

**§ 45-36.23. Obligation release: content and effect.**

- (a) A document is an obligation release if it does all of the following:
- (1) Identifies the type of security instrument, the original parties to the security instrument, the recording data for the security instrument, and the office in which the security instrument is recorded.
  - (2) States that the person signing the obligation release is the owner and holder of the obligation or obligations to be released.
  - (3) Identifies one or more of the specific obligations that are secured by the security instrument and contains language confirming that, with respect to each such secured obligation, the obligation is no longer secured by the security instrument.
  - (4) Is signed and acknowledged as required by law for a conveyance of an interest in real property by the owner and holder of the specific obligation or obligations to be released.
- (b) The register of deeds shall accept an obligation release for recording unless one of the following applies:
- (1) The document is submitted by a method or in a medium not authorized for registration by the register of deeds under applicable law.
  - (2) The required recording fee is not paid.
  - (3) The document is not signed and acknowledged as required by law for a conveyance of an interest in real property by the owner and holder of the obligation or obligations to be released. The register of deeds shall not be required to verify or make inquiry concerning (i) the truth of the matters stated in any obligation release or (ii) the authority of the person executing any obligation release to do so.
- (c) From and after the date an obligation release is recorded, the obligation or obligations specifically identified and released in the obligation release (and only such obligation or obligations) shall no longer be secured by the security instrument, without regard to whether the obligation has been paid in full and satisfied. Unless the obligation release states that the secured obligation has been paid in full and satisfied, the recording of an obligation release does not by itself extinguish any liability of a person for payment or performance of the obligation or obligations released.
- (d) Secured obligations that are not specifically identified and released in an obligation release remain secured by the security instrument, and the recording of an obligation release does not extinguish any liability of a person for payment or performance of the remaining secured obligation or obligations. The recording of an obligation release has no effect on the lien of the security instrument on the real property described in the security instrument.
- (e) Unless the deed of trust provides otherwise, the trustee in a deed of trust is not a necessary party to an obligation release.
- (f) No particular phrasing is required for an obligation release. The following form, when properly completed, is sufficient to satisfy the requirements of G.S. 45-36.23(a):

**"OBLIGATION RELEASE**

(G.S. 45-36.23)

The undersigned is now the owner and holder of the obligation(s) to be released by this instrument. As used in this release, the term "Security Instrument" refers to the security instrument identified as follows:

Type of Security Instrument: (identify type of security instrument, such as deed of trust or mortgage)

Original Grantor(s): (identify original grantor(s), trustor(s), or mortgagor(s))

Original Secured Party(ies): (identify the original beneficiary(ies), mortgagee(s), or secured party(ies) in the security instrument)

Recording Data: The security instrument is recorded in Book \_\_\_\_ at Page \_\_\_\_ or as document number \_\_\_\_\_ in the office of the Register of Deeds for \_\_\_\_\_ County, North Carolina.

Secured obligations that are no longer secured. Each of the following obligations is no longer secured by the Security Instrument, without regard to whether the obligation has been paid in full and satisfied: (identify with particularity each secured obligation that will no longer be secured by the Security Instrument)

(Optional provision which may be used in addition to or in lieu of the paragraph above:)

Secured obligations that have been paid in full and satisfied. Each of the following obligations has been paid in full and satisfied and is consequently no longer secured by the Security Instrument: (identify with particularity each secured obligation that has been paid in full and satisfied and is consequently no longer secured by the Security Instrument)

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of owner and holder of  
the obligation(s) to be released

[Acknowledgment before officer authorized to take acknowledgments]". (2011-312, s. 10.)