each day after the 15-day period until compliance, except that the total fine imposed pursuant to this paragraph (2) shall not exceed \$1,000.

b. Of each fine collected pursuant to subsection a. of this section, 100% shall be payable to the private citizen instituting the action. The fine may be collected by summary proceedings instituted by a private citizen or the Attorney General in accordance with "the penalty enforcement law" (N.J.S.2A:58-1 et seq.).

c. (1) If a mortgagee, his agent or assigns has not applied to the county recording officer to cancel the mortgage of record pursuant to subsection a. or b. of section 1 of P.L.1975, c. 137 (C.46:18-11.2), within the 15 business day period provided by paragraph (1) of subsection a. of this section, the mortgagee shall be liable to the mortgagor for the greater of the mortgagor's actual damages or the sum of \$1,000, less any fines recovered by the mortgagor pursuant to paragraph (1) of subsection a. and paragraph (1) of subsection b. of this section. In any successful action to recover damages pursuant to this paragraph (1), the mortgagee shall reimburse the mortgagor for the costs of the action including the mortgagor's reasonable attorneys' fees.

(2) If a mortgagee, his agent or assigns has not applied to the county recording officer to cancel the mortgage of record pursuant to subsection a. or b. of section 1 of P.L.1975, c. 137 (C.46:18-11.2), within the 15 business day period provided by paragraph (2) of subsection a. of this section, the mortgagee shall be liable to the purchaser for the greater of the purchaser's actual damages or the sum of \$1,000, less any fines recovered by the purchaser pursuant to paragraph (2) of subsection a. and paragraph (2) of subsection b. of this section. In any successful action to recover damages pursuant to this paragraph (2), the mortgagee shall reimburse the purchaser for the costs of the action including the purchaser's reasonable attorneys' fees.

§ 46:18-11.4. Failure to comply; liability for costs of action for cancellation

Any mortgagee or his assigns who fail to comply with section 1 of this act shall be liable to the mortgagor, or his heirs, successors or assigns who have an interest in the mortgaged premises for the cost of any legal action to have the mortgage canceled of record, including reasonable attorneys' fees, but no attorneys' fees shall be allowed unless 20 days written notice is given to the mortgagee prior to institution of suit.

§ 46:18-11.7. Submission of discharge or satisfaction-piece by certain agents or attorneys; affidavit

a. An attorney-at-law of this State or a person duly licensed as an insurance producer pursuant to the "New Jersey Insurance Producer Licensing Act," P.L.1987, c. 293 (C.17:22A-1 et seq.), in the line of title insurance who has caused payment in full to be made of a mortgage duly recorded or registered in this State, which mortgage has not been timely canceled in accordance with section 1 of P.L.1975, c. 137 (C.46:18-11.2), may submit for recording a discharge or satisfaction-piece, executed as agent or attorney-in-fact for the owner or holder of the mortgage, by virtue of this section, provided the discharge or satisfaction-piece is accompanied by an affidavit setting forth the circumstances of payment, which discharge or satisfaction-piece and affidavit shall be accepted for recording by the county clerk or register of deeds and mortgages, so long as the affidavit is substantially in the form set forth below:

AFFIDAVIT OF PAYMENT TO DISCHARGE MORTGAGE PURSUANT TO SECTION 3 OF P.L.1999, c. 40 (C.46:18-11.7)

State of New Jersey County of _____, ss.:The undersigned, being duly sworn upon the undersigned's oath, avers as follows:1. I am: (a) an attorney-at-law duly admitted to practice before the Courts of this State; or (b) duly licensed as an insurance producer in the line of title insurance.2. On _____, ____, I caused to be sent to _____, located at _____ (the address designated for receipt of payment in the pay-off letter, or if no address is designated, the address given on the letter head of the pay-off letter), the sum of \$_____, in full payment of a certain mortgage dated _____, ____, in the face amount of \$_____, between _____ (mortgagor) and _____ (mortgagee), which mortgage was recorded on _____, ____, in the Office of the County Clerk/Register of Deeds of the County of _____ in Mortgage Book _____, page _____ (and which mortgage was subsequently assigned to _____ by assignment of mortgage dated _____, ____, in Assignment of Mortgage Book _____, page _____).3. Said payment was made by check or electronic wire transfer, in accordance with a pay-off letter received from _____, dated _____, ____,; and I have received advice that (a) the check has been negotiated and canceled on _____, ____,; or (b) the wire transfer was received and credited to the recipient's account on _____, ____.4. On _____, ____, at least 30 days' notice having elapsed since the date the payment was received, I caused a notice to be sent to _____, located at _____ (the address designated for receipt of payment in the pay-off letter, or if no address is designated, the address given on the letter head of the pay-off letter), by registered or certified mail, return receipt

requested, pursuant to section 2 of P.L.1975, c. 137 (C.46:18-11.3).5. On _____, ____, at least 30 days having elapsed since the date the notice as set forth in paragraph 4 of this affidavit was received, I caused a notice to be sent to _____, located at _____ (the address designated for receipt of payment in the pay-off letter, or if no address is designated, the address given on the letter head of the pay-off letter), by registered or certified mail, return receipt requested, of my intention to cause the mortgage to be discharged by affidavit pursuant to section 3 of P.L.1999, c. 40 (C.46:18-11.7), if the mortgage remains uncanceled 15 days after the notice is received.6. At least 15 days have now elapsed since the notice described in paragraph 5 of this affidavit was received. To the best of my knowledge and belief, no letter or other written communication has been received from _____, to the effect that it denies or disputes that the mortgage has been paid in full and ought to be discharged of record at this time.7. Wherefore, the undersigned directs the county clerk or register of deeds of the County of _____ to cause to be recorded the discharge or satisfaction- piece accompanying this affidavit, and further directs the county clerk or register of deeds to cause a marginal notation of discharge to be made upon the record of the mortgage described in paragraph 2 of this affidavit. _____ Sworn and subscribed before me this _____ day of _____, ____.

b. Upon payment of the appropriate fees therefor, the county clerk or register of deeds and mortgages shall cause the marginal notation "Discharge recorded in Book _____, Page _____" to be made upon the record of any mortgage which is specifically described in the affidavit.

New Mexico

§ 48-7-4. Release on record upon satisfaction of mortgage.

A. When any debt or evidence of debt secured by a mortgage or deed of trust upon any real estate in the state has been fully satisfied, it is the duty of the mortgagee, trustee or the assignee of the debt or evidence of debt, as the case may be, to cause the full satisfaction of it to be entered of record in the office of the county clerk of the county where the mortgage or deed of trust is recorded.

B. The debt or evidence of debt secured by a mortgage or deed of trust shall not have been fully satisfied for purposes of Subsection A of this section, even if all sums due thereunder have been paid in full, if the written agreement between the mortgagor or trustor and the mortgagee or beneficiary provides for the securing of a series of loans or a line of credit by a mortgage or deed of trust and the notation "Line of credit mortgage" is prominently placed on the mortgage or deed of trust that is filed with the county clerk in the county or counties in which the property is located.

C. If, at any time the obligation secured by the mortgage or deed of trust described in Subsection B of this section is fulfilled, and the balance is zero, the mortgagee or beneficiary shall cause the mortgage or deed of trust to be released of record upon written demand of the mortgagor, trustor or the successor or assignee thereof. In the event of the death or incompetence of the mortgagor or trustor, the heirs, personal representative, conservator or guardian of the mortgagor or trustor as appropriate may make the demand for release described in this subsection.

§ 48-7-5. [Failure to release; penalty; civil liability.]

Any person who shall be guilty of violating the preceding section [48-7-4 NMSA 1978], upon conviction before any justice of the peace [magistrate] or district court having jurisdiction of the same shall be punished by a fine of not less than ten [(\$10.00)] nor more than twenty-five dollars [(\$25.00)], and shall be liable in a civil action to the owner of such real estate for all costs of clearing the title to said property including a reasonable attorney's fee.

New York

N.Y. Real Prop. Acts. § 1921. Discharge of mortgage

1. After payment of authorized principal, interest and any other amounts due thereunder or otherwise owed by law has actually been made, and in the case of a credit line mortgage as defined in section two hundred eighty-one of the real property law on written request, a mortgagee of real property situate in this state, unless otherwise requested in writing by the mortgagor or the assignee of such mortgage, must execute and acknowledge before a proper officer, in like manner as to entitle a conveyance to be recorded, a satisfaction of mortgage, and thereupon within forty-five days arrange to have the satisfaction of mortgage: (a) presented for recording to the recording officer of the county where the mortgage is recorded, or (b) if so requested by the mortgagor or the mortgagor's designee, to the mortgagor or the mortgagor's designee. The mortgagee shall within forty-five days deliver the note and the mortgage and where a title is registered under article twelve of the real property law, the registration copy of the mortgage and any registration certificates in the mortgagee's possession to the mortgagor or the mortgagor's designee making such payment and request if required as aforesaid. Delivery of a satisfaction of mortgage in accordance with the terms of section two hundred seventy-five of the real property law shall be deemed to satisfy the requirements of this section regarding the satisfaction of mortgage.

2. Upon the failure or refusal of any such mortgagee to comply with the foregoing provisions of this section any person having an interest in the mortgage or the debt or obligation secured thereby or in the mortgaged premises may apply to the supreme court or a justice thereof, or to the county court or a judge thereof, in or of any county in which the mortgaged premises or any part thereof are situated in whole or in part, upon a petition, for an order to show cause why an order should not be made by such court canceling and discharging the mortgage of record, and directing the register or clerk of any county in whose office the same may have been recorded to mark the same upon his records as canceled and discharged, and further ordering and directing that the debt or other obligation secured by the mortgage be canceled, upon condition that in the event such mortgage is not paid, the sums tendered pursuant to the foregoing provisions of this section be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the mortgaged premises are situated in whole or in part. Said petition must be verified in like manner as a verified pleading in an action in the supreme court and it must set forth the grounds of the application.

3. In any case where an actual tender, as provided in subdivision one of this section, cannot with due diligence be made within this state, any person having an interest in the mortgage or the debt or obligation secured thereby, or in the mortgaged premises, may apply to the supreme court or a justice thereof, or to the county court or a judge thereof, in or of any county in which the mortgaged premises, or any part thereof are situated in whole or in part, upon petition setting forth the grounds of the application and verified as aforesaid, for an order to show cause why an order

should not be made by said court canceling and discharging the mortgage of record, and directing the register or clerk of any county in whose office the same may have been recorded to mark the same upon his records as canceled and discharged and further ordering and directing that the debt or other obligation secured by the mortgage be canceled, upon condition that the principal sum of the mortgage or any unpaid balance thereof, with interest up to the date when said order shall be entered and the aforesaid fees allowed by law, be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the mortgaged premises are situated in whole or in part.

4. In the case of a mortgage secured by property improved by a one-to-six family, owner occupied, residential structure or residential condominium unit, if the mortgagee fails within ninety days to deliver the satisfaction of mortgage and/or fails within ninety days to deliver the note and the mortgage and any other documents as required by subdivision one of this section and if the mortgage is not otherwise satisfied the mortgagee shall be liable to such person in the amount of five hundred dollars or the economic loss to such person, whichever is greater. If the mortgagee has delivered such satisfaction of mortgage in a timely manner and has certified that the note and/or mortgage are not in its possession as of such date, the mortgagee shall not be liable under this section if the mortgagee agrees to defend and hold harmless the mortgagor by reason of the inability or failure of the mortgagee to furnish the note or mortgage within the time period prescribed in this subdivision; provided that in connection with mortgage loans purchased prior to July twenty- seven, nineteen hundred ninety-one by the state of New York mortgage agency pursuant to section two thousand four hundred five or two thousand four hundred-five-b of the public authorities law, the state of New York mortgage agency, its successors or assigns shall not be liable under this section if it does not defend and hold harmless the mortgagor by reason of the inability or failure of the state of New York mortgage agency, its successors or assigns to furnish the note or mortgage within the time period prescribed in this subdivision. Damages imposed by this subdivision shall be in addition to the other costs and fees allowed in this section.

5. (a) In the case of a mortgage secured by property improved by a one-to-six family, owner occupied, residential structure or residential condominium unit, if within ninety days of receipt of payment, and request if required, the mortgagee fails to deliver to the mortgagor or the mortgagor's designee the satisfaction of mortgage, the note and the mortgage and any other documents as required by subdivision one of this section, any attorney-at-law may execute, acknowledge and upon payment of an additional filing fee of fifty dollars cause to be filed with the recording officer of the county where the mortgage is recorded, an affidavit which complies with this section. Unless the mortgagee shall file a verified objection to such affidavit within thirty-five days of being filed, as of the date thirty-five days subsequent to its filing, such affidavit shall be recorded and satisfy the lien of such mortgage on the mortgaged premises.

(b) The affidavit shall state that:(i) The affiant is an attorney-at-law and that the affidavit is made on behalf of and at the request of the mortgagor or any person who has acquired title to the mortgaged premises;(ii) The mortgagor made a proper request of the mortgagee for the execution

of the satisfaction of mortgage pursuant to subdivision one of this section;(iii) The mortgagor has received a payoff statement for the loan secured by the mortgage, and shall annex as evidence a copy of the payoff statement;(iv) The affiant has ascertained that the mortgagee received payment of the loan in accordance with the payoff statement, and shall annex as evidence, copies of the check negotiated by the mortgagee or documentary evidence of such payment;(v) The affiant, at least thirty days after the mortgagee received payment, has given the mortgagee written notice together with a copy of the proposed affidavit, delivered by certified or registered mail, return receipt requested, to the attention of the person or department set forth in the payoff statement, of the affiant's intention to execute and record an affidavit in accordance with this section; and(vi) The mortgagee has not responded in writing to such notification or all requests by the mortgagee for payment have been complied with at least fifteen days prior to the date of the affidavit.

(c) Such affidavit shall identify the mortgagor and the mortgagee, state the date of the mortgage, the liber and page of the land records where the mortgage is recorded and give similar information with respect to any recorded assignment of the mortgage.

(d) The affiant shall attach to the affidavit photostatic copies of the documentary evidence that payment has been received by the mortgagee, including mortgagee's endorsement of any check, and a photostatic copy of the payoff statement and certify each to be a copy of the original document.

(e) Within five days of the filing of such affidavit the register or clerk of every county in whose office said mortgage has been recorded shall give the mortgagee written notice, delivered by certified or registered mail, return receipt requested, to the attention of the person or department set forth in the payoff statement, as annexed to the affidavit filed hereunder, of the filing of such affidavit, which notice shall include the following notice in capital letters:"THIS NOTICE IS MADE UNDER SECTION 1921 OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW. FAILURE TO FILE WITH THIS OFFICE WITHIN THIRTY DAYS OF THIS NOTICE A VERIFIED OBJECTION TO THE DISCHARGE OF THE MORTGAGE DESCRIBED IN THIS NOTICE WILL RESULT IN SUCH MORTGAGE BEING CANCELED AND DISCHARGED OF RECORD."Unless the register or clerk of such county shall receive from the mortgagee, within thirty-five days of the date of filing of such affidavit, a verified objection by the mortgagee to the discharge of said mortgage, the register or clerk shall record the affidavit and supporting documents and mark the mortgage described in the affidavit canceled and discharged of record and such recorded affidavit shall have the same force and effect as a duly executed satisfaction of mortgage recorded in accordance with section three hundred twenty-one of the real property law. If the register or clerk of such county shall receive from the mortgagee, within thirty-five days of the date of filing of such affidavit, a verified objection by the mortgagee to the discharge of said mortgage, the register or clerk shall return the original affidavit and the verified objection to the attorney filing such affidavit without marking the mortgage described in the affidavit canceled or discharged of record. The clerk or register of such county shall additionally transmit a copy of the affidavit and the verified objection to its applicable appellate division of the supreme court, committee on professional standards, for such further proceedings as determined appropriate by such committee.

(f) The county clerk or register shall index the affidavit in the same manner as a satisfaction of mortgage and shall record such instrument upon payment of the same fees as for a satisfaction of mortgage.

(g)(i) Any attorney who prepares an affidavit and negligently causes the affidavit to contain false information shall be liable to the mortgagee for any monetary damages and subject to other applicable sanctions under law.(ii) Any person who supplies false information for the affidavit shall be liable to the mortgagee for any monetary damages and subject to other applicable sanctions under law.

(h) A banking or other organization having the original or copies thereof, shall furnish, within sixty days of receiving a written request, a copy of the front and reverse sides of a check issued to satisfy the mortgage obligation by such banking or other organization, needed for completion of an affidavit in accordance with this subdivision.

6. Eight days' notice of the application for either of the orders provided for in subdivisions two and three of this section shall be given to the then mortgagee of record and also, if the petition show that there is a mortgage not of record, to such mortgagee. Such notice shall be given in such manner as the court or the judge or justice thereof to whom the petition is presented may direct, and said court or judge or justice may require such longer notice to be given as may seem proper. If sufficient cause be shown the court or judge or justice thereof may issue such order to show cause returnable in less than eight days.

7. Upon the return day of such order to show cause, the court, upon proof of due service thereof and on proof of the identity of the mortgagee and of the person presenting the petition, shall inquire in such manner as it may deem advisable, into the truth of the facts set forth in the petition, and in case it shall appear that said principal sum or any unpaid balance thereof and interest and the said fees allowed by law have been duly paid or tendered but not accepted and said satisfaction of mortgage has been duly presented for execution, or that such tender and presentation could not have been made within this state with due diligence, then, in the event such mortgage is not paid, the court shall make an order directing the sums so tendered, or in a case where such tender could not have been made as aforesaid, directing the principal sum or any unpaid balance thereof, with interest thereon to the date of entry of said order together with all other amounts due thereunder pursuant to subdivision three of this section and the aforesaid fees allowed by law, to be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the application herein is made, and directing and ordering that upon such payment the debt or other obligation secured by the mortgage be canceled and further directing the register or clerk of any and every county in whose office said mortgage shall have been recorded to mark said mortgage canceled and discharged of record upon the production and delivery to such register or clerk of a certified copy of the order and the receipt of such officer, showing that the amount required by said order has been deposited with him, which certified copy of said order and which receipt shall be recorded, filed and indexed by any such register or clerk in the same manner as a certificate of discharge of a mortgage. Said receipt need not be acknowledged to entitle it to be

recorded. The court in its discretion, when granting any such order after application therefor pursuant to subdivision two of this section, may award costs and reasonable attorney's fees to the person making the application, in the absence of the showing of a valid reason for the failure or refusal to execute the satisfaction of mortgage and deliver the same, the note and mortgage and any other documents required under subdivision one of this section. The money deposited shall be payable to the mortgagee, his personal representative or assigns, upon an order of the supreme court or county court, directing the payment thereof to him upon such evidence as to his right to receive the same as shall be satisfactory to the court.

8. Wherever any register or clerk shall record any order and receipt as hereinbefore specified, he shall mark the record of said mortgage as follows: "Canceled and discharged by order of the ... Court, County of ..., dated ... and filed ...," and thereupon the lien of such mortgage shall be deemed to be discharged and the debt secured thereby shall be deemed to be canceled. Said register or clerk shall be permitted to charge for recording and filing said order and receipt, the same fees to which he is now entitled for recording and filing a certificate of satisfaction of a mortgage.

9. When used in this section: (a) "Mortgagee" means (i) the current holder of the mortgage of record or the current holder of the mortgage, or (ii) any person to whom payments are required to be made or (iii) their personal representatives, agents, successors, or assigns. (b) "Attorney-at-law" means any person admitted to practice law in this state and in good standing. (c) "Payoff statement" means a statement setting forth the unpaid balance of the mortgage, including principal, interest and other charges pursuant to the loan documents, together with a per diem rate for interest accruing after the date to which the unpaid balance has been calculated. The payoff statement furnished by a banking organization or corporate mortgagee shall include a name of an individual employed by such banking organization or corporate mortgagee or department of such banking organization or corporate mortgagee to whom inquiry concerning the payoff statements are to be addressed in addition to the address of the banking organization or corporation for use in connection with the affidavit under subdivision five of this section. (d) "Banking organization" shall have the same meaning as provided in subdivision eleven of section two of the banking law and shall include any institution chartered or licensed by the United States or any state. (e) "Note" shall include any written evidence of indebtedness.

N.Y. Real Prop. Acts. § 1921-a. Partial release from lien of mortgaged premises

1. Whenever the owner of mortgaged property situate in this state shall be entitled, pursuant to the terms of the mortgage encumbering such property, to obtain the release of a portion thereof from the lien of such mortgage, then, upon (1) delivery by such owner to the mortgagee of a partial release from lien of mortgaged premises, in a form entitled to be recorded, describing the portion of the mortgaged premises so entitled to be released, together with the fees allowed by law for the taking of the acknowledgment of a deed, (2) proof that all requirements set forth in such mortgage

as conditions precedent to the execution and delivery by the mortgagee of such partial release have been satisfied, and (3) payment, or tender of payment, to the mortgagee of all sums required under the term of the mortgage to be paid to obtain such partial release, such mortgagee must execute and acknowledge before a proper officer, in like manner as to entitle a conveyance to be recorded, the partial release the theretofore delivered to such mortgagee or such other partial release from lien of mortgaged premises as may be required to be executed under the terms of the mortgage, which release shall be in recordable form.

2. Upon the failure or refusal of any such mortgagee to comply with the foregoing provisions of this section, any owner of the mortgaged premises may apply to the supreme court or a justice thereof, or to the county court or a judge thereof, in or of any county in which the mortgaged premises or any part thereof are situated in whole or in part, upon a petition, for an order to show cause why an order should not be made by such court releasing of record from the lien of said mortgage the parcel or parcels of land described in said release, and directing the register or clerk of any county in whose office the same may have been recorded to mark the same upon his records as released as to the parcel or parcels described in such order, and further ordering and directing that the debt or other obligation secured by the mortgage be reduced in the amount tendered or paid, upon condition that in the event such mortgage or part thereof is not paid, the sums tendered pursuant to the foregoing provisions of this section be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the mortgaged premises are situated in whole or in part for the purpose of paying said sum over to the mortgagee. Said petition must be verified in like manner as a verified pleading in an action in the supreme court and it must set forth the grounds of the application.

3. In any case where an actual tender, as provided in subdivision one of this section, cannot, with due diligence, be made, any owner of the mortgaged premises may apply to the supreme court or a justice thereof, or to the county court or a judge thereof, in or of any county in which the mortgaged premises, or any part thereof are situated in whole or in part, upon petition setting forth the grounds of the application and verified as aforesaid, for an order to show cause why an order should not be made by said court releasing of record the parcel or parcels described in said release from the lien of the mortgage, and directing the register or clerk of every county in which the mortgaged premises are located to mark the same upon his records as released as to the parcel or parcels described in such order and further ordering and directing that the debt or other obligation secured by the mortgage be reduced, upon condition that the prerequisites for obtaining such release set forth in subdivision one of this section and the sum of the mortgage required to be paid pursuant to the terms and conditions of said mortgage and fees allowed by law or the mortgage, be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the mortgaged premises are situated in whole or in part until such time as said sums may be claimed by the mortgagee.

4. Eight days' notice of the application for either of the orders provided for in subdivisions two and

three of this section shall be given to the mortgagee. Such notice shall be given in such manner as the court or the judge or justice thereof to whom the petition is presented may direct, and said court or judge or justice may require such longer notice to be given as may seem proper. If sufficient cause be shown the court or judge or justice thereof may issue such order to show cause returnable in less than eight days.

5. Upon the return day of such order to show cause, the court, upon proof of due service thereof and on proof of the identity of the mortgagee and of the person presenting the petition, shall inquire, in such manner as it may deem advisable, into the truth of the facts set forth in the petition, and in case it shall appear that said sum or sums required to be paid pursuant to the terms and conditions of the mortgage and the fees allowed by law have been duly paid or tendered but not accepted, said partial release from lien of mortgage instrument has been duly presented for execution, or that such tender and presentation could not have been made with due diligence and the prerequisites for obtaining such release as set forth in subdivision one of this section have been met, then, in the event that portion of the lien of such mortgage required to be released pursuant to the terms and conditions thereof is not so released, the court shall make an order directing the sums so tendered, or in a case where such tender could not have been made as aforesaid, directing the sum or sums so required and the fees allowed by law, to be paid to the officer specified by law to hold court funds and moneys deposited in court in the county wherein the application herein is made, and directing and ordering that upon such payment the debt or other obligation secured by the mortgage be reduced and further directing the register or clerk of every county in which the mortgaged premises are located to mark said mortgage reduced of record upon the production and delivery to such register or clerk of a certified copy of the order and the receipt of such officer showing that the amount required by said order and which receipt shall be recorded, filed and indexed by any such register or clerk in the same manner as a certificate of discharge of a release from lien of mortgaged premises. Said receipt need not be acknowledged to entitle it to be recorded. The court in its discretion, when granting any such order after application therefor pursuant to subdivision two of this section, may award costs and reasonable attorneys' fees to the person making the application, in the absence of the showing of a valid reason for the failure or refusal to execute the partial release from lien of mortgaged premises and deliver the same. The money deposited shall be payable to the mortgagee, his representatives or assigns, less any court costs and reasonable attorneys' fees allowed by the court as herein provided which shall be paid to the owner of the mortgaged premises who has made application for the order herein referred to upon an order of the supreme court or county court, directing the payment thereof to such owner upon such evidence as to his right to receive the same as shall be satisfactory to the court.

6. Wherever any register or clerk shall record any order and receipt as hereinbefore specified, he shall mark the record of said mortgage, if same be recorded, as follows: "Part of the premises herein described have been released from lien of this mortgage by order of the _____ court, County of _____, dated _____ and filed _____ a description of the property so released being contained in such order" and thereupon the lien of such mortgage shall

be deemed to be released as to the premises so described in such order and the debt or obligation secured thereby shall be deemed to be reduced as a provided in such order. Said register or clerk shall be permitted to charge for recording and filing said order and receipt, the same fees to which he is entitled for recording and filing a certificate of release of lien of mortgaged premises.

7. The word "mortgagee" whenever used in this section shall be construed to include the persons entitled to enforce or satisfy the mortgage and the personal representatives, successors and assigns, of such persons.

8. Nothing contained in this section shall limit or abridge any rights or remedies otherwise available at law or in equity to the owner of the mortgaged premises or any other person having an interest in such mortgaged premises.

North Carolina

§ 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, trustor 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 grantor, trustor or mortgagor, shall forward said instrument and the deed of trust or mortgage instrument, with payment and satisfaction acknowledged in accordance with the requirements of G.S. 45-37, to the grantor, trustor or mortgagor.

(b) Any person, institution or agent who fails to comply with this section may be required to pay a civil penalty of not more than one thousand dollars (\$1,000) in addition to reasonable attorneys' fees and any other damages awarded by the court to the grantor, trustor or mortgagor, or to a subsequent purchaser of the property from the grantor, trustor or mortgagor. A five hundred dollar (\$500.00) civil penalty may be recovered by the grantor, trustor or mortgagor, and a five hundred dollar (\$500.00) penalty may be recovered by the purchaser of the property from the grantor, trustor or mortgagor. If that purchaser of the property consists of more than a single grantee, then the civil penalty will be divided equally among all of the grantees. A petitioner may recover damages under this section only if he has given the mortgagee, obligee, beneficiary or other responsible party written notice of his intention to bring an action pursuant to this section. Upon receipt of this notice, the mortgagee, obligee, beneficiary or other responsible party shall have 30 days, in addition to the initial 60-day period, to fulfill the requirements of this section.

(c) Should any person, institution or agent who is not the present holder of the evidence of indebtedness be required to pay a civil penalty, attorneys' fees, or other damages under this section, they will have an action against the holder of the evidence of indebtedness for all sums they were required to pay.

§ 45-37. Discharge of record of mortgages, deeds of trust and other instruments

(a) Subject to the provisions of G.S. 45-73 relating to secured instruments which secure future advances, any deed of trust or mortgage or other instrument intended to secure the payment of money or the performance of any other obligation registered as required by law may be discharged and released of record in the following manner:

(1) By acknowledgment of the satisfaction of the provisions of such deed of trust, mortgage or

other instrument in the presence of the register of deeds by: a. The trustee, b. The mortgagee, c. The legal representative of a trustee or mortgagee, or d. A duly authorized agent or attorney of any of the above. The register of deeds is not required to verify or make inquiry concerning the authority of the person acknowledging the satisfaction to do so. Upon acknowledgment of satisfaction, the register of deeds shall record a record of satisfaction as described in G.S. 45-37.2, and may forthwith make upon the margin of the record of such deed of trust, mortgage or other instrument an entry of such acknowledgment of satisfaction which shall be signed by the trustee, mortgagee, legal representative, agent or attorney and witnessed by the register of deeds, who shall also affix his name thereto.

(2) By exhibition of any deed of trust, mortgage or other instrument accompanied with the bond, note, or other instrument thereby secured to the register of deeds, with the endorsement of payment and satisfaction appearing thereon and made by: a. The obligee, b. The mortgagee, c. The trustee, d. An assignee of the obligee, mortgagee, or trustee, ore. Any chartered banking institution, or savings and loan association, national or state, or credit union, qualified to do business in and having an office in the State of North Carolina, when so endorsed in the name of the institution by an officer thereof. The register of deeds is not required to verify or make inquiry concerning the authority of the person making the endorsement of payment and satisfaction to do so. Upon exhibition of the instruments, the register of deeds shall cancel the mortgage, deed of trust or other instrument by recording a record of satisfaction as described in G.S. 45-37.2, and may make an entry of satisfaction on the margin of the record. The person so claiming satisfaction, performance or discharge of the debt or other obligation may retain possession of all of the instruments exhibited. The exhibition of the mortgage, deed of trust or other instrument alone to the register of deeds, with endorsement of payment, satisfaction, performance or discharge, shall be sufficient if the mortgage, deed of trust or other instrument itself sets forth the obligation secured or the performance of any other obligation and does not call for or recite any note, bond or other instrument secured by it.

(3) By exhibiting to the register of deeds by: a. The grantor, b. The mortgagor, or c. An agent, attorney or successor in title of the grantor or mortgagor of any mortgage, deed of trust or other instrument intended to secure the payment of money or the performance of any other obligation, together with the bond, note or other instrument secured thereby, or by exhibition of the mortgage, deed of trust or other instrument alone if such instrument itself sets forth the obligation secured or other obligation to be performed and does not call for or recite any note, bond or other instrument secured by it, if at the time of exhibition, all such instruments are more than 10 years old counting from the maturity date of the last obligation secured. If the instrument or instruments so exhibited have an endorsement of partial payment, satisfaction, performance or discharge within the said period of 10 years, the period of 10 years shall be counted from the date of the most recent endorsement. The register of deeds shall cancel the mortgage, deed of trust, or other instrument by recording a record of satisfaction as described in G.S. 45- 37.2, and may make proper entry of cancellation and satisfaction of said instrument on the margin of the record where the same is recorded, whether there be any such entries on the original papers or not.

(4) By exhibition to the register of deeds of any deed of trust given to secure the bearer or holder of any negotiable instruments transferable by delivery, together with all the evidences of

indebtedness secured thereby, marked paid and satisfied in full and signed by the bearer or holder thereof. Upon exhibition of the deed of trust, and the evidences of indebtedness properly marked, the register of deeds shall cancel such deed of trust by recording a record of satisfaction as described in G.S. 45-37.2, and may make an entry of satisfaction upon the margin of the record, which record, or entry if made, shall be valid and binding upon all persons, if no person rightfully entitled to the deed of trust or evidences of indebtedness has previously notified the register of deeds in writing of the loss or theft of the instrument or evidences of indebtedness and has caused the register of deeds to record the notice or loss or theft in a separate document, as required by G.S. 161-14.1. Upon receipt of written notice of loss or theft of the deed of trust or evidences of indebtedness the register of deeds shall record a record of satisfaction, as described in G.S. 45-37.2, which in this case shall consist of a rerecording of the record of the deed of trust containing the marginal entry and may make on the record of the deed of trust concerned a marginal entry in writing thereof, with the date of receipt of the notice. The deed of trust shall not be canceled after such recording of a record of satisfaction or marginal entry until the ownership of said instrument shall have been lawfully determined. Nothing in this subdivision (4) shall be construed to impair the negotiability of any instrument otherwise properly negotiable, nor to impair the rights of any innocent purchaser for value thereof. Every entry of acknowledgment of satisfaction or of satisfaction made or witnessed by the register of deeds as provided in subdivision (a)(1) shall operate and have the same effect to release and discharge all the interest of such trustee, mortgagee or representative in such deed or mortgage as if a deed of release or reconveyance thereof had been duly executed and recorded.

(5) By exhibition to the register of deeds of a notice of satisfaction of a deed of trust, mortgage, or other instrument which has been acknowledged by the trustee or the mortgagee before an officer authorized to take acknowledgments. The notice of satisfaction shall be substantially in the form set out in G.S. 47-46.1. The notice of satisfaction shall recite the names of all parties to the original instrument, the amount of the obligation secured, the date of satisfaction of the obligation, and a reference by book and page number to the record of the instrument satisfied. The notice of satisfaction shall be accompanied by the deed of trust, mortgage, or other instrument, or a copy of the instrument, for verification and indexing purposes, which shall not be recorded with the notice. Upon exhibition of the notice of satisfaction, the register of deeds shall record the notice of satisfaction and cancel the deed of trust, mortgage, or other instrument as required by G.S. 45-37.2. No fee shall be charged for recording any documents or certifying any acknowledgments pursuant to this subdivision. The register of deeds shall not be required to verify or make inquiry concerning the authority of the person executing the notice of satisfaction to do so.

(6) By exhibition to the register of deeds of a certificate of satisfaction of a deed of trust, mortgage, or other instrument that has been acknowledged before an officer authorized to take acknowledgments by the owner of the note, bond, or other evidence of indebtedness secured by the deed of trust or mortgage. The certificate of satisfaction shall be accompanied by the note, bond, or other evidence of indebtedness, if available, with an endorsement of payment and satisfaction by the owner of the note, bond, or other evidence of indebtedness. If such evidence of indebtedness cannot be produced, an affidavit, hereafter referred to as an "affidavit of lost note",

signed by the owner of the note, bond, or other evidence of indebtedness, shall be delivered to the register of deeds in lieu of the evidence of indebtedness certifying that the debt has been satisfied and stating: (i) the date of satisfaction; (ii) that the note, bond, or other evidence of indebtedness cannot be found; and (iii) that the person signing the affidavit is the current owner of the note, bond, or other evidence of indebtedness. The certificate of satisfaction shall be substantially in the form set out in G.S. 47-46.2 and shall recite the names of all parties to the original instrument, the amount of the obligation secured, the date of satisfaction of the obligation, and a reference by book and page number to the record of the instrument satisfied. The affidavit of lost note, if necessary, shall be substantially in the form set out in G.S. 47-46.3. The certificate of satisfaction shall be accompanied by the deed of trust, mortgage, or other instrument, or a copy of the instrument, for verification and indexing purposes, which shall not be recorded with the certificate. Upon exhibition of the certificate of satisfaction and accompanying evidence of indebtedness endorsed paid and satisfied, or upon exhibition of an affidavit of lost note, the register of deeds shall record the certificate of satisfaction and either the accompanying evidence of indebtedness or the affidavit of lost note, and shall cancel the deed of trust, mortgage, or other instrument as required by G.S. 45-37.2. No fee shall be charged for recording any documents or certifying any acknowledgments pursuant to this subdivision. The register of deeds shall not be required to verify or make inquiry concerning the authority of the person executing the certificate of satisfaction to do so.

(b) It shall be conclusively presumed that the conditions of any deed of trust, mortgage or other instrument securing the payment of money or securing the performance of any other obligation or obligations have been complied with or the debts secured thereby paid or obligations performed, as against creditors or purchasers for valuable consideration from the mortgagor or grantor, from and after the expiration of 15 years from whichever of the following occurs last: (1) The date when the conditions of such instrument were required by its terms to have been performed, or (2) The date of maturity of the last installment of debt or interest secured thereby; provided that the holder of the indebtedness secured by such instrument or party secured by any provision thereof may file an affidavit with the register of deeds which affidavit shall specifically state: (1) The amount of debt unpaid, which is secured by said instrument; or (2) In what respect any other condition thereof shall not have been complied with; or may record a separate instrument signed by the holder or party secured and witnessed by the register of deeds stating: (1) Any payments that have been made on the indebtedness or other obligation secured by such instrument including the date and amount of payments and (2) The amount still due or obligations not performed under the instrument. Whenever practical, the register of deeds may also enter the information contained in the separate instrument on the margin of the record of the instrument. The effect of the filing of the affidavit or of the instrument recorded made as herein provided shall be to postpone the effective date of the conclusive presumption of satisfaction to a date 15 years from the filing of the affidavit or from the recording of the instrument or the making of the notation. There shall be only one postponement of the effective date of the conclusive presumption provided for herein. The register of deeds shall record the affidavit provided for herein and shall record a separate instrument, as required by G.S. 161-14.1, making reference to the filing of such affidavit and to the book and page where the

affidavit is recorded. Whenever practical, the register of deeds may also make such a reference on the margin of the record of the deed of trust, mortgage, or other instrument referred to. This subsection shall not apply to any deed, mortgage, deed of trust or other instrument made or given by any railroad company, or to any agreement of conditional sale, equipment trust agreement, lease, chattel mortgage or other instrument relating to the sale, purchase or lease of railroad equipment or rolling stock, or of other personal property.

(c) Repealed by Laws 1991, c. 114, 4.

(d) For the purposes of this section "register of deeds" means the register of deeds, his deputies or assistants of the county in which the mortgage, deed of trust, or other instrument intended to secure the payment of money or performance of other obligation is registered.

(e) Any transaction subject to the provisions of the Uniform Commercial Code, Chapter 25 of the General Statutes, is controlled by the provisions of that act and not by this section.

(f) Whenever this section requires a signature or endorsement, that signature or endorsement shall be followed by the name of the person signing or endorsing the document printed, stamped, or typed so as to be clearly legible. The register of deeds may refuse to accept any document when the provisions of this subsection have not been met.

§ 45-37.2 Recording satisfactions of deeds of trust and mortgages.

(a) When a notice of satisfaction is recorded pursuant to G.S. 45-37(a)(5) or a certificate of satisfaction is recorded pursuant to G.S. 45-37(a)(6), the register of deeds shall make an entry of satisfaction on the notice or certificate and record and index the instrument.

(b) When a deed of trust, mortgage, or other instrument is satisfied by a method other than by means of a notice of satisfaction or certificate of satisfaction, the register of deeds shall record a record of satisfaction consisting of either a separate instrument or all or a portion of the original deed of trust or mortgage rerecorded, and shall make the appropriate entry of satisfaction as provided in G.S. 45-37 on each record of satisfaction. A separate instrument or original deed of trust or mortgage rerecorded pursuant to this subsection shall contain (i) names of all parties to the original instrument, (ii) the amount of the obligation secured, (iii) the date of satisfaction of the obligation, (iv) a reference by book and page number to the record of the instrument satisfied, and (v) the date of recording the notice of satisfaction.

(c) Whenever it is practical to do so, the register of deeds may make a marginal notation of satisfaction in addition to making the recordation required by this section.

North Dakota

N.D. Cent. Code § 35-01-27. Discharge of mortgage or lien on real property -- Penalty.

Within sixty days after any mortgage or other lien upon real property is satisfied or within thirty days of receipt of a written demand of the owner of the property, whichever is shorter, the owners of the mortgage or other lien shall execute a certificate of discharge duly acknowledged, and cause a satisfaction of record to be entered. The fee for filing the satisfaction must be paid by the owner of the property or added to the debt paid by the owner of the property. Any mortgagee or owner of a mortgage or lien who fails to execute or deliver a discharge or to enter a satisfaction as provided under this section is liable to the owner of the property for all damages sustained as a result of the refusal and exemplary damages of one hundred dollars.

N.D. Cent. Code § 35-03-16. Satisfaction of mortgage -- Discharge -- Form -- Power of attorney.

A recorded mortgage must be discharged upon the record by the recorder having custody of the mortgage on the presentation of a certificate of discharge signed by the mortgagee, the mortgagee's executors, administrators, guardians, trustees, assigns, personal representatives, or special administrators appointed for that purpose, properly acknowledged or proved and certified as prescribed by chapter 47-19. The certificate of discharge must contain a brief description of the mortgage and must state that the mortgage has been paid in full or otherwise satisfied and discharged and that the officer is authorized to discharge the mortgage of record. Any person executing a certificate of discharge as a personal representative of the mortgagee first shall file and have recorded in the office of the recorder where the mortgage is recorded, a power of attorney showing the person's authority to discharge mortgages in behalf of the mortgagee and in the mortgagee's name. The mortgagee shall present the certificate of discharge to the recorder for recording in the county in which the property is located within thirty days after the certificate of discharge is signed. The mortgagee may add the amount of the recording fee to the balance of the debt paid by the mortgagor. A certificate of the satisfaction of a mortgage may be made in substantially the following form: This certifies that a certain mortgage executed by _____ of _____, mortgagor, to _____ of _____, mortgagee, dated the _____ day of _____ in the year _____, upon the _____ (here describe the property covered by the mortgage) and recorded in the office of the recorder in and for the county of _____ and state of North Dakota, in book _____ of mortgages on page _____ or as document number _____, is paid and satisfied; and _____ hereby authorize and require the recorder to discharge the mortgage of record in the recorder's office. Witness _____ hand this _____ day of _____ A.D. _____ (Acknowledgment).

Ohio

Ohio Rev. Code Ann. § 5301.36. ENTRY OF SATISFACTION

(A) Except in a county in which the county recorder has elected to require that all satisfactions of mortgages be recorded by separate instrument as allowed under section 5301.28 of the Revised Code, when recording a mortgage, county recorders shall leave space on the margin of the record for the entry of satisfaction, and record therein the satisfaction made on the mortgage, or permit the owner of the claim secured by the mortgage to enter such satisfaction. Such record shall have the same effect as the record of a release of the mortgage.

(B) Within ninety days from the date of the satisfaction of a residential mortgage, the mortgagee shall record the fact of the satisfaction in the appropriate county recorder's office and pay any fees required for the recording. The mortgagee may, by contract with the mortgagor, recover the cost of the fees required for the recording of the satisfaction by the county recorder.

(C) If the mortgagee fails to comply with division (B) of this section, the mortgagor may recover, in a civil action, damages of two hundred fifty dollars. This division does not preclude or affect any other legal remedies that may be available to the mortgagor.

(D) As used in this section, "residential mortgage" means an obligation to pay a sum of money evidenced by a note and secured by a lien upon real property located within this state containing two or fewer residential units or on which two or fewer residential units are to be constructed and shall include such an obligation on a residential condominium or cooperative unit.

Oklahoma

Okla. Stat. Ann. tit. 45 § 15. Holder must release--Penalty--Mortgagor defined

A. Any mortgage on real estate shall be released by the holder of any such mortgage within fifty (50) days of the payment of the debt secured by the mortgage and the holder of the mortgage shall file the release of the mortgage with the county clerk where the mortgage is recorded. If, at the end of the fifty-day period, the holder has failed to release the mortgage, the mortgagor may at any time request in writing the holder of the mortgage to release the mortgage and the holder of the mortgage shall have ten (10) days from the date of the request to release such mortgage. If the holder of the mortgage fails to release the mortgage by the end of such ten-day period, he shall then forfeit and pay to the mortgagor a penalty of one percent (1%) of the principal debt not to exceed One Hundred Dollars (\$100.00) per day each day the release is not recorded after the ten-day period has expired and the penalty shall be recovered in a civil action in any court having jurisdiction thereof, but the request for the release shall be in writing and describe the mortgage and premises with reasonable certainty. Provided that, the total penalty shall not exceed one hundred percent (100%) of the total principal debt.

B. For purposes of this section, "mortgagor" shall include any subsequent purchaser of the mortgaged real estate.

Okla. Stat. Ann. tit. 45 § 16. How released

A mortgage on real property may be released by written instrument, duly signed and acknowledged and recorded in the office of the county clerk as register of deeds.

Oregon

§ 86.140. Liability of mortgagee for failure to discharge mortgage.

If any mortgagee or the personal representative or assignee of the mortgagee, after full performance of the condition of the mortgage before or after a breach thereof, shall, within 30 days after being thereto requested, and after tender of reasonable charges, fail to discharge the same, or to execute and acknowledge a certificate of discharge or release thereof, that person shall be liable to the mortgagor, or the heirs or assigns of the mortgagor, in the sum of \$500 damages and also for all actual damages occasioned by such failure, to be recovered in an action at law. The owner and holder of the promissory note referred to in ORS 86.110 is deemed the personal representative of the mortgagee for the purposes of this section.

§ 86.720. Reconveyance upon performance; liability for failure to reconvey; release of trust deed.

(1) Within 30 days after performance of the obligation secured by the trust deed, the beneficiary shall deliver a written request to the trustee to reconvey the estate of real property described in the trust deed to the grantor. Within 30 days after the beneficiary delivers the written request to reconvey to the trustee, the trustee shall reconvey the estate of real property described in the trust deed to the grantor. In the event the obligation is performed and the beneficiary refuses to request reconveyance or the trustee refuses to reconvey the property, the beneficiary or trustee so refusing shall be liable as provided by ORS 86.140 in the case of refusal to execute a discharge or satisfaction of a mortgage on real property. The trustee may charge a reasonable fee for all services involved in the preparation, execution and recordation of any reconveyance executed pursuant to this section.

(2) If a full reconveyance of a trust deed has not been executed and recorded pursuant to the provisions of subsection (1) of this section within 60 calendar days of the date the obligation secured by the trust deed was fully satisfied, then: (a) If the obligation was satisfied by a title insurance company or agent or by payment through an escrow transacted by a title insurance company or agent, upon the written request of the grantor or the grantor's successor in interest, the tender of reasonable charges and the compliance with the notice requirements of subsection (3) of this section, the title insurance company or agent shall prepare, execute and record a release of trust deed. (b) Upon compliance with the notice requirements of subsection (3) of this section, any title insurance company or agent may prepare, execute and record a release of trust deed.

(3) Prior to the issuance and recording of a release pursuant to this section, the title insurance company or agent shall give notice of the intention to record a release of trust deed to the beneficiary of record and, if different, the party to whom the full satisfaction payment was made. The notice shall: (a) Provide that the parties to whom the notice is sent shall have a period of 30 days from the date of mailing to send to the title insurance company or agent their written

objections to the execution and recording of the release of trust deed; (b) Be sent by first class mail with postage prepaid, addressed to the named interested parties at their last-known addresses; and (c) Identify the trust deed by the name of the original grantor and any successor in interest on whose behalf payment was made and by the recording reference.

(4) The release of trust deed shall recite on the first page that it has been executed and recorded pursuant to the provisions of this section. The release shall be properly acknowledged and shall set forth: (a) The name of the beneficiary to whom the payment was made; (b) The name of the original grantor of the trust deed and any successor in interest on whose behalf payment was made; (c) The recording reference to the trust deed that is to be released; (d) A recital that the obligation secured by the trust deed has been paid in full; (e) The date and amount of payment; (f) The date of mailing of notice required by this section; and (g) A recital that no written objections were received by the title insurance company or agent.

(5) The release of trust deed executed pursuant to this section shall be entitled to recordation and, when recorded, shall be deemed to be the equivalent of a reconveyance of a trust deed.

(6) The title insurance company or agent shall not record or cause to be recorded a release of trust deed when any of the following circumstances exist: (a) The 30-day period following notice given under this section has not expired; or (b) Written objection to such recordation has been received by the title insurance company or agent from any of the parties to whom notice was sent.

(7) The trustee, title insurance company or agent may charge a reasonable fee for all services involved in the preparation, execution, recordation and compliance with this section, to effect the release of trust deed.

(8) Subsection (2) of this section does not excuse the beneficiary or trustee from compliance with subsection (1) of this section.

(9) In addition to any other remedy provided by law, a title insurance company or agent preparing, executing or recording a release of trust deed shall be liable to any party for damages that the party sustains by reason of the negligence or willful misconduct of the title insurance company or agent in connection with the issuance, execution or recording of the release pursuant to this section. Except as provided in subsection (10) of this section, the court may award reasonable attorney fees to the prevailing party in an action under this section.

(10) The court may not award attorney fees to a prevailing defendant under the provisions of subsection (9) of this section if the action under this section is maintained as a class action pursuant to ORCP 32.

(11) As used in this section, "agent" means an authorized issuer of title insurance policies of a title

insurance company who is licensed as an agent for that purpose pursuant to ORS chapter 744.

(12) Subsections (2) to (11) of this section shall be applicable only to full reconveyances of the property described in the trust deed and not to reconveyances of parts or portions of the property.

(13) Subsections (1) to (12) of this section are applicable to all trust deeds, whether executed before, on or after November 4, 1993.

(14) A title insurance company or agent is not required to prepare, execute and record a release of trust deed under subsections (2) to (12) of this section if the obligation secured by the trust deed was satisfied prior to November 4, 1993.

Pennsylvania

§ 681. Satisfaction of mortgage on margin of record or by satisfaction piece

Any mortgagee of any real or personal estates in the Commonwealth, having received full satisfaction and payment of all such sum and sums of money as are really due to him by such mortgage, shall, at the request of the mortgagor, enter satisfaction either upon the margin of the record of such mortgage recorded in the said office or by means of a satisfaction piece, which shall forever thereafter discharge, defeat and release the same; and shall likewise bar all actions brought, or to be brought thereupon.

§ 682. Fine for neglect

And if such mortgagee, by himself or his attorney, shall not, within forty- five days after request and tender made for his reasonable charges, RETURN to the said office, and there make such acknowledgment as aforesaid, he, she or they, neglecting so to do, shall for every such OFFENCE, forfeit and pay, unto the party or parties aggrieved, any sum not exceeding the mortgage-money, to be recovered in any Court of Record within this Commonwealth, by bill, complaint or information.

§ 705. Notice requirement

A bank, savings bank, savings and loan association or other lending institution holding a residential mortgage shall send written notification by first class mail to the mortgagor when the mortgage has been fully paid. Any moneys remaining in any escrow account established for the payment of taxes or insurance premiums shall be returned within 30 days to the mortgagor.

Rhode Island

R.I. Gen. Laws § 34-26-2. Right to discharge on satisfaction of mortgage -- Escrow accounts.

(a) Every mortgagee of real estate, his, her or its heirs, executors, administrators, successors, or assigns, having received full satisfaction for the money due on the mortgage, shall, within thirty (30) days after final payment, discharge the mortgage as provided in § 34-26-3 or by separate instrument of release of the mortgage, and shall send the discharge to be recorded in the proper record book with suitable references to the original record, including the mortgagor's name and address, which shall forever afterwards discharge, defeat and release the mortgage and perpetually bar all actions to be brought thereon in any court. Upon forwarding the discharge for recording the mortgagee shall notify the mortgagor. Any mortgagor or his agent upon tendering final payment to the mortgagee in full satisfaction of the mortgage may in writing require the mortgagee to issue the discharge by separate instrument of release, directly to a designated person or real estate closing officer within the thirty (30) day period.

(b) Every mortgagee of real estate, his, her or its heirs, executors, administrators or successors or assigns, having received full satisfaction for the money due on the mortgage, shall, within thirty (30) days after final payment, disburse to the mortgagor any and all funds held in escrow under the terms of the mortgage.

R.I. Gen. Laws § 34-26-3. Methods of discharge.

A mortgage may be discharged in whole or in part by an entry acknowledging the satisfaction thereof or the payment thereon, as the case may be, made on the face or back of the mortgage, or upon the face or margin of the record of the mortgage, in the records of land evidence, and signed by the mortgagee or by his or her executor, administrator, successor, or, if the mortgage be assigned, by the assignee or his or her executor or administrator; and such entry shall have the same effect as a deed of release duly acknowledged and recorded.

R.I. Gen. Laws § 34-26-5. Liability of mortgagee for failure to discharge, release, or transfer mortgage.

(a) If any mortgagee, his, her or its heirs, executors, administrators, agents, successors, or assigns, shall not, within ten (10) days after a request made in that behalf and a tender of all reasonable charges therefor, discharge the mortgage in one of the modes aforesaid, or otherwise make and execute a release and quitclaim of the estate so mortgaged, and acknowledge it before some proper officer, or transfer the mortgage if required under the provisions of § 34-26-4, he, she, or they so refusing shall be liable to make good all damages that shall accrue for want of the discharge, release, or transfer, to be recovered in a civil action; and in case judgment shall pass against the party sued, the mortgagee shall pay the plaintiff reasonable attorney's fees and triple costs upon the

suit.

(b) In the event of noncompliance with the provisions of either this section and/or § 34-26-2, the mortgagee shall pay a penalty to the mortgagor for noncompliance in the amount of fifty dollars (\$50.00) for a first day of noncompliance and five dollars (\$5.00) for each day thereafter that the party remains in noncompliance. The mortgagor shall also be entitled to a reimbursement of reasonable attorney's fees, if applicable, for the costs incurred by the mortgagor and/or his, her or its attorneys in attempting to obtain a discharge to which the mortgage was lawfully entitled pursuant to the provisions of this section and/or § 34-26-2. Demand for penalties and, if applicable, attorney's fees and costs pursuant to this section may be made to the department of business regulation, in those instances in which the mortgagee is a regulated institution as defined in Title 19, and the department shall direct such regulated institutions to pay applicable penalties and reimburse effected mortgagors for attorneys fees and costs incurred, on confirmed instances of noncompliance. The department may promulgate rules and regulations governing the processing of such reimbursement. In those instances in which the mortgagee is not a regulated institution as defined in Title 19, the Department shall provide the mortgagor with the name, address and telephone number of the regulatory agency having jurisdiction over the actions of such mortgagees.

(c) As used herein, the term "first day of noncompliance" shall mean the first day following the last day for a mortgagee or similar party to discharge the mortgage.

R.I. Gen. Laws § 34-26-6. Other forms of discharge or release preserved.

Nothing contained in this chapter shall be so construed as to defeat, invalidate, annul, or render ineffectual any other legal or equitable discharge, payment, satisfaction, or release of any mortgage.

R.I. Gen. Laws § 34-26-8. Release of mortgage -- Affidavit.

(a) For purposes of this section: (1) "Mortgage" means a mortgage upon any interest in real property located in the State of Rhode Island. (2) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity; (3) "Mortgagor" means the grantor of a mortgage; (4) "Mortgagee" means the grantee of a mortgage; provided, if the mortgage has been assigned of record. "Mortgagee" means the last person to whom the mortgage has been assigned of record; provided further, if the mortgage has been serviced by a mortgage servicer, "Mortgagee" means the mortgage servicer; (5) "Mortgage servicer" means the last person to whom the mortgagor has been instructed by the mortgagee to send payment of the mortgage. The person who has transmitted a payoff statement shall be deemed to be the mortgage servicer with respect to the mortgage described in that payoff statement; (6) "Attorney-at-law" means any person admitted to practice law in this state and in good standing; (7) "Title insurance company" means any

corporation or other business entity authorized and licensed to transact the business of insuring titles to interests in real property in this state; and (8) "Payoff statement" means a written statement of the amount of the unpaid balance on a mortgage, including principal, interest and other charges properly assessed pursuant to the loan documentation of such mortgage and of the interest on a per diem basis with respect to the unpaid principal balance of the mortgage.

(b) If a mortgagee fails to execute and deliver a release of mortgage to the mortgagor or to the mortgagor's designated agent within thirty (30) days from receipt of payment of the mortgage by the mortgagee in accordance with the payoff statement furnished by the mortgagee, any attorney-at-law or duly authorized officer of a title insurance company may, on behalf of the mortgagor or any transferee of the mortgagor who has acquired title to the premises described in the mortgage, execute and cause to be recorded in the land records of each city or town where the mortgage was recorded, an affidavit which complies with the requirements of this section.

(c) An affidavit pursuant to this section shall state that: (1) The affiant is an attorney-at-law or the authorized officer of a title insurance company, and that the affidavit is made in behalf of and at the request of the mortgagor; (2) The mortgagee has provided a payoff statement with respect to the loan secured by the mortgage; (3) The affiant has ascertained that the mortgagee has received payment of the loan secured by the mortgage in accordance with the payoff statement, as evidence by a bank check, certified check or attorney's clients' funds account which has been negotiated by the mortgagee or by other documentary evidence of such receipt of payment by the mortgagee; (4) More than sixty (60) days have elapsed since payment was received by the mortgagee; and (5) The affiant has given the mortgagee at least thirty (30) days' notice in writing by certified mail, return receipt request and signed for and completed, of intention to execute and cause to be recorded an affidavit in accordance with this section with a copy of the proposed affidavit attached to such written notice, and that the mortgagee has not responded in writing to such notification, or that any request for additional payment made by the mortgagee has been complied with at least fifteen (15) days prior to the date of the affidavit.

(d) Such affidavit shall state the names of the mortgagor and the mortgagee, the date of the mortgage, and the volume and page of the land records where the mortgage is recorded. The affidavit shall give similar information with respect to any recorded assignment of the mortgage.

(e) The affiant shall attach to the affidavit: (i) Photostatic copies of the documentary evidence that payment has been received by the mortgagee, including mortgagee's endorsement of any bank check, certified check or attorney's clients' funds account, (ii) A photostatic copy of the written payoff statement and shall certify on each that it is a true copy of the original document, and (iii) Evidence of mailing and receipt notice to mortgagee.

(f) Such affidavit, when recorded, shall be a release of the lien of such mortgage of the property described therein.

- (g) The city or town clerk shall index the affidavit in the name of the mortgagor as grantor.
- (h) Any person who causes an affidavit to be recorded in the land records of any city or town in accordance with this section knowing the information and statements therein contained to be false may be fined not more than a dollar amount that is double the face amount of the mortgage falsely discharged and shall make restitution to the affected mortgagee to the extent such mortgagee suffers direct financial loss due to said mortgage being falsely discharged.
- (i) The provisions of this section shall not be applicable to mortgages securing lines of credit nor to any mortgage held by a financial institution incorporated under the laws of the state of Rhode Island or to any mortgage held by any financial institution organized under federal laws and maintaining a principal place of business within the state of Rhode Island or to any mortgage held by the Rhode Island Housing and Mortgage Finance Corporation.

South Carolina

§ 29-3-320. Liability for failure to enter satisfaction.

Any holder of record of a mortgage having received such payment, satisfaction, or tender as aforesaid who shall not, by himself or his attorney, within three months after such certified mail, or other form of delivery, with a proof of delivery, request and tender of fees of office, repair to the proper office and enter satisfaction as aforesaid shall forfeit and pay to the person aggrieved a sum of money not exceeding one-half of the amount of the debt secured by the mortgage, or twenty-five thousand dollars, whichever is less, plus actual damages, costs, and attorney's fees in the discretion of the court, to be recovered by action in any court of competent jurisdiction within the State. And on judgment being rendered for the plaintiff in any such action, the presiding judge shall order satisfaction to be entered on the judgment or mortgage aforesaid by the clerk, register, or other proper officer whose duty it shall be, on receiving such order, to record it and to enter satisfaction accordingly. Notwithstanding any limitations under Sections 37-2-202 and 37-3-202, the holder of record of the mortgage may charge a reasonable fee at the time of the satisfaction not to exceed twenty-five dollars to cover the cost of processing and recording the satisfaction or cancellation. If the mortgagor or his legal representative instructs the holder of record of the mortgage that the mortgagor will be responsible for filing the satisfaction, the holder of the mortgage shall mail or deliver the satisfied mortgage to the mortgagor or his legal representative with no satisfaction fee charged.

§ 29-3-330. Methods of entering satisfaction.

Any mortgage, deed of trust, or other written instrument securing the payment of money and being a lien upon real property may be cancelled, discharged, and released by any of the following methods:

- (a) The mortgagee or other person being the owner or holder of the mortgage, as appears by the record of the instrument or any assignment of the instrument, or the legal representative or attorney in fact, under a written instrument duly recorded, of the holder of the instrument, may exhibit the instrument to the officer or his deputy who has charge of the recording of the instrument and then in the presence of the officer or his deputy write across the face of the record of the instrument the words "The debt secured is paid in full and the lien of this instrument is satisfied", or words of like meaning and date the notation and sign it, the signature to be witnessed by the officer or his deputy;
- (b) The satisfaction of the mortgage, deed of trust, or other instrument securing the payment of money and being a lien upon real property may be written upon or attached to the original instrument and executed by any person above named in the presence of one or more witnesses, in which event the satisfaction must be recorded across the face of the record of the original instrument; or
- (c) In case the original mortgage, deed of trust, or other instrument securing the payment of money and being a lien upon real property has been lost or destroyed it may be satisfied, either by the

owner and holder of the instrument in person or his personal representative or duly authorized attorney in fact, by an instrument in writing duly executed in the presence of two witnesses and probated, and in addition the person executing the satisfaction shall make an affidavit that he or the person he represents is at the time of the satisfaction a bona fide owner and holder of the mortgage, deed of trust, or other instrument securing the payment of money and being a lien upon real property and that has not been assigned, hypothecated, or otherwise disposed of. The affidavit must be recorded along with the satisfaction. The maker of any affidavit which is false is guilty of perjury and punished as by law provided for the punishment of perjury. The signature of owner or holder of the instrument which has been lost or destroyed to which this section applies may be proved in the manner provided above or in the alternative may also be acknowledged by the owner or holder of the instrument in the presence of two witnesses, taken before an officer competent to administer an oath. The form of the acknowledgement must be as provided in Section 30-5-30(C) and if the acknowledgement is taken outside this State, it may be taken in the manner provided in Section 30-5-30(B).

(d) If the mortgage, deed of trust, or other written instrument was recorded in counterparts, the original of the instrument need not be presented and the satisfaction of it may be evidenced by an instrument of satisfaction, release, or discharge, which may be executed in counterparts, executed by the mortgagee, the holder of the mortgage, the legal representative, or the attorney-in-fact. Upon presentation of the instrument of satisfaction, release, or discharge, or a counterpart of it, the officer or his deputy having charge of the recording of instruments shall record the same.

(e) Any licensed attorney admitted to practice in the State of South Carolina who can provide proof of payment of funds by evidence of payment made payable to the mortgagee, holder of record, servicer, or other party entitled to receive payment may record, or cause to be recorded, an affidavit, in writing, duly executed in the presence of two witnesses and probated or acknowledged, which states that full payment of the balance or pay-off amount of the mortgage or other instrument securing the payment of money and being a lien upon real property has been made and that evidence of payment from the mortgagee, assignee, or servicer exists. This affidavit, duly recorded in the appropriate county, shall serve as notice of satisfaction of the mortgage and release of the lien upon the real property. The filing of the affidavit shall be sufficient to satisfy, release, or discharge the lien. Upon presentation of the instrument of satisfaction, release, or discharge, the officer or his deputy having charge of the recording of instruments shall record the same. This section may not be construed to require an attorney to record an affidavit pursuant to Section 29-3-330(e) or to create liability for failure to file such affidavit. The licensed attorney signing any such instrument which is false is guilty of perjury and subject to Section 16-9-10 and shall be liable for damages that any person may sustain as a result of the false affidavit, including reasonable attorney's fees incurred in connection with the recovery of such damages. The affidavit referred to in this item (e) shall be as follows: "STATE OF SOUTH CAROLINA MORTGAGE LIEN COUNTY OF _____ SATISFACTION AFFIDAVIT PURSUANT TO SECTION 29-3-330 OF SC CODE OF LAWS FOR BOOK ____ PAGE ____ The undersigned on oath, being first duly sworn, hereby certifies as follows: 1. The undersigned is a licensed attorney admitted to practice in the State of South Carolina. 2. That with respect to the mortgage given by

_____ to _____ dated _____ and recorded in the offices of the Register of Deeds in book _____ at page _____:a. [] That the undersigned was given written payoff information and made such payoff and is in possession of a canceled check to the mortgagee, holder of record, or representative servicer;b. [] That the undersigned was given written payoff information and made such pay off by wire transfer or other electronic means to the mortgagee, holder of record, or representative servicer and has confirmation from the undersigned's bank of the transfer to the account provided by the mortgagee, holder of record, or representative servicer. Under penalties of perjury, I declare that I have examined this affidavit this ___ day of ___ and, to the best of my knowledge and belief, it is true, correct, and complete.

----- (Witness) (Signature)

----- (Witness) (Name--Please Print)

----- (Attorney's S.C. Bar number) SUBSCRIBED

AND SWORN TO _____ before me this _____ day (Street Address) of _____

----- (City, State, Zip Code)

----- (Notary Public)

----- (Telephone) My commission expires:

----- "Upon presentation to the office of the Register of Deeds the Register is directed to record pursuant to Section 29-3-330(e) and mark the mortgage satisfied of record.

South Dakota

S.D. Codified Laws § 44-3-8. Satisfaction of lien -- Execution of discharge or release by holder -- Damages for failure to execute and deliver satisfaction -- Attorney fees -- Additional penalty. [Amended March 2003]

Whenever any mortgage, pledge, or other lien of any kind has been satisfied either by payment, foreclosure, or other legal means, the holder of such lien shall, within thirty days of satisfaction, deliver a sworn satisfaction to the debtor. However, immediately upon satisfaction of a lien or at any time thereafter, if the owner of the property makes written demand on the lienholder, the lienholder shall, within ten days of receipt, execute and deliver to the debtor a sufficient sworn satisfaction to cancel the lien or any record thereof. If the lienholder fails to execute and deliver to the owner of the property a sworn satisfaction within ten days of receipt of a proper written demand, the owner of the property is entitled to recover from the person who failed to comply with the provisions of this section all damages that he or she may have sustained thereby, including attorney's fees and an additional penalty in the sum of one hundred dollars.

S.D. Codified Laws § 44-8-14. Discharge of recorded mortgage -- Certificate of release, contents, recording, fee.

A recorded mortgage may be discharged upon the records of a register of deeds by filing for record and causing to be recorded at length a certificate signed by the mortgagee or his successor in interest by succession, assignment, representation or otherwise, acknowledged, or proved and certified as prescribed by the statutes relating to recording acts, fully stating the names of the mortgagor, the mortgagee, the date of the mortgage, the date, county, state, book, and page of record of the mortgage, description of the mortgaged premises or part thereof sought to be released, and that the same are fully and completely released from all lien, force and effect of the mortgage, or that the same is fully paid, satisfied, or discharged, or partially paid, satisfied, or discharged, and the extent thereof, as the case may be. The register of deeds shall record all such instruments upon the payment of the fee prescribed by law, and shall make note upon the margin of the record of the mortgage to the book and page where the discharge is recorded.

S.D. Codified Laws § 44-8-30. Certificate of release -- Conditions.

Any officer or duly appointed agent of a title insurance company may, on behalf of a mortgagor or a person who acquired from the mortgagor title to all or a part of the property described in a mortgage, execute a certificate of release that complies with the requirements of §§ 44-8-30 to 44-8-35, inclusive, and record the certificate of release in the real property records of each county in which the mortgage is recorded if a satisfaction or release of the mortgage has not been executed and recorded after the date payment in full of the loan secured by the mortgage was received in accordance with a payoff statement furnished by the mortgagee or the mortgage servicer.

S.D. Codified Laws § 44-8-31. Requirements of certificate of release.

A certificate of release executed under §§ 44-8-30 to 44-8-35, inclusive, shall contain substantially all of the following: (1) The name of the mortgagor; the name of the original mortgagee; if applicable, the mortgage servicer; the date of the mortgage; the date of recording; and the volume and page or document number in the real property records where the mortgage is recorded; together with similar information for the last recorded assignment of the mortgage; (2) A statement that the mortgage was in the original principal amount of five hundred thousand dollars or less; (3) A statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in this state under chapter 58-25; (4) A statement that the certificate of release is made on behalf of the mortgagor or a person who acquired title from the mortgagor to all or a part of the property described in the mortgage; (5) A statement that the mortgagee or mortgage servicer provided a payoff statement that was used to make payment in full of the unpaid balance of the loan secured by the mortgage; and (6) A statement that payment in full of the unpaid balance of the loan secured by the mortgage was made in accordance with the written or verbal payoff statement, and received by the mortgagee or mortgage servicer, as evidenced by one or more of the following in the records of the title insurance company or its agent: a bank check, certified check, escrow account check from the title company or title insurance agent, or attorney trust account check that has been negotiated by the mortgagee or mortgage servicer, or other documentary evidence of payment to the mortgage or mortgage servicer.

S.D. Codified Laws § 44-8-32. Execution and acknowledgment of certificate of release -- Appointment of agent.

A certificate of release authorized by § 44-8-30 shall be executed and acknowledged as required by law in the case of a deed pursuant to § 43-25-5 and may be executed by a duly appointed agent of a title insurance company, but such delegation to an agent by a title insurance company does not relieve the title insurance company of any liability for damages caused by its agent for the wrongful or erroneous execution of a certificate of release. The appointment of agent shall be executed and acknowledged as required by law in the case of a deed pursuant to § 43-25-5 and shall state: (1) Title insurance company as the grantor; (2) The identity of the person, partnership, or corporation authorized to act as agent to execute and record certificates of release provided for in §§ 44-8-30 to 44-8-35, inclusive, on behalf of the title insurance company; (3) That the agent has the full authority to execute and record certificates of release provided for in §§ 44-8-30 to 44-8-35, inclusive, on behalf of the title insurance company; (4) The term of appointment of the agent; and (5) That the agent has consented to and accepts the terms of the appointment. A single appointment of agent may be recorded in each county in the register of deed's office. A separate appointment of agent is not necessary for each certificate of release. The appointment of agent shall be shown on each certificate of release. The appointment of agent may be rerecorded if necessary to establish authority of the agent, but such authority continues until a revocation of appointment

is recorded in the office of the county register of deeds where the appointment of agent was recorded.

S.D. Codified Laws § 44-8-33. Certificate of release prima facie evidence -- Recording.

For purposes of releasing a mortgage, a certificate of release containing the information and statements provided for in § 44-8-31 and executed as provided in §§ 44-8-30 to 44-8-35, inclusive, is prima facie evidence of the facts contained in it, shall be recorded with the county register of deeds, and operates as a release of the mortgage described in the certificate of release. The county register of deeds shall rely upon the certificate of release to release the mortgage. Recording of a wrongful or erroneous certificate of release by a title insurance company or its agent does not relieve the mortgagor, or the mortgagor's successors or assigns, from any personal liability on the loan or other obligations secured by the mortgage. In addition to any other remedy provided by law, a title insurance company wrongfully or erroneously recording a certificate of release under §§ 44-8-30 to 44-8-35, inclusive, is liable to the mortgagee for damages sustained due to the recordings of the certificate of release, including reasonable attorney fees.

S.D. Codified Laws § 44-8-34. Recording certificate of release in multiple counties.

If the mortgage is recorded in more than one county and a certificate of release is recorded in one of them, a certified copy of the certificate of release may be recorded in another county with the same effect as the original. In all cases, the certificate of release shall be recorded and indexed as satisfactions of mortgage are recorded and indexed pursuant to § 44-8-14.

S.D. Codified Laws § 44-8-35. Application of certificate of release only to certain mortgages.

Sections 44-8-30 to 44-8-35, inclusive, apply only to a mortgage in the original principal amount of five hundred thousand dollars or less.

Tennessee

§ 66-25-101. Release; record

(a) When a debt secured by a mortgage, deed of trust, or by lien retained in a deed of conveyance of land or bill of sale, or other instrument, has been fully paid or satisfied, the mortgagee, transferee, or assignee of the mortgagee or the legal holder of the debt secured by deed of trust or lien who has received payment or satisfaction of the debt, must satisfy the record by a formal deed of release.

(b) In any county having a population of not less than thirty-two thousand six hundred (32,600) nor more than thirty-two thousand seven hundred (32,700) according to the 1980 federal census or any subsequent federal census, the record may be satisfied by entry on the margin of the record of the mortgage, deed of trust, deed or other instrument.

§ 66-25-102. Failure to release; fines and penalties

(a) If the holder of any debt secured by real property situated in this state fails to enter a proper release of record after having been fully paid or satisfied within forty-five (45) days from the receipt of a written request from the party making such payment, including, but not limited to, the maker, the mortgagor, the purchaser of the property covered by such instrument or any closing agent or attorney who has collected and transmitted funds for such payment, the holder of the debt shall forfeit to the party making such request the sum of one hundred dollars (\$100).

(b) If the indebtedness is not released within the aforesaid forty-five-day period, the party having requested the release shall again request the release, and, if after thirty (30) days from the second request, the indebtedness has not been released, the holder shall forfeit to the party making the request a sum not to exceed one thousand dollars (\$1,000).

(c) In the event suit is instituted to collect either or both of the forfeitures, the holder shall also be liable to the party instituting suit for all reasonable expenses, attorney fees, and the court costs incurred in the action.

Texas

Tex. Prop. Code Ann. § 12.017. Title Insurance Company Affidavit as Release of Lien; Civil Penalty

(a) In this section: (1) "Mortgage" means a deed of trust or other contract lien on an interest in real property. (2) "Mortgagee" means: (A) the grantee of a mortgage; (B) if a mortgage has been assigned of record, the last person to whom the mortgage has been assigned of record; or (C) if a mortgage is serviced by a mortgage servicer, the mortgage servicer. (3) "Mortgage servicer" means the last person to whom a mortgagor has been instructed by a mortgagee to send payments for the loan secured by a mortgage. A person transmitting a payoff statement is considered the mortgage servicer for the mortgage described in the payoff statement. (4) "Mortgagor" means the grantor of a mortgage. (5) "Payoff statement" means a statement of the amount of: (A) the unpaid balance of a loan secured by a mortgage, including principal, interest, and other charges properly assessed under the loan documentation of the mortgage; and (B) interest on a per diem basis for the unpaid balance. (6) "Title insurance company" means a corporation or other business entity authorized and licensed to transact the business of insuring titles to interests in real property in this state.

(b) This section applies only to a mortgage on property consisting exclusively of a one-to-four-family residence, including a residential unit in a condominium regime.

(c) If a mortgagee fails to execute and deliver a release of mortgage to the mortgagor or the mortgagor's designated agent within 60 days after the date of receipt of payment of the mortgage by the mortgagee in accordance with a payoff statement furnished by the mortgagee or its mortgage servicer, an authorized officer of a title insurance company may, on behalf of the mortgagor or a transferee of the mortgagor who acquired title to the property described in the mortgage, execute an affidavit that complies with the requirements of this section and record the affidavit in the real property records of each county in which the mortgage was recorded.

(d) An affidavit executed under this section must state that: (1) the affiant is an authorized officer of a title insurance company; (2) the affidavit is made on behalf of the mortgagor or a transferee of the mortgagor who acquired title to the property described in the mortgage; (3) the mortgagee provided a payoff statement with respect to the loan secured by the mortgage; (4) the affiant has ascertained that the mortgagee has received payment of the loan secured by the mortgage in accordance with the payoff statement, as evidenced by: (A) a bank check, certified check, escrow account check from the title company or title insurance agent, or attorney trust account check that has been negotiated by the mortgagee; or (B) another documentary evidence of the receipt of payment by the mortgagee; (5) more than 60 days have elapsed since the date payment was received by the mortgagee; (6) the title insurance company or its agent has given the mortgagee at least 15 days' notice in writing of its intention to execute and record an affidavit in accordance with

this section, with a copy of the proposed affidavit attached to the written notice; and (7) the mortgagee has not responded in writing to the notification, or a request for additional payment made by the mortgagee has been complied with at least 15 days before the date of the affidavit.

(e) The affidavit must include the names of the mortgagor and the mortgagee, the date of the mortgage, and the volume and page or clerk's file number of the real property records where the mortgage is recorded, together with similar information for a recorded assignment of the mortgage.

(f) The affiant must attach to the affidavit a photostatic copy, certified as a true copy of the original document, of: (1) the documentary evidence that payment has been received by the mortgagee, including the mortgagee's endorsement of a negotiated check if paid by check; and (2) the payoff statement.

(g) An affidavit that is executed and recorded as provided by this section operates as a release of the mortgage described in the affidavit.

(h) The county clerk shall index the affidavit in the names of the original mortgagee and the last assignee of the mortgage appearing of record as the grantors and in the name of the mortgagor as grantee.

(i) A person who knowingly causes an affidavit with false information to be executed and recorded under this section is liable for the penalties for filing a false affidavit, including the penalties for commission of offenses under Section 37.02 of the Penal Code, and to a party injured by the affidavit for actual damages or \$5,000, whichever is greater. The attorney general may sue to collect the penalty. If the attorney general or an injured party bringing suit substantially prevails in an action under this subsection, the court may award reasonable attorney's fees and court costs to the prevailing party.

Utah

§ 57-1-38. Release of security interest.

(1) As used in this section: (a) "Secured lender" means: (i) a mortgagee on a mortgage; (ii) a beneficiary on a trust deed; (iii) a person that holds or retains legal title to real property as security for financing the purchase of the real property under a real estate sales contract; and (iv) any other person that holds or retains a security interest in real property to secure the repayment of a secured loan.

(b) (i) "Secured loan" means a loan or extension of credit, the repayment of which is secured by a mortgage, a trust deed, the holding or retention of legal title under a real estate sales contract, or other security interest in real property, whether or not the security interest is perfected. (ii) A judgment award secured by a judgment lien is not of itself a secured loan. A subsequent written agreement between a judgment creditor and a judgment debtor concerning payment of the judgment is a secured loan if it otherwise qualifies under the definition in Subsection (1)(b)(i).

(c) "Security interest" means an interest in real property that secures payment or performance of an obligation. Security interest includes a lien or encumbrance.

(d) "Servicer" means a person that services and receives loan payments on behalf of a secured lender with respect to a secured loan.

(2) This section may not be interpreted to validate, invalidate, alter, or otherwise affect the foreclosure of a mortgage, the exercise of a trustee's power of sale, the exercise of a seller's right of reentry under a real estate sales contract, or the exercise of any other power or remedy of a secured lender to enforce the repayment of a secured loan.

(3) A secured lender or servicer who fails to release the security interest on a secured loan within 90 days after receipt of the final payment of the loan is liable to another secured lender on the real property or the owner or titleholder of the real property for: (a) the greater of \$1,000 or treble actual damages incurred because of the failure to release the security interest, including all expenses incurred in completing a quiet title action; and (b) reasonable attorneys' fees and court costs.

(4) A secured lender or servicer is not liable under Subsection (3) if the secured lender or servicer: (a) has established a reasonable procedure to release the security interest on a secured loan in a timely manner after the final payment on the loan; (b) has complied with this procedure in good faith; and (c) is unable to release the security interest within 90 days after receipt of the final payment because of the action or inaction of an agency or other person beyond its direct control.

§ 57-1-40. Reconveyance of trust deed or release of mortgage --Procedures -- Forms.

(1) A title insurer or title agent may reconvey a trust deed or release a mortgage in accordance with the provisions of Subsections (2) through (6) if: (a) the obligation secured by the trust deed or

(5) (a) If, within 60 days from the day on which the title insurer or title agent delivered the notice of intent to release or reconvey in accordance with Subsections (3) and (4), a reconveyance of trust deed or release of mortgage is not recorded, and the beneficiary, mortgagee, or servicer does not send by certified mail to the title insurer or title agent a notice that the obligation secured by the trust deed or mortgage has not been paid in full or that the beneficiary, mortgagee, or servicer objects to the release of the mortgage or reconveyance of the trust deed, the title insurer or title agent may execute, acknowledge, and record a reconveyance of a trust deed or release of a mortgage.

(b) A reconveyance of a trust deed under Subsection (5)(a) shall be in substantially the following form:

RECONVEYANCE OF TRUST DEED

(Name of title insurer or title agent), a (title insurer or title agent) authorized to conduct business in the state does hereby reconvey, without warranty, the following trust property located in (name of county) County, state of Utah, that is covered by a trust deed naming (name of trustor) as trustor, and (name of beneficiary) as beneficiary and was recorded on (date) in Book _____ at Page _____ as Entry Number _____: (insert a description of the trust property.)The undersigned title insurer or title agent certifies as follows:1. The undersigned title insurer or title agent has fully paid the obligation secured by the trust deed or possesses satisfactory evidence of the full payment of the obligation secured by the trust deed.2. In accordance with the requirements of Utah Code Annotated Subsections 57-1-40(3) and (4), the title insurer or title agent delivered to the beneficiary or servicer, a notice of intent to release or reconvey and a copy of the reconveyance.3. The trust deed has not been reconveyed and the title insurer or title agent did not receive, within 60 days from the day on which the title insurer or title agent delivered the notice of intent to release or reconvey, a notice from the beneficiary or servicer sent by certified mail that the obligation secured by the trust deed has not been paid in full or that the beneficiary or servicer objects to the reconveyance of the trust deed._____

(Notarization)_____ (Signature of title insurer or title agent)

(c) A release of a mortgage under Subsection (5)(a) shall be in substantially the following form:

RELEASE OF MORTGAGE

(Name of title insurer or title agent), a (title insurer or title agent) authorized to conduct business in the state does hereby release the mortgage on the following property located in (name of county) County, state of Utah, that is covered by a mortgage naming (name of mortgagor) as mortgagor, and (name of mortgagee) as mortgagee and was recorded on (date) in Book _____ at Page _____ as Entry Number _____: (insert a description of the trust property.)The undersigned title insurer or title agent certifies as follows:1. The undersigned title insurer or title agent has fully paid the obligation secured by the mortgage or possesses satisfactory evidence of the full payment of the obligation secured by the mortgage.2. In accordance with the requirements of Utah Code Annotated Subsections 57-1-40(3) and (4), the title insurer or title agent delivered to the mortgagee or servicer a notice of intent to release or reconvey and a copy of the release.3. The mortgage has not been released and the title insurer or title agent did not receive, within 60 days

from the day on which the title insurer or title agent delivered the notice of intent to release or reconvey, a notice from the mortgagee or servicer sent by certified mail that the obligation secured by the mortgage has not been paid in full or that the mortgagee or servicer objects to the release of the mortgage. _____

(Notarization) _____ (Signature of title insurer or title agent)

(d) (i) A release of mortgage or reconveyance of trust deed that is executed and notarized in accordance with Subsection (5)(b) or (c) is entitled to recordation. (ii) (A) Except as provided in Subsection (5)(d)(ii)(B), a reconveyance of a trust deed or release of a mortgage that is recorded under Subsection (5)(d)(i) is valid regardless of any deficiency in the release or reconveyance procedure not disclosed in the release of mortgage or reconveyance of trust deed. (B) If the title insurer's or title agent's signature on a release of mortgage or reconveyance of trust deed recorded under Subsection (5)(d)(ii)(A) is forged, the release of mortgage or reconveyance of trust deed is void.

(6) A release of mortgage or reconveyance of trust deed under this section does not, by itself, discharge any promissory note or other obligation that was secured by the trust deed or mortgage at the time the trust deed was reconveyed or the mortgage was released.

§ 57-1-41. Objections to reconveyance or release.

A title insurer or title agent may not record a reconveyance of trust deed or release of mortgage if, within 60 days from the day on which the title insurer or title agent delivered or mailed the notice of intent to release or reconvey in accordance with Subsections 57-1-40(3) and (4), the beneficiary, mortgagee, or servicer sends a notice that the obligation secured by the trust deed or mortgage has not been paid in full or objects to the release of the mortgage or reconveyance of the trust deed under Subsection (5)(a).

§ 57-1-42. Liability of title insurer or title agent.

A title insurer or title agent purporting to act under the provisions of Section 57-1-40 who reconveys a trust deed or releases a mortgage is liable to the beneficiary or mortgagee for the damages suffered as a result of the reconveyance if: (1) the obligation secured by the trust deed or mortgage has not been fully paid; and (2) (a) the title insurer or title agent failed to comply with the provisions of Sections 57-1-40 and 57-1-41; or (b) the title insurer or title agent acted with gross negligence or in bad faith in reconveying the trust deed.

Vermont

Vt. Stat. Ann. tit. 27, § 464. Liability of mortgagee for failure to provide payoff statements and refusal to discharge

(a) Within five business days after the mortgagee's receipt of a written request for a statement of the amount of funds or other obligations required to satisfy a note or other obligation secured by a mortgage, the mortgagee shall provide a written payoff statement to the mortgagor. The mortgagee shall not impose a fee or other charge for providing the payoff statement, unless the request specifically asks for expedited service. A request for a payoff statement shall include the name of the mortgagor, the loan number assigned to the loan, and the address of the property securing the loan. If a written payoff statement is not deposited in the U.S. mail, delivered to a courier service, sent by facsimile, or sent by other method of service customarily used for delivery of messages, within five business days after receiving the request, the holder and any servicer shall be jointly and severally liable to any aggrieved party in a civil action for statutory damages equal to \$25.00 per day after the expiration of the five business days, up to an aggregate maximum of \$5,000.00 for all aggrieved parties; provided, however, any servicer not authorized to issue a payoff statement shall not be liable as set forth herein.

(b) Within 30 days after full performance of the conditions of the mortgage, the mortgagee of record shall execute and deliver a valid and complete discharge as provided in sections 461-463 of this title, together with any instrument necessary to establish the mortgagee's record ownership of the mortgage and to establish the authority to execute the discharge. As used in this section, the term "mortgagee" shall mean both the holder of the mortgage at the time it is satisfied and any servicer who receives the final payment satisfying the debt. If a discharge is not executed and delivered within 30 days, the holder and any servicer shall be jointly and severally liable to any aggrieved party in a civil action for statutory damages equal to \$25.00 per day after the expiration of the 30 days, up to an aggregate maximum of \$5,000.00 for all aggrieved parties; provided, however, any servicer not authorized to execute such discharge shall not be liable as set forth in this subsection. With respect to a mortgagee securing an open-end line of credit, the 30-day period to deliver a discharge commences after the mortgagor delivers to the address designated for payments under the line of credit a written request to terminate the line of credit and mortgage, together with payment in full of all amounts secured by the mortgage.

(c) The aggrieved party may file an action under subsection (a) or (b) of this section in superior court or, if the action is for monetary damages only and if the ad damnum requested is equal to or less than the maximum jurisdiction of a small claims proceeding, the complaint may be filed as a small claims action.

(d) In addition to any statutory damages, the mortgagee shall also be liable for consequential damages, punitive damages, court costs and reasonable attorney's fees to any aggrieved party who

substantially prevails in an action under this section. An aggrieved party may file an action to recover such damages, costs and fees in superior court. The court shall equitably allocate punitive damages among multiple aggrieved parties and may grant such other relief as the court deems appropriate.

Vt. Stat. Ann. tit. 27, § 464a. Discharge by licensed attorney

(a) A recorded mortgage on a dwelling of two units or less occupied by the owner as the owner's principal residence or on farmland may be discharged by an attorney-at-law licensed to practice in this state if the mortgagee, after receipt of payment of the mortgage in accordance with the payoff statement furnished to the mortgagor by the mortgagee, or the mortgagee's agent, fails to make that discharge of the mortgage. The attorney shall execute and record an affidavit in the record of deeds affirming that: (1) the affiant is an attorney-at-law in good standing and licensed to practice in Vermont; (2) the affidavit is made at the request of the mortgagor or the mortgagor's executor, administrator, successor, assignee or transferee or the transferee's mortgagee; (3) the mortgagee has provided a payoff statement with respect to the loan secured by the mortgage; (4) the mortgagee has received payment of the mortgage in accordance with the payoff statement that has been proved by a bank check, certified check or attorney client funds account check negotiated by the mortgagee or by evidence of receipt of payment by the mortgagee; (5) more than 30 days have elapsed since the payment was received by the mortgagee; and (6) the mortgagee has received written notification by certified mail 15 days in advance, sent to the mortgagee's last known address, that the affiant intends to execute and record an affidavit in accordance with this section, enclosing a copy of the proposed affidavit; the mortgagee has not delivered a discharge or acknowledgment of satisfaction in response to the notification; and the mortgagee has failed to dispute payoff of the mortgage.

(b) The affidavit must include the names and addresses of the mortgagor and the mortgagee, the date of the mortgage, the book and page number and similar information with respect to the most recent recorded assignment of the mortgage.

(c) The affiant shall attach to the affidavit the following, certifying that each copy is a true copy of the original document: (1) photocopies of the documentary evidence that payment has been received by the mortgagee, including the mortgagee's endorsement of a check; and (2) a photocopy of the payoff statement.

(d) An affidavit recorded under this section has the same effect as discharge under sections 431, 462 or 463 of this title.

Virginia

§ 6.1-330.82. Property owner entitled to written statement of payoff amount

A. Where a lien on real estate is secured by a deed of trust or mortgage, the owner of such real estate, if entitled to prepay the obligation secured by such deed of trust or mortgage, shall be entitled to receive from the bank, savings institution or other corporate entity holding such obligation, a written statement setting forth the total amount to be paid as of a particular date in order to obtain a release of the deed of trust or mortgage. The holder of the obligation secured by said deed of trust or mortgage shall mail or deliver such written statement of the payoff amount to the property owner or his designee within ten business days of the receipt of a written request for such payoff information from the property owner or his designee if the request contains the loan number and the address or other description of the location of the subject premises. Upon payment in full of the obligation, the holder shall promptly cause the cancelled loan documents to be forwarded to the owner or his designee. An inadvertent error made in the calculation of the payoff amount shall not release the party liable for payment of the obligation from the requirement to pay the full amount due under the contract of indebtedness, nor shall it release the holder of the contract of indebtedness from the requirement to return any overpayment to such party or his designee.

B. A request for payoff information under this section may be made one time within a twelve-month period without charge, and a fee not exceeding fifteen dollars may be charged for each additional request made within such period.

§ 55-66.3. Release of deed of trust or other lien [Amended 2003]

A. 1. When payment or satisfaction is made of a debt secured by mortgage, deed of trust, vendor's lien, or other lien, or when any one or more of the obligations representing at least 25 percent of the whole amount secured by any such lien, but less than the whole number of the obligations so secured, when the debt secured thereby is evidenced by two or more separate written obligations sufficiently described in the instrument creating the lien, have been fully paid, the lien creditor, unless a proper release deed has been recorded, shall, within 90 days after notice that the full or partial payment or satisfaction has been made, cause such payment and release of lien to be reflected on a certificate of satisfaction or certificate of partial satisfaction in form sufficient for recordation. If the notice of full or partial payment or satisfaction includes a current name and address of the person to whom the certificate of satisfaction or certificate of partial satisfaction should be sent, the lien creditor shall deliver the certificate to such name and address; however, if the settlement agent or obligor fails to provide a name and address for delivery to the lien creditor, the lien creditor shall deliver the certificate of satisfaction to the appropriate clerk's office with the clerk's fee necessary for recording by certified mail, return receipt requested, or by hand delivery, when there is written proof of receipt from the clerk's office; or by courier hand delivery, when there is written proof of receipt from the clerk's office. Any lien creditor who fails to satisfy the requirements of this

subsection shall forfeit \$500 to the lien obligor. No settlement agent or attorney may take an assignment of the right to the \$500 penalty. Following the 90-day period, if the amount forfeited is not paid within 10 business days after written demand for payment, sent to the lien creditor by certified mail, the lien creditor shall pay any court costs and reasonable attorney's fees incurred by the obligor in collecting the forfeiture.

2. If the note, bond or other evidence of debt secured by such mortgage, deed of trust, vendor's lien or other lien referred to in subdivision 1 or any interest therein, has been assigned or transferred to a party other than the original lien creditor, the subsequent holder shall be subject to the same requirements as a lien creditor for failure to comply with this subsection, as set forth in subdivision 1.

B. The certificate of satisfaction shall be signed by the creditor or his duly authorized agent, attorney or attorney-in-fact, or any person to whom the instrument evidencing the indebtedness has been endorsed or assigned for the purpose of effecting such release. An affidavit shall be filed or recorded with the certificate of satisfaction, by the creditor, or his duly authorized agent, attorney or attorney-in-fact, with such clerk, stating that the debt therein secured and intended to be released or discharged has been paid to such creditor, his agent, attorney or attorney-in-fact, who was, when the debt was satisfied, entitled and authorized to receive the same.

C. And when so signed and the affidavit hereinbefore required has been duly filed or recorded with the certificate of satisfaction with such clerk, the certificate of satisfaction shall operate as a release of the encumbrance as to which such payment or satisfaction is entered and, if the encumbrance be by deed of trust or mortgage, as a reconveyance of the legal title as fully and effectually as if such certificate of satisfaction were a formal deed of release duly executed and recorded.

D. As used in this section: "CRESPA" means the Consumer Real Estate Settlement Protection Act (§ 6.1-2.19 et seq.). "Lien creditor" and "creditor" shall be construed as synonymous and mean the holder, payee or obligee of a note, bond or other evidence of debt and shall embrace the lien creditor or his successor in interest as evidenced by proper endorsement or assignment, general or restrictive, upon the note, bond or other evidence of debt. "Mortgage" means any mortgage, deed of trust or vendor's lien. "Obligor's designee" shall include an attorney or other settlement agent closing a transaction which results in the obligor's loan being paid off. "Payoff letter" means a written communication from the lien creditor or servicer stating, at a minimum, the amount outstanding and required to be paid to satisfy the obligation. "Satisfactory evidence of the payment of the obligation secured by the mortgage" means (i) any one of (a) the original canceled check or a copy of the canceled check, showing all endorsements, payable to the lien creditor or servicer, as applicable, (b) confirmation in written or electronic form of a wire transfer to the bank account of the lien creditor or servicer, as applicable, or (c) a bank statement in written or electronic form reflecting completion of the wire transfer or negotiation of the check, as applicable; and (ii) a payoff letter or other reasonable documentary evidence that the payment was to effect satisfaction of the obligation secured or evidenced by the mortgage. "Servicer" means a person or entity that collects

loan payments on behalf of a lien creditor. "Settlement agent" has the same meaning ascribed thereto in § 6.1-2.20, provided that a person shall not be a settlement agent unless he is registered pursuant to § 6.1-2.26 and otherwise fully in compliance with the applicable provisions of Chapter 1.3 (§ 6.1-2.19 et seq.) of Title 6.1.

E. Release of lien by settlement agent. A settlement agent may release a mortgage in accordance with the provisions of this subsection (i) if the obligation secured by the mortgage has been satisfied by payment made by the settlement agent and (ii) whether or not the settlement agent is named as a trustee under the deed of trust or otherwise has received the authority to release the lien.

1. Notice to lienholder.

a. After or accompanying payment in full of the obligation secured by a mortgage, a settlement agent intending to release a mortgage pursuant to this subsection shall deliver to the lien creditor by certified mail or guaranteed overnight delivery service a notice of intent to release the mortgage with a copy of the payoff letter and a copy of the release to be recorded as provided in this subsection.

b. The notice of intent to release shall contain the name of the lien creditor and the servicer if loan payments on the mortgage are collected by a servicer, the name of the settlement agent, and the date of the notice. The notice of intent to release shall conform substantially to the following form:

NOTICE OF INTENT TO RELEASE

Notice is hereby given to you concerning the (mortgage) described on the (release of mortgage), a copy of which is attached to this notice, as follows: 1. The undersigned has paid the obligation secured by the (mortgage) described above. 2. The undersigned will release the (mortgage) described in this notice unless, within 90 days from the date this notice is mailed by certified mail or guaranteed overnight delivery service, the undersigned has received by certified mail or guaranteed overnight delivery service a notice stating that a release of the (mortgage) has been recorded in the clerk's office or that the obligation secured by the (mortgage) described above has not been paid, or the lien creditor or servicer otherwise objects to the release of the mortgage. Notice shall be sent to the address stated on this form. (Signature of settlement agent) (Address of settlement agent) (Telephone number of settlement agent) (Current Virginia CRESPA registration number of settlement agent)

2. Certificate of satisfaction and affidavit of settlement agent.

a. If, within 90 days following the day on which the settlement agent mailed or delivered the notice of intent to release in accordance with this subsection, the lien creditor or servicer does not send by certified mail or guaranteed overnight delivery service to the settlement agent a notice stating that a release of the mortgage has been recorded in the clerk's office or that the obligation secured by the mortgage has not been paid in full or that the lien creditor or servicer otherwise objects to the release of the mortgage, the settlement agent may execute, acknowledge and file with the clerk of court of the jurisdiction wherein the mortgage is recorded a certificate of satisfaction, which shall include (i) the affidavit described in subdivision 2 b of this subsection and (ii) a copy of the notice of intent to release that was sent to the lender. The certificate of satisfaction shall include the settlement agent's currently active CRESPA registration number issued by the Virginia State Bar

and shall note that the individual executing the certificate of satisfaction is doing so pursuant to the authority granted by this subsection. After filing or recording the certificate of satisfaction, the settlement agent shall mail a copy of the certificate of satisfaction to the lien creditor or servicer. The validity of a certificate of satisfaction otherwise satisfying the requirements of this subsection shall not be affected by the inaccuracy of the CRESPA registration number placed thereon or the failure to mail a copy of the recorded certificate of satisfaction to the lien creditor or servicer and shall nevertheless release the mortgage described therein as provided in this subsection.

b. The certificate of satisfaction used by the settlement agent shall include an affidavit certifying (i) that the settlement agent has satisfied, and possesses satisfactory evidence of payment of the obligation secured by the mortgage described in the certificate; (ii) that the lien of the mortgage may be released; (iii) that the person executing the certificate is the settlement agent or is duly authorized to act on behalf of the settlement agent; and (iv) that the notice of intent to release was delivered to the lien creditor or servicer and the settlement agent received evidence of receipt of such notice by the lien creditor or servicer. The affidavit shall be substantially in the following form:

AFFIDAVIT OF SETTLEMENT AGENT

The undersigned hereby certifies that, in accordance with the provisions § 55-66.3 of the Code of Virginia of 1950, as amended and in force on the date hereof (the "Code") (a) the undersigned is a settlement agent as defined in subsection D of § 55-66.3 of the Code or a duly authorized officer, director, member, partner or employee of such settlement agent; (b) the settlement agent has satisfied the obligation secured by the mortgage and possesses satisfactory evidence of the payment of the obligation secured by the mortgage described in the certificate recorded herewith; (c) the settlement agent delivered to the lien creditor or servicer in the manner specified in subdivision E 1 of §55-66.3 of the Code the notice of intent to release and possesses evidence of receipt of such notice by the lien creditor or servicer; and (d) the lien of the mortgage is hereby released. _____ (Authorized signer)

3. Effect of filing. When filed or recorded with the clerk's office, a certificate of satisfaction that is executed and notarized as provided in this subsection, and accompanied by (i) the affidavit described in subdivision 2 b of this subsection, and (ii) a copy of the notice of intent to release that was sent to the lender, lien creditor or servicer shall operate as a release of the encumbrance described therein and, if the encumbrance is by deed of trust or mortgage, as a reconveyance of the legal title as fully and effectively as if such certificate of satisfaction were a formal deed of release duly executed and recorded.

4. Effect of wrongful or erroneous certificate; damages.

a. The execution and filing or recording of a wrongful or erroneous certificate of satisfaction by a settlement agent does not relieve the party obligated to repay the debt, or anyone succeeding to or assuming the responsibility of the obligated party as to the debt, from any liability for the debt or other obligations secured by the mortgage that is the subject of the wrongful or erroneous certificate of satisfaction.

b. A settlement agent that wrongfully or erroneously executes and files or records a certificate of satisfaction is liable to the lien creditor for actual damages sustained due to the recording of a wrongful or erroneous certificate of satisfaction.

c. The procedure authorized by this subsection for the release of a mortgage shall constitute an optional method of accomplishing a release of a mortgage secured by property in this Commonwealth. The nonuse of the procedure authorized by this subsection for the release of a mortgage shall not give rise to any liability or any cause of action whatsoever against a settlement agent or any title insurer by any obligated party or anyone succeeding to or assuming the interest of the obligated party.

5. Applicability.

a. The procedure authorized by this subsection for the release of a mortgage may be used to effect the release of a mortgage after July 1, 2002, regardless of when the mortgage was created, assigned or satisfied by payment made by the settlement agent.

b. This subsection applies only to transactions involving the purchase of or lending on the security of real estate located in this Commonwealth containing not more than four residential dwelling units.

c. The procedure authorized by this subsection applies only to the full and complete release of a mortgage. Nothing in this subsection shall be construed to authorize the partial release of property from a mortgage or otherwise permit the execution or recordation of a certificate of partial satisfaction.

d. No settlement agent utilizing the process provided in this subsection for release of a mortgage may take an assignment from a lien obligor or his designee of the right to collect the \$500 penalty established in subsection A of this section.

Washington

§ 61.16.020. Mortgages, how satisfied of record

Whenever the amount due on any mortgage is paid, the mortgagee or the mortgagee's legal representatives or assigns shall, at the request of any person interested in the property mortgaged, execute an instrument in writing referring to the mortgage by the volume and page of the record or otherwise sufficiently describing it and acknowledging satisfaction in full thereof. Said instrument shall be duly acknowledged, and upon request shall be recorded in the county wherein the mortgaged property is situated. Every instrument of writing heretofore recorded and purporting to be a satisfaction of mortgage, which sufficiently describes the mortgage which it purports to satisfy so that the same may be readily identified, and which has been duly acknowledged before an officer authorized by law to take acknowledgments or oaths, is hereby declared legal and valid, and a certified copy of the record thereof is hereby constituted prima facie evidence of such satisfaction.

§ 61.16.030. Failure to acknowledge satisfaction of mortgage--Damages--Order

If the mortgagee fails to acknowledge satisfaction of the mortgage as provided in RCW 61.16.020 sixty days from the date of such request or demand, the mortgagee shall forfeit and pay to the mortgagor damages and a reasonable attorneys' fee, to be recovered in any court having competent jurisdiction, and said court, when convinced that said mortgage has been fully satisfied, shall issue an order in writing, directing the auditor to immediately record the order.

West Virginia

§ 38-12-1. When release of lien required; requisites thereof

(a) Every person entitled to the benefit of any lien on any estate, real or personal, or to the money secured thereby, whether the lien was created by conveyance, judgment, decree, lis pendens, notice of attachment, deed of trust, contract or otherwise, shall be required to furnish and execute an apt and proper written release thereof free of charge to the debtor whose obligation secured by such lien has been fully paid and satisfied, if the lien is of record in the proper county. Such release shall be executed and furnished to the debtor within thirty days after the debt has been satisfied.

(b) Such release of lien shall be executed by the lienholder and acknowledged before the clerk of the county commission in whose office the lien is recorded or before such other person authorized to take acknowledgments of deeds. Such written release shall be deemed sufficient if it describe the lien to be released by any words that will identify and show an intent to discharge the same. Releases may also be made according to the provisions of section two of this article.

§ 38-12-4. Form of release; recordation of assignment with release by assignee

Releases and their acknowledgments may be substantially in form or effect as follows:

(a) In case of a mortgage or trust deed: I, A.... B...., hereby release a mortgage (or trust deed) made by C.... D.... to me (or to E.... F...., my trustee, or to ..., and assigned to me) dated the ... day of ..., recorded in the office of the clerk of the county court of county, West Virginia, in trust deed book ..., page (Or, in case the release is by the trustee, I, A.... B...., hereby release a trust deed made by C.... D.... to me as trustee, for the benefit of E.... F...., dated the ... day of ..., recorded, etc., as in preceding form.) To be signed A.... B.... Acknowledged before the subscriber, by A.... B...., this ... day of ... (or, in case the release be by a corporation, acknowledged before the subscriber, by ..., who signed the name of ..., a corporation, thereto, this ... day of ...,)(To be signed) G.... H...., a justice (or clerk of the county court, notary public, etc., as the case may be) of ... county, West Virginia.

(b) In case of a lien for purchase money, reserved by conveyance: I, A.... B...., hereby release the right reserved to me in a conveyance executed by me (or myself and wife) to C.... D...., dated the ... day of (Or, in case of an assignment, I, A.... B.... hereby release the right reserved by C.... D.... in a conveyance to E.... F...., dated the ... day of ..., ..., which right was assigned by the said C.... D.... to me, the ... day of ..., ...) To be signed and acknowledged as above.(c) In case of a judgment or decree: I, A.... B...., hereby release a judgment (or decree) in my favor (or in favor of I.... K...., which has been assigned to me; or in favor of I.... K.... for my use) against C.... D...., for (stating the amount) with interest and costs, rendered by (stating the court by which, or the justice by whom, it was rendered, and the term or date at which it was rendered, to be signed and

acknowledged as above.)

When such lien is released by the assignee thereof, the assignment thereof, whether of the lien or of the debt secured thereby, must be acknowledged in the same manner as the release, and recorded with such release: Provided, that if any such lien, or the debt secured thereby, shall have been assigned, the same may always be released by the assignee who receives satisfaction thereof, upon the assignor joining therein, without the recordation of the assignment as aforesaid.

§ 38-12-10. Action on refusal of lienholder to execute release

In case of the failure of the party holding such lien to furnish and execute an apt and proper release upon request of the party entitled thereto as required by section one of this article, the circuit court having jurisdiction may, on motion, after reasonable notice to the party so failing, and if no good cause be shown against it, direct the clerk of the county commission to execute such release, and it shall thereupon have the effect of releases executed under section one of this article. The proceedings shall be at the cost of the lienholder who so refuses without good cause and the court shall also award reasonable attorney fees and court costs to the person entitled to such release if such person be the prevailing party.

Wisconsin

§ 706.05. Formal requisites for record

(1) Subject to s. 59.43(2m), every conveyance, and every other instrument which affects title to land in this state, shall be entitled to record in the office of the register of deeds of each county in which land affected thereby may lie.

(2) Except as different or additional requirements may be provided by law, every instrument offered for record shall: (a) Bear such signatures as are required by law; (b) Contain a form of authentication authorized by s. 706.06 or 706.07; (c) Identify, to the extent that the nature of the instrument permits, and in form and terms which permit ready entry upon the various books and indexes publicly maintained as land records of such county, the land to which such instrument relates and the parties or other persons whose interests in such land are affected. Except as provided in sub. (2m), identification may be either by the terms of the instrument or by reference to an instrument of record in the same office, naming the place where such record may be found.

(2m)(a) Except as provided in par. (b), any document submitted for recording or filing that is to be indexed in the real estate records, any document submitted for recording or filing that modifies an original mortgage or land contract and any subordination agreement submitted for recording or filing shall contain the full legal description of the property to which it relates if the document or subordination agreement is intended to relate to a particular parcel of land. The legal description may be included on the document or may be attached to the document. Any such document shall also contain the document number of any original mortgage or land contract that the document affects and, if given on the original mortgage or land contract, the volume and page numbers of the original mortgage or land contract.

(b) The requirement of a full legal description under par. (a) does not apply to: 1. Descriptions of easements for the construction, operation or maintenance of electric, gas, railroad, water, telecommunications or telephone lines or facilities. 2. Descriptions of property that is subject to liens granted on property thereafter acquired by a rural electric cooperative, or a telephone cooperative, organized under ch. 185, by a pipeline company under s. 76.02(5), by a public utility under s. 196.01(5) or by a railroad under s. 195.02(1) or (5).

(c) The requirement under par. (a) does not affect the validity of liens under par. (b)2.

(3) In addition to the requirements under sub. (2), every conveyance of mineral interests offered for record shall: (a) Fully disclose the terms and conditions of the agreement including both the financial arrangements and the exploration rights. Financial arrangements include the consideration exchanged for the interest in land, terms for payment, optional payments, royalty agreements and similar arrangements. Exploration rights include the conditions and extent of any surface and subsurface rights to the land, options to purchase further interest in the land, options to conduct mining operations and similar arrangements. (b) Fully disclose the parties including any principal,

parent, corporation, partner or business associate with an interest in the conveyance. This paragraph shall be interpreted to provide maximum disclosure of any person with an economic interest in the transaction.

(4) Any person who anticipates becoming a party to a number of conveyances of a given form may cause a prototype of such form to be recorded, accompanied by a certificate declaring the intention of the recording party to incorporate the terms of such prototype in future recorded conveyances by reference.

(5) Copies of instruments affecting title to land in this state, authenticated by certificate of any public officer, either of this or any other state or foreign country, in whose office the original is filed or recorded pursuant to law, may be recorded in every case in which the original would be entitled to record under this section.

(6) Except as may otherwise be expressly provided, no instrument shall be denied acceptance for record because of the absence of venue, seals, witnesses or other matter of form.

(7) Every instrument which the register of deeds shall accept for record shall be deemed duly recorded despite its failure to conform to one or more of the requirements of this section, provided the instrument is properly indexed in a public index maintained in the office of such register of deeds and recorded at length at the place there shown.

(8) A duly recorded certificate signed by or on behalf of the holder of record of any mortgage or other security interest in lands, and authenticated as provided by s. 706.06 or 706.07 identifying the mortgage or other interest and stating that the same has been paid or satisfied in whole or in part, shall be sufficient to satisfy such mortgage or other interest of record.

(9) If any mortgage-holder after partial performance of the conditions of the mortgage, whether before or after a breach thereof, unreasonably fails or refuses to execute and record, within 7 days after written request and tender of recording fees, a proper partial satisfaction of the mortgage together with any instruments required to establish of record the right of the mortgagor to satisfy the same, the mortgage-holder is liable to the mortgagor in the sum of \$100 penalty damages, plus actual damages occasioned by the failure or refusal.

(10)(a) Unless otherwise requested in writing or unless par. (b) applies, a mortgage-holder shall execute and record a proper full satisfaction of a mortgage, together with any instruments required to establish of record the right of the mortgagor to satisfy the mortgage, within 30 days after the date on which the mortgagor completes full performance of the conditions of the mortgage.

(b) A mortgage-holder shall execute and record a mortgage satisfaction as required under par. (a) within 7 days after both the mortgagor completes full performance and the mortgage-holder

receives by certified mail a written request from the mortgagor for a full satisfaction.

(c) Any person who violates par. (b) is liable to the mortgagor for penalty damages of \$100 for each day that the violation remains uncorrected, up to a total of \$2,000, plus actual damages resulting from the violation. A person may not be held liable for actual damages unless the mortgagor paid the costs that are to be compensated.

(d) A mortgage-holder may charge a mortgagor for the cost of fees paid in recording the satisfaction.

(12) Every conveyance of any interest in real property offered for recordation shall be accompanied by the form under s. 77.22 (2). If the property is subject to certification under s. 101.122(4)(a), waiver under s. 101.122(4)(b) or stipulation under s. 101.122(4)(c), the documents of conveyance offered for recordation shall have appended the certificate required under s. 101.122(4)(a), a waiver under s. 101.122(4)(b) or a stipulation under s. 101.122(4)(c).

Wyoming

§ 34-1-132. Liability of mortgagee for failing to discharge; damage limitations; definition.

(a) A mortgagee shall, within thirty (30) days after having received by certified or registered mail a request in writing for the discharge or release of a mortgage, execute and acknowledge a certificate or deed of discharge or release of the mortgage if there has been full performance of the condition of the mortgage and if there is no other written agreement between the mortgagee and mortgagor encumbering the property subject to the mortgage.

(b) A mortgagee who fails or refuses to discharge or release a mortgage within the thirty (30) day period required by subsection (a) of this section is liable to the mortgagor or his assignees for: (i) All actual damages resulting from the mortgagee's failure or refusal to discharge or release the mortgage; and (ii) Special damages in the amount of one-tenth of one percent (.10%) of the original principal amount of the mortgage for each additional day after the thirty (30) day period until the mortgage is released or discharged. Special damages authorized by this paragraph shall not exceed one hundred dollars (\$100.00) per day.

(c) Notwithstanding any assignment of the mortgage, the mortgagee of record is liable for the damages specified in subsection (b) of this section unless, within sixty (60) days after receipt of the request for discharge or release as provided by subsection (a) of this section, he furnishes to the person making the request the name and address of the current assignee or holder of the mortgage who has legal authority to execute the discharge or release.

(d) As used in this section "mortgagee" means the mortgagee named in the original mortgage or, if assigned, the current holder of the mortgage or the servicing agent for the current holder of the mortgage.

§ 34-1-146. Reconveyance of trust deed or release of mortgage; procedures; forms.

(a) A title insurer or title agent may reconvey a trust deed or release a mortgage in accordance with the provisions of subsections (b) through (f) of this section if: (i) The obligation secured by the trust deed or mortgage has been fully paid by the title insurer or title agent; or (ii) The title insurer or title agent possesses satisfactory evidence of the full payment of the obligation secured by a trust deed or mortgage.

(b) A title insurer or title agent may reconvey a trust deed or release a mortgage under subsection (a) of this section regardless of whether the title insurer or title agent is named as a trustee under a trust deed or has the authority to release a mortgage.

(c) No sooner than thirty (30) days after payment in full of the obligation secured by a trust deed

or mortgage, and after notice is given pursuant to W.S. 34-1-132, the title insurer or title agent shall deliver to the beneficiary, mortgagee or servicer, or send by certified mail to the beneficiary, mortgagee or servicer, at the address specified in the trust deed or mortgage or at any address for the beneficiary or mortgagee specified in the last recorded assignment of the trust deed or mortgage a notice of intent to release or reconvey and a copy of the release or reconveyance to be recorded as provided in subsections (d) and (e) of this section.

(d) The notice of intent to release or reconvey shall contain the name of the beneficiary or mortgagee and the servicer if loan payments on the trust deed or mortgage are collected by a servicer, the name of the title insurer or title agent, the date and be substantially in the following form:

NOTICE OF INTENT TO RELEASE OR RECONVEY

Notice is hereby given to you as follows:1. This notice concerns the (trust deed or mortgage) described as follows:(Trustor or Mortgagor): _____(Beneficiary or Mortgagee):_____Recording Information: _____Book Number: _____Page Number: _____

2. The undersigned claims to have paid in full or possesses satisfactory evidence of the full payment of the obligation secured by the trust deed or mortgage described above. 3. The undersigned will fully release the mortgage or reconvey the trust deed described in this notice unless, within thirty (30) days from the date stated on this notice, the undersigned has received by certified mail a notice stating that the obligation secured by the trust deed or mortgage has not been paid in full or that you otherwise object to the release of the mortgage or the reconveyance of the trust deed. Notice shall be mailed to the address stated on this form. 4. A copy of the (release of mortgage or reconveyance of trust deed) is enclosed with this notice.(Signature of title insurer or title agent)(Address of title insurer or title agent)

(e) If, within thirty (30) days from the day on which the title insurer or title agent delivered or mailed the notice of intent to release or reconvey in accordance with subsections (c) and (d) of this section, the beneficiary, mortgagee or servicer does not send by certified mail to the title insurer or title agent a notice that the obligation secured by the trust deed or mortgage has not been paid in full or that the beneficiary, mortgagee or servicer objects to the release of the mortgage or reconveyance of the trust deed, the title insurer or title agent may execute, acknowledge and record a reconveyance of a trust deed or release of a mortgage:

(i) A reconveyance of a trust deed under this subsection shall be in substantially the following form:

RECONVEYANCE OF TRUST DEED

(Name of title insurer or title agent), a (title insurer or title agent) authorized to conduct business in the state does hereby reconvey, without warranty, the following trust property located in

County, state of Wyoming, that is covered by a trust deed naming (name of trustor) as trustor, and (name of beneficiary) as beneficiary and was recorded on, (year), as document number, or, if applicable, in Book at Page, (insert a description of the trust property):The undersigned title insurer or title agent certifies as follows: 1. The undersigned title insurer or title agent has fully paid the obligation secured by the trust deed or possesses satisfactory evidence of the full payment of the obligation secured by the trust deed. 2. No sooner than thirty (30) days after payment in full of the obligation secured by the trust deed, the title insurer or title agent delivered or sent by certified mail to the beneficiary or servicer at the address specified in the trust deed and at any address for the beneficiary specified in the last recorded assignment of the trust deed, a notice of intent to release or reconvey and a copy of the reconveyance. 3. The title insurer or title agent did not receive, within thirty (30) days from the day on which the title insurer or title agent delivered or mailed the notice of intent to release or reconvey, a notice from the beneficiary or servicer sent by certified mail that the obligation secured by the trust deed has not been paid in full or that the beneficiary or servicer objects to the reconveyance of the trust deed. _____ (Notarization)(Signature of title insurer or title agent)

(ii) A release of a mortgage under this subsection shall be in substantially the following form:

RELEASE OF MORTGAGE

(Name of title insurer or title agent), a (title insurer or title agent) authorized to conduct business in the state does hereby release the mortgage on the following property located in County, state of Wyoming, that is covered by a mortgage naming (name of mortgagor) as mortgagor, and (name of mortgagee) as mortgagee and was recorded on, (year), as document number, or, if applicable, in Book at Page....., (insert a description of the trust property):The undersigned title insurer or title agent certifies as follows: 1. The undersigned title insurer or title agent has fully paid the obligation secured by the mortgage or possesses satisfactory evidence of the full payment of the obligation secured by the mortgage. 2. No sooner than thirty (30) days after payment in full of the obligation secured by the mortgage, the title insurer or title agent delivered to the mortgagee or sent by certified mail to the mortgagee or servicer at the address specified in the mortgage and at any address for the mortgagee specified in the last recorded assignment of the mortgage, a notice of intent to release or reconvey and a copy of the release. 3. The title insurer or title agent did not receive, within thirty (30) days from the day on which the title insurer or title agent delivered or mailed the notice of intent to release or reconvey, a notice from the mortgagee or servicer sent by certified mail that the obligation secured by the mortgage has not been paid in full or that the mortgagee or servicer objects to the release of the mortgage. _____ (Notarization)(Signature of title insurer or title agent)

(iii) A release of mortgage or reconveyance of trust deed that is executed and notarized in accordance with paragraph (i) or (ii) of this subsection is entitled to recordation in accordance with W.S. 34-1-119 and 34-1-130. Except as otherwise provided in this paragraph, a reconveyance of a trust deed or release of a mortgage that is recorded under this paragraph is valid regardless of any deficiency in the release or reconveyance procedure. If the title insurer's or title agent's

signature on a release of mortgage or reconveyance of trust deed recorded under this paragraph is forged, the release of mortgage or reconveyance of trust deed is void.

(f) A release of mortgage or reconveyance of trust deed under this section does not discharge an obligation that was secured by the trust deed or mortgage at the time the trust deed was reconveyed or the mortgage was released.

§ 34-1-148. Liability of title insurer or title agent.

(a) A title insurer or title agent purporting to act under the provisions of W.S. 34-1-146 who reconveys a trust deed or releases a mortgage is liable for the damages suffered as a result of the reconveyance if the obligation secured by the trust deed or mortgage has not been fully paid and:
(i) The title insurer or title agent failed to comply with the provisions of W.S. 34-1-146 and 34-1-147; or (ii) The title insurer or title agent acted with gross negligence or in bad faith in reconveying the trust deed.