

ACT No. 336

2015 Regular Session

HOUSE BILL NO. 496

BY REPRESENTATIVE WILLMOTT

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AN ACT

To amend and reenact R.S. 6:830(A), (F), (G)(4), and (H)(2) and to repeal R.S. 6:830(B), (D)(3), and (G)(5), relative to the recordation of mortgages in favor of savings and loans; to provide relative to the reinscription of mortgages within certain periods of time; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:830(A), (F), (G)(4), and (H)(2) are hereby amended and reenacted to read as follows:

§830. Security for loan on ~~movable and~~ immovable properties; purchase and sale of property

A. Except as otherwise provided in this Chapter, every loan on immovable property shall be secured by a mortgage upon the property, ~~accompanied by a certificate of the attorney of the association to that effect,~~ and also, where applicable, accompanied by a pledge to the association of any shares or savings accounts borrowed upon. Such mortgage shall provide specifically for full protection to the association with respect to the loan and additional advances, and the usual insurance risks, taxes, assessments, other governmental levies, maintenances, and repairs. The mortgage may provide for ~~an assignment of rents, and if such assignment is made, any such assignment shall become absolute upon the mortgagor's default, becoming operative upon written demand by the association~~ a pledge of leases and rents. A declaration of the pledge creates a valid and complete pledge of the shares or savings accounts and of all future payments or credits thereon.

* * *

1 F. ~~Any mortgage recorded as provided by this Section remains in full force~~
 2 ~~and effect without the necessity of being reinscribed in the mortgage records for a~~
 3 ~~period of forty-one years from the date of inscription. The recordation of the~~
 4 ~~authentic act evidencing mortgage on home appliances and equipment in the same~~
 5 ~~manner as the mortgage on immovable property shall be binding on third persons~~
 6 ~~and need not be reinscribed for thirty-one years from the date of inscription. A~~
 7 ~~mortgage granted in favor of a savings and loan association and a vendor's privilege~~
 8 ~~created in favor of a savings and loan association shall be subject to the rules~~
 9 ~~provided by Chapter 2 of Title XXII-A of Book III of the Louisiana Civil Code.~~

10 G.

11 * * *

12 (4) This act of sale with vendor's privilege and mortgage, if recorded within
 13 three working days of its execution, when the registry is required to be made in the
 14 parish where the act was executed, and within five working days, if the registry is
 15 required to be made in any other parish of this state, shall have the same priority with
 16 regard to the effective date of recordation as is accorded vendor's privileges under
 17 the provisions of Louisiana Civil Code Article 3274, without regard to the time for
 18 recordation as provided therein. ~~The vendor's privilege provided for in this~~
 19 ~~Subsection shall remain in force for a period of forty-one years from the date of~~
 20 ~~inscription. Any note secured by a vendor's privilege and mortgage of the kind~~
 21 ~~authorized by this Subsection shall have the same rights, privileges, priorities, and~~
 22 ~~exemptions which have previously been had by notes payable to associations and~~
 23 ~~secured by a vendor's privilege and mortgage set forth in sales of property by the~~
 24 ~~association to the purchaser.~~

25 * * *

26 H.

27 * * *

28 (2) If any mortgage provided for in this Section is placed on record within
 29 three working days of its execution, when the registry is required to be made in the
 30 parish where the act was executed, and within five working days, if the registry is

1 required to be made in any other parish of this state, it shall have and enjoy the same
 2 priority in regard to the effective date of such recordation as is accorded vendor's
 3 liens under the provisions of Louisiana Civil Code Article 3274, without regard to
 4 the time for recordation as provided therein. ~~The mortgages provided for in this~~
 5 ~~Section shall remain in force for a period of forty-one years from the date of their~~
 6 ~~filing or for a period of forty-one years from the date of any reinscription.~~

* * *

8 Section 2. R.S. 6:830(B), (D)(3), and (G)(5) are hereby repealed in their entirety.

9 Section 3. This Act shall become effective on January 1, 2016 and shall apply to all
 10 mortgages and vendor's privileges governed by R.S. 6:830 in existence and effective on that
 11 date, and shall apply to all such mortgages and vendor's privileges arising after that date.
 12 Nevertheless, if the application of this Act to such a mortgage or vendor's privilege that is
 13 effective against third parties at the time this Act takes effect would cause the effect of
 14 recordation of the mortgage or vendor's privilege to cease before January 1, 2019, the effect
 15 of recordation of the mortgage or vendor's privilege shall continue until January 1, 2019, or
 16 until the date on which filing of a notice of reinscription would have been required by the
 17 law in effect immediately before this Act becomes effective, whichever first occurs. On that
 18 date, the effect of recordation of the mortgage or vendor's privilege shall cease unless a
 19 notice of reinscription has been filed as provided by Article 3362 of the Civil Code.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____