

March 24, 2009

S 803. PROTECT THIRD-PARTY PURCHASERS FOR VALUE. Filed 3/24/09. *TO ADDRESS HIDDEN LIENS TO PROTECT THIRD-PARTY PURCHASERS FOR VALUE AND LENDERS IN REAL ESTATE TRANSACTIONS; AND TO MAKE IT A FELONY TO MAKE A WRITTEN FALSE STATEMENT OF SUMS DUE FOR LABOR OR MATERIAL FURNISHED TO REAL PROPERTY.*

Enacts a new GS 44A-12.2 to provide that a claim of lien on real property granted by this Article, including any claim of lien arising under GS 44A-20 or GS 44A-23, is not effective against real property owned by purchasers for a valuable consideration, including trustees under deeds of trust on the real property and mortgagees under mortgages which secure indebtedness, whose interest has been registered in the register of deeds office of the county or counties where the property is located after the date of the first furnishing of labor or materials to the site of the improvement but prior to the time of filing the claim of lien as provided for in GS 44A-12.

Amends GS 44A-24 to make it a Class H felony (was, Class 1 misdemeanor) for a contractor or other person receiving payment *or other thing of value* from an obligor for an improvement on real property to knowingly furnish a false written statement of the sums due or claimed to be due for labor or material furnished at the site of improvements to such real property to such obligor, purchaser, lender with a security interest in the property, or to a title insurance company insuring title. Makes clarifying and conforming changes.

Effective October 1, 2009.

Intro. by Rand.

GS 44A