

1 AN ACT  
2 RELATING TO REAL ESTATE; PROVIDING FOR AN ALTERNATIVE METHOD  
3 TO RECORD A FULL SATISFACTION OF DEBT UNDER CERTAIN  
4 CIRCUMSTANCES.

5  
6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

7 Section 1. ALTERNATIVE FORM OF RELEASE OF MORTGAGE--  
8 FILING BY TITLE INSURER.--

9 A. If, within ninety days after full  
10 satisfaction of a debt or evidence of debt secured by a  
11 mortgage or deed of trust upon any real estate, evidence of  
12 the full satisfaction has not been recorded pursuant to the  
13 provisions of Section 48-7-4 NMSA 1978, a title insurer may  
14 prepare and record a release of the mortgage or deed of  
15 trust; provided, however, no release shall be recorded by  
16 the title insurer unless the insurer has, no later than ten  
17 days prior to the date of recording, mailed notice of the  
18 intent to record to the last known address of the mortgagee,  
19 the trustee and beneficiary of a deed of trust or the  
assignee of record of the debt or evidence of debt.

20 B. A release recorded pursuant to this section  
21 shall include:

- 22 (1) the name of the mortgagee or trustee  
and beneficiary;
- 23 (2) the name of the mortgagor or trustor;
- 24 (3) the recording reference to the mortgage  
25 or deed of trust;

1 (4) a recital that the obligation secured  
2 by the mortgage or deed of trust has been paid in full; and

3 (5) the date and amount of payment.

4 C. A release recorded pursuant to this section  
5 shall be deemed to be the equivalent of a release recorded  
6 pursuant to Section 48-7-4 NMSA 1978.

7 D. In addition to any other remedy, a title  
8 insurer recording a release pursuant to this section shall  
9 be liable to any mortgagee or beneficiary of a deed of trust  
10 for damages, including attorney fees, that the mortgagee or  
11 beneficiary of a deed of trust **may sustain by reason of the**  
12 **wrongful recording of a release of mortgage or deed of**  
13 **trust.**

14 E. Nothing in this section relieves a person  
15 from an obligation to record a full satisfaction or release  
16 pursuant to Section 48-7-4 NMSA 1978 or from the imposition  
17 of a penalty for failure to record a full satisfaction or  
18 release pursuant to Section 48-7-5 NMSA 1978.

19 F. A title insurer **may charge a reasonable fee**  
20 **to the mortgagee for the preparation and recording of the**  
21 **release of mortgage.** \_\_\_\_\_