

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 250
Judiciary Committee Substitute Adopted 4/14/97

Short Title: Clarify Perfection-Secur. Interest.

(Public)

Sponsors:

Referred to:

February 26, 1997

A BILL TO BE ENTITLED

AN ACT TO CLARIFY PERFECTION OF A SECURITY INTEREST IN AFTER-ACQUIRED REAL PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 47-20.5(c) reads as rewritten:

"(c) An after-acquired property clause is effective to pass after-acquired property as between the parties to the instrument containing such clause, but shall not be effective to pass title to after-acquired property as against lien creditors or purchasers for a valuable consideration from the grantor of the instrument unless and until such instrument has been registered or reregistered at or subsequent to the time such after-acquired property is acquired by such grantor-grantor and the deed to the grantor of the after-acquired property is registered."

Section 2. This act is effective when it becomes law and applies to instruments registered before, on, or after the effective date except that it shall not apply to litigation pending on the effective date or to any instrument directly or indirectly involved in litigation pending on that date.