

HOUSE BILL NO. 421

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE ANDERSON

Introduced: 2/2/04

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to reconveyances of deeds of trust."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 34.20 is amended by adding a new section to read:

4 **Sec. 34.20.115. Procedure for reconveyance.** (a) Unless the beneficiary has
5 requested that a title insurance company reconvey a trust deed before the title
6 insurance company mails or delivers the notice under (b) of this section, a title
7 insurance company shall comply with the requirements of this section before
8 reconveying the trust deed.

9 (b) Not less than 30 days after payment in full of the obligation secured by a
10 trust deed and receipt of satisfactory evidence of payment in full, a title insurance
11 company shall

12 (1) mail, by certified mail with postage prepaid, return receipt
13 requested, to the beneficiary or a servicer, a notice of intent to reconvey; the notice
14 shall be sent to the beneficiary's or servicer's address stated in the trust deed, to an
15 address for the beneficiary or servicer stated in the last recorded assignment of the

1 trust deed, if any, and to an address for a beneficiary or servicer shown in a request for
2 notice recorded under (g) of this section; or

3 (2) hand deliver to the beneficiary or servicer a notice of intent to
4 reconvey.

5 (c) The notice required by (b) of this section must be in substantially the
6 following form and accompanied by a copy of the reconveyance to be recorded:

7 NOTICE OF INTENT TO RECONVEY

8 TO: (Beneficiary or servicer for beneficiary)

9 FROM: (Title insurance company)

10 DATE:

11 Notice is hereby given to you as follows:

12 (1) This notice concerns the trust deed described as
13 follows:

14 Trustor:

15 Beneficiary:

16 Recording information:

17 Serial number:

18 or

19 Book number:

20 Page number:

21 (2) The undersigned title insurance company claims to
22 have fully paid or received satisfactory evidence of the payment in full
23 of the obligation secured by the trust deed described above.

24 (3) Unless, within 60 days following the date stated
25 above, the undersigned has received, by certified mail, return receipt
26 requested, directed to the address noted below, a notice stating that you
27 have not received payment in full of all obligations secured by the trust
28 deed or that you otherwise object to reconveyance of the trust deed, the
29 undersigned will fully release and reconvey the trust deed under
30 AS 34.20.115.

31 (4) A copy of the reconveyance or release of the trust

1 deed is enclosed with this notice.

2 (Title insurance company)

3 (Address)

4 (d) After at least 60 days have elapsed after the mailing or delivery of the
5 notice of intent to reconvey under (b) of this section, if a title insurance company has
6 not received an objection to the reconveyance, the title insurance company may
7 execute and record a reconveyance of the trust deed.

8 (e) The reconveyance authorized by (d) of this section must be acknowledged
9 under AS 09.63 and be in substantially the following form:

10 RECONVEYANCE OF TRUST DEED

11 , a title insurance company authorized to
12 transact business in Alaska, does, by this document, reconvey, without
13 warranty, to the person or persons legally entitled to the trust property,
14 the following trust property covered by a trust deed naming
15 as trustor and as beneficiary,
16 which was recorded on at serial number
17 or at book and page
18

19 The following described property located in the
20 Judicial District, State of Alaska:

21 (property description)

22 The undersigned title insurance company certifies that

23 (1) the undersigned title insurance company has fully
24 paid or received satisfactory evidence of the payment in full of the
25 obligation secured by the trust deed;

26 (2) not less than 30 days following the payment in full
27 of the trust deed, the undersigned hand delivered or mailed by certified
28 mail, return receipt requested, to the record beneficiary under the trust
29 deed or the servicer for the record beneficiary, at the beneficiary's or
30 servicer's record address a notice of intent to reconvey as required by
31 AS 34.20.115; and

1 (3) at least 60 days have elapsed after the mailing or
2 delivery of the notice of intent to reconvey and the undersigned title
3 insurance company has not received an objection to the reconveyance.

4 Dated

5

6 (Title insurance company)

7 (Acknowledgment)

8 (f) A reconveyance of a trust deed, when executed and acknowledged in
9 substantially the form prescribed in (e) of this section, may be recorded and, when
10 recorded, constitutes a reconveyance of the trust deed identified in the reconveyance,
11 regardless of any deficiency in the reconveyance procedure that is not disclosed in the
12 recorded reconveyance, except for forgery of the title insurer's signature. The
13 reconveyance of a trust deed under this section does not discharge a personal
14 obligation that was secured by the trust deed at the time of its reconveyance.

15 (g) A person who wants to receive a copy of a notice given under (b) of this
16 section after the deed of trust is recorded and before the reconveyance is recorded
17 under (d) of this section may record a request for a copy of the notice in the office of
18 the recorder in the judicial district in which a part of the real property is located. The
19 request must be acknowledged, must state the name and address of the person
20 requesting the copy of the notice, and must identify the deed of trust by stating the
21 names of the parties to the deed of trust, the date of recordation, and the serial number
22 or book and page numbers where the deed of trust is recorded.

23 (h) If, at any point during the procedure required by this section, the
24 beneficiary requests the title insurance company to reconvey the trust deed, the title
25 insurance company is not required to proceed with the rest of the procedure required
26 by this section and may execute and record a reconveyance of the trust deed.

27 (i) In this section, "servicer" means a person who handles, for a beneficiary of
28 a trust deed, the receipt of the beneficiary's payments under the trust deed.