

1 HB795
2 120265-1
3 By Representative Hill
4 RFD: Banking and Insurance
5 First Read: 30-MAR-10

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8 SYNOPSIS: This bill would provide, upon and after the
9 acquisition of real property interests by a
10 receiver appointed for a bank, savings association,
11 savings bank, or other depository institution, a
12 method of providing constructive notice of any
13 assignment by the receiver of the depository
14 institution's real property interest.

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16 A BILL
17 TO BE ENTITLED
18 AN ACT
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20 To add a new Section 35-4-77 to the Code of Alabama
21 1975, relating to constructive notice of assignments of real
22 property interest by a receiver for a bank, savings
23 association, savings bank, or other depository institution.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Section 35-4-77 is added to the Code of
26 Alabama 1975, to read as follows:

27 §35-4-77.

1 (a) Federal and state law provides that certain
2 state and federal agencies including, without limitation, the
3 Superintendent of Banks, may place banks, savings
4 associations, savings banks, and other depository institutions
5 in receivership or conservatorship.

6 (b) Upon and after the acquisition by the receiver
7 of an interest in any mortgage, financing statement, or other
8 lien or real property vested in a depository institution
9 placed in receivership or conservatorship, an assignment of
10 any of the property interests that is executed by the receiver
11 or an agent of the receiver and recorded in the real property
12 records of the county or counties where the property interests
13 are recorded shall constitute constructive notice of the
14 transfer of the property interests. It shall not be necessary
15 to specifically identify each property interest that is the
16 subject of the assignment. A general reference in the
17 assignment that provides a means of identifying the property
18 interests that are being assigned shall be sufficient to
19 provide constructive notice to all persons of the assignment.
20 The assignment shall be indexed by the judge of probate in the
21 direct index using the name of the depository institution for
22 which the receiver was appointed and in the reverse index
23 using the name of the assignee. The recording fee to be paid
24 for the assignment shall be collected as if the assignment
25 were transferring a single instrument. Any and all assignments
26 heretofore recorded in substantial compliance with this
27 section are hereby ratified. This act is not an exclusive

1 method of giving constructive notice of an assignment of
2 property interests by a receiver, but rather is cumulative
3 with any other method that is sufficient to provide
4 constructive notice of the assignment of the property
5 interests.

6 Section 2. This act shall become effective
7 immediately following its passage and approval by the
8 Governor, or its otherwise becoming law.