

ASSEMBLY BILL NO. 192—ASSEMBLYMEMBER BACKUS

PREFILED FEBRUARY 3, 2025

Referred to Committee on Judiciary

SUMMARY—Makes various changes relating to real property. (BDR 10-971)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to real property; enacting the Uniform Easement Relocation Act; enacting the Uniform Mortgage Modification Act; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Sections 2-32 of this bill enact the Uniform Easement Relocation Act promulgated by the Uniform Law Commission in 2020. Sections 34-50 of this bill enact the Uniform Mortgage Modification Act promulgated by the Uniform Law Commission in 2024.

Generally, the Uniform Easement Relocation Act allows the owner of real property burdened by certain types of easements to seek judicial approval to relocate an easement if the relocation does not materially impair the utility of the easement to the easement holder or the physical condition, use or value of the benefitted property. Sections 4-21 define certain terms for the purposes of the Act. Section 22 prohibits relocation under the Act of an easement: (1) where the holder is a publicly regulated or publicly owned utility; (2) which has been set aside for certain conservation purposes; (3) which is a negative easement that imposes a duty not to engage in a specified use of the property; or (4) if the proposed location encroaches on certain land or interferes with the use or enjoyment or certain other easements.

Section 24: (1) requires a property owner who wishes to relocate an easement under the Act to file a civil action and serve a summons and complaint on the easement holder and certain other interested persons; and (2) sets forth the required contents of such a complaint. Sections 23 and 25 set forth: (1) the factors a court must consider before approving the relocation of an easement under the Act; and (2) the required contents of a court order approving such a relocation. If the court approves the relocation of an easement, section 27 requires all parties to the civil action to act in good faith to facilitate relocation. Section 26 requires the property owner seeking to relocate an easement to bear all reasonable expenses of the relocation.



26 Before proceeding with the relocation of an easement which has been approved
27 by a court, **section 25** requires the property owner to record a certified copy of the
28 court order approving the relocation in the land records of each jurisdiction where
29 the property is located. **Section 28** deems such an easement relocated upon
30 recording of the certified court order.

31 If the relocation requires the construction of an improvement as a condition for
32 relocation, **section 28** authorizes the easement holder to continue to use the existing
33 easement according to the terms of the court order until the property owner sends
34 certain required notice that the easement holder is able to enter, use and enjoy the
35 easement in the new location. Specifically, once the relocation is substantially
36 complete and the easement holder is able to enter, use and enjoy the easement in
37 the new location, **section 28** requires the property owner relocating the easement to:
38 (1) execute an affidavit certifying that the easement has been relocated; (2) record
39 the affidavit in the land records of each jurisdiction in which the property is
40 located; and (3) send a copy of the recorded affidavit by certified mail to the
41 easement holder and parties to the civil action.

42 **Sections 29 and 30** provide that: (1) the Act does not affect any other method
43 of relocating an easement which is permitted under existing law; and (2) the right
44 of a property owner to relocate an easement under the Act with court approval may
45 not be waived, excluded or restricted by agreement even in circumstances where
46 the instrument which created the easement contains certain restrictions. **Section 29**
47 also provides that a relocation under the Act does not constitute a new transfer or
48 grant of an interest in property, and thus is not a breach or default of certain
49 existing agreements.

50 Generally, the Uniform Mortgage Modification Act establishes safe harbor
51 provisions for several common categories of modifications which are not
52 prejudicial to junior interest holders and which do not affect the priority of the
53 mortgage. Modifications which are outside the scope of the Act remain governed
54 by existing law applicable to those modifications. **Sections 36-46** define certain
55 terms for the purposes of the Act. **Sections 47 and 48** establish the types of
56 modifications to which the Act does and does not apply. **Section 48** provides that,
57 for a modification to which the Act applies: (1) the mortgage continues to secure
58 the obligation as modified; (2) the priority of the mortgage is not affected by the
59 modification; (3) the mortgage retains its priority even if the modification is not
60 recorded in the land records of a jurisdiction in which the property is located; and
61 (4) the modification is not a novation.

62 **Section 48** also establishes the categories of modifications to which the Act
63 applies, which include: (1) an extension of the maturity date of the obligation; (2) a
64 decrease in the interest rate; (3) certain changes in the methods of calculating
65 interest which do not result in an increase as calculated on the date the modification
66 becomes effective; (4) a capitalization of interest or other unpaid monetary
67 obligations; (5) a forgiveness, forbearance or other reduction of a secured debt or
68 other monetary obligation; (6) a modification of a requirement for maintaining
69 certain escrow or reserve accounts; (7) a modification of a requirement for
70 acquiring or maintaining insurance; (8) a modification of an existing condition to
71 advance funds; (9) a modification of a financial covenant; and (10) a modification
72 of the payment amount or schedule resulting from another modification to which
73 the Act applies.

74 **Section 47** provides that the Act does not affect existing law governing the
75 required content of a mortgage, statutes of limitation, recording, priority of certain
76 liens, certain electronic transactions or the priority of certain future advances.
77 **Section 47** also excludes certain modifications from the Act.

78 **Sections 31 and 49** require a court to consider the uniformity of law among
79 jurisdictions that enact the Uniform Easement Relocation Act or the Uniform
80 Mortgage Modification Act in applying and construing the provisions of those



81 Acts. **Sections 32 and 50** clarify the relation of the Uniform Easement Relocation
82 Act and the Uniform Mortgage Modification Act to the federal Electronic
83 Signatures in Global and National Commerce Act. (15 U.S.C. §§ 7001 et seq.)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Title 10 of NRS is hereby amended by adding
2 thereto a new chapter to consist of the provisions set forth as
3 sections 2 to 32, inclusive, of this act.

4 **Sec. 2.** *This chapter may be cited as the Uniform Easement*
5 *Relocation Act.*

6 **Sec. 3.** *As used in this chapter, unless the context otherwise*
7 *requires, the words and terms defined in sections 4 to 21,*
8 *inclusive, of this act, have the meanings ascribed to them in those*
9 *sections.*

10 **Sec. 4.** *“Appurtenant easement” means an easement tied to*
11 *or dependent on ownership or occupancy of a unit or a parcel of*
12 *real property.*

13 **Sec. 5.** *“Conservation easement” means a nonpossessory*
14 *property interest created for one or more of the following*
15 *conservation purposes:*

16 1. *Retaining or protecting the natural, scenic, wildlife,*
17 *wildlife-habitat, biological, ecological or open-space values of real*
18 *property;*

19 2. *Ensuring the availability of real property for agricultural,*
20 *forest, outdoor-recreational or open-space uses;*

21 3. *Protecting natural resources, including wetlands,*
22 *grasslands and riparian areas;*

23 4. *Maintaining or enhancing air or water quality;*

24 5. *Preserving the historical, architectural, archeological,*
25 *paleontological or cultural aspects of real property; or*

26 6. *Any other purpose under NRS 111.390 to 111.440,*
27 *inclusive.*

28 **Sec. 6.** *“Dominant estate” means an estate or interest in real*
29 *property benefitted by an appurtenant easement.*

30 **Sec. 7.** *“Easement” means a nonpossessory property interest*
31 *that:*

32 1. *Provides a right to enter, use or enjoy real property owned*
33 *by or in the possession of another; and*

34 2. *Imposes on the owner or possessor a duty not to interfere*
35 *with the entry, use or enjoyment permitted by the instrument*
36 *creating the easement or, in the case of an easement not*
37 *established by express grant or reservation, the entry, use or*
38 *enjoyment authorized by law.*



1 **Sec. 8. "Easement holder" means:**

2 1. *In the case of an appurtenant easement, the dominant*
3 *estate owner; or*

4 2. *In the case of an easement in gross, public-utility*
5 *easement, conservation easement or negative easement, the*
6 *grantee of the easement or a successor.*

7 **Sec. 9. "Easement in gross" means an easement not tied to**
8 *or dependent on ownership or occupancy of a unit or a parcel of*
9 *real property.*

10 **Sec. 10. "Lessee of record" means a person holding a**
11 *lessee's interest under a recorded lease or memorandum of lease.*

12 **Sec. 11. "Negative easement" means a nonpossessory**
13 *property interest whose primary purpose is to impose on a servient*
14 *estate owner a duty not to engage in a specified use of the estate.*

15 **Sec. 12. "Person" means an individual, estate, business or**
16 *nonprofit entity, public corporation, government or governmental*
17 *subdivision, agency or instrumentality or other legal entity.*

18 **Sec. 13. "Public-utility easement" means a nonpossessory**
19 *property interest in which the easement holder is a publicly*
20 *regulated or publicly owned utility under federal law or law of this*
21 *State or a municipality. The term includes an easement benefiting*
22 *an intrastate utility, an interstate utility or a utility cooperative.*

23 **Sec. 14. "Real property" means an estate or interest in, over**
24 *or under land, including structures, fixtures and other things that*
25 *by custom, usage or law pass with a conveyance of land whether*
26 *or not described or mentioned in the contract of sale or instrument*
27 *of conveyance. The term includes the interest of a lessor and*
28 *lessee and, unless the interest is personal property under law of*
29 *this State other than this chapter, an interest in a common-interest*
30 *community.*

31 **Sec. 15. "Record" means, when used as a noun, information**
32 *that is inscribed on a tangible medium or that is stored in an*
33 *electronic or other medium and is retrievable in perceivable form.*

34 **Sec. 16. "Security instrument" means a mortgage, deed of**
35 *trust, security deed, contract for deed, lease or other record that*
36 *creates or provides for an interest in real property to secure*
37 *payment or performance of an obligation, whether by acquisition*
38 *or retention of a lien, a lessor's interest under a lease or title to the*
39 *real property. The term includes:*

40 1. *A security instrument that also creates or provides for a*
41 *security interest in personal property;*

42 2. *A modification or amendment of a security instrument;*
43 *and*

44 3. *A record creating a lien on real property to secure an*
45 *obligation under a covenant running with the real property or*



1 owed by a unit owner to a common-interest community
2 association.

3 **Sec. 17.** "Security-interest holder of record" means a person
4 holding an interest in real property created by a recorded security
5 instrument.

6 **Sec. 18.** "Servient estate" means an estate or interest in real
7 property that is burdened by an easement.

8 **Sec. 19.** "Title evidence" means a title insurance policy,
9 preliminary title report or binder, title insurance commitment,
10 abstract of title, attorney's opinion of title based on examination of
11 public records or an abstract of title or any other means of
12 reporting the state of title to real property which is customary in
13 the locality.

14 **Sec. 20.** "Unit" means a physical portion of a common-
15 interest community designated for separate ownership or
16 occupancy with boundaries described in a declaration establishing
17 the common-interest community.

18 **Sec. 21.** "Utility cooperative" means a non-profit entity
19 whose purpose is to deliver a utility service, such as electricity, oil,
20 natural gas, water, sanitary sewer, storm water or
21 telecommunications, to its customers or members and includes an
22 electric cooperative, rural electric cooperative, rural water district
23 and rural water association.

24 **Sec. 22.** 1. Except as otherwise provided in subsection 2,
25 this chapter applies to an easement established by express grant or
26 reservation or by prescription, implication, necessity, estoppel or
27 other method.

28 2. This chapter may not be used to relocate:

29 (a) A public-utility easement, conservation easement or
30 negative easement; or

31 (b) An easement if the proposed location would encroach on
32 an area of an estate burdened by a conservation easement or
33 would interfere with the use or enjoyment of a public-utility
34 easement or an easement appurtenant to a conservation easement.

35 3. This chapter does not apply to relocation of an easement by
36 consent.

37 **Sec. 23.** A servient estate owner may relocate an easement
38 under this chapter only if the relocation does not materially:

39 1. Lessen the utility of the easement;

40 2. After the relocation, increase the burden on the easement
41 holder in its reasonable use and enjoyment of the easement;

42 3. Impair an affirmative, easement-related purpose for which
43 the easement was created;



1 4. *During or after the relocation, impair the safety of the*
2 *easement holder or another entitled to use and enjoy the*
3 *easement;*

4 5. *During the relocation, disrupt the use and enjoyment of the*
5 *easement by the easement holder or another entitled to use and*
6 *enjoy the easement, unless the servient estate owner substantially*
7 *mitigates the duration and nature of the disruption;*

8 6. *Impair the physical condition, use or value of the dominant*
9 *estate or improvements on the dominant estate; or*

10 7. *Impair the value of the collateral of a security-interest*
11 *holder of record in the servient estate or dominant estate, impair a*
12 *real-property interest of a lessee of record in the dominant estate*
13 *or impair a recorded real-property interest of any other person in*
14 *the servient estate or dominant estate.*

15 **Sec. 24.** 1. *To obtain an order to relocate an easement*
16 *under this chapter, a servient estate owner must commence a civil*
17 *action.*

18 2. *A servient estate owner that commences a civil action*
19 *under subsection 1:*

20 (a) *Shall serve a summons and complaint on:*

21 (1) *The easement holder whose easement is the subject of*
22 *the relocation;*

23 (2) *A security-interest holder of record of an interest in the*
24 *servient estate or dominant estate;*

25 (3) *A lessee of record of an interest in the dominant estate;*
26 *and*

27 (4) *Except as otherwise provided in paragraph (b), any*
28 *other owner of a recorded real-property interest if the relocation*
29 *would encroach on an area of the servient estate or dominant*
30 *estate burdened by the interest; and*

31 (b) *Is not required to serve a summons and complaint on the*
32 *owner of a recorded real-property interest in oil, gas or minerals*
33 *unless the interest includes an easement to facilitate oil, gas or*
34 *mineral development.*

35 3. *A complaint under this section must state:*

36 (a) *The intent of the servient estate owner to seek the*
37 *relocation;*

38 (b) *The nature, extent and anticipated dates of commencement*
39 *and completion of the proposed relocation;*

40 (c) *The current and proposed locations of the easement;*

41 (d) *The reason the easement is eligible for relocation under*
42 *section 22 of this act;*

43 (e) *The reason the proposed relocation satisfies the conditions*
44 *for relocation under section 23 of this act; and*



1 (f) That the servient estate owner has made a reasonable
2 attempt to notify the holders of any public-utility easement,
3 conservation easement or negative easement on the servient estate
4 or dominant estate of the proposed relocation.

5 4. At any time before the court renders a final order in an
6 action under subsection 1, a person served under subparagraph 2,
7 3 or 4 of paragraph (a) of subsection 2 may file a document, in
8 recordable form, that waives its rights to contest or obtain relief in
9 connection with the relocation or subordinates its interests to the
10 relocation. On filing of the document, the court may order that the
11 person is not required to answer or participate further in
12 the action.

13 **Sec. 25.** 1. The court may not approve relocation of an
14 easement under this chapter unless the servient estate owner:

15 (a) Establishes that the easement is eligible for relocation
16 under section 22 of this act; and

17 (b) Satisfies the conditions for relocation under section 23 of
18 this act.

19 2. An order under this chapter approving relocation of an
20 easement must:

21 (a) State that the order is issued in accordance with this
22 chapter;

23 (b) Recite the recording data of the instrument creating the
24 easement, if any, and any amendments;

25 (c) Identify the immediately preceding location of the
26 easement;

27 (d) Describe in a legally sufficient manner the new location of
28 the easement;

29 (e) Describe mitigation required of the servient estate owner
30 during relocation;

31 (f) Refer in detail to the plans and specifications of
32 improvements necessary for the easement holder to enter, use and
33 enjoy the easement in the new location;

34 (g) Specify conditions to be satisfied by the servient estate
35 owner to relocate the easement and construct improvements
36 necessary for the easement holder to enter, use and enjoy the
37 easement in the new location;

38 (h) Include a provision for payment by the servient estate
39 owner of expenses under section 26 of this act;

40 (i) Include a provision for compliance by the parties with the
41 obligation of good faith under section 27 of this act; and

42 (j) Instruct the servient estate owner to record an affidavit, if
43 required under subsection 1 of section 28 of this act, when the
44 servient estate owner substantially completes relocation.



1 3. An order under subsection 2 may include any other
2 *provision consistent with this chapter for the fair and equitable*
3 *relocation of the easement.*

4 4. Before a servient estate owner proceeds with relocation of
5 *an easement under this chapter, the owner must record, in the*
6 *land records of each jurisdiction where the servient estate is*
7 *located, a certified copy of the order under subsection 2.*

8 **Sec. 26.** *A servient estate owner is responsible for reasonable*
9 *expenses of relocation of an easement under this chapter,*
10 *including the expense of:*

11 1. *Constructing improvements on the servient estate or*
12 *dominant estate in accordance with an order under section 25 of*
13 *this act;*

14 2. *During the relocation, mitigating disruption in the use and*
15 *enjoyment of the easement by the easement holder or another*
16 *person entitled to use and enjoy the easement;*

17 3. *Obtaining a governmental approval or permit to relocate*
18 *the easement and construct necessary improvements;*

19 4. *Preparing and recording the certified copy required by*
20 *subsection 4 of section 25 of this act and any other document*
21 *required to be recorded;*

22 5. *Any title work required to complete the relocation or*
23 *required by a party to the civil action as a result of the relocation;*

24 6. *Applicable premiums for title insurance related to the*
25 *relocation;*

26 7. *Any expert necessary to review plans and specifications for*
27 *an improvement to be constructed in the relocated easement or on*
28 *the dominant estate and to confirm compliance with the plans and*
29 *specifications referred to in the order under paragraph (f) of*
30 *subsection 2 of section 25 of this act;*

31 8. *Payment of any maintenance cost associated with the*
32 *relocated easement which is greater than the maintenance cost*
33 *associated with the easement before relocation; and*

34 9. *Obtaining any third-party consent required to relocate the*
35 *easement.*

36 **Sec. 27.** *After the court, under section 25 of this act,*
37 *approves relocation of an easement and the servient estate owner*
38 *commences the relocation, the servient estate owner, the easement*
39 *holder and other parties in the civil action shall act in good faith*
40 *to facilitate the relocation in compliance with this chapter.*

41 **Sec. 28.** 1. *If an order under section 25 of this act requires*
42 *the construction of an improvement as a condition for relocation*
43 *of an easement, relocation is substantially complete and the*
44 *easement holder is able to enter, use and enjoy the easement in the*
45 *new location, the servient estate owner shall:*



1 (a) Record, in the land records of each jurisdiction where the
2 servient estate is located, an affidavit certifying that the easement
3 has been relocated; and

4 (b) Send, by certified mail, a copy of the recorded affidavit to
5 the easement holder and parties to the civil action.

6 2. Until an affidavit under subsection 1 is recorded and sent,
7 the easement holder may enter, use and enjoy the easement in the
8 current location, subject to the court's order under section 25 of
9 this act approving relocation.

10 3. If an order under section 25 of this act does not require an
11 improvement to be constructed as a condition of the relocation,
12 recording the order under subsection 4 of section 25 of this act
13 constitutes relocation.

14 **Sec. 29.** 1. Relocation of an easement under this chapter:

15 (a) Is not a new transfer or a new grant of an interest in the
16 servient estate or the dominant estate;

17 (b) Is not a breach or default of, and does not trigger, a due-
18 on-sale clause or other transfer-restriction clause under a security
19 instrument, except as otherwise determined by a court under law
20 other than this chapter;

21 (c) Is not a breach or default of a lease, except as otherwise
22 determined by a court under law other than this chapter;

23 (d) Is not a breach or default by the servient estate owner of a
24 recorded document affected by the relocation, except as otherwise
25 determined by a court under law other than this chapter;

26 (e) Does not affect the priority of the easement with respect to
27 other recorded real-property interests burdening the area of the
28 servient estate where the easement was located before the
29 relocation; and

30 (f) Is not a fraudulent conveyance or voidable transaction
31 under law.

32 2. This chapter does not affect any other method of relocating
33 an easement permitted under law of this state other than this
34 chapter.

35 **Sec. 30.** The right of a servient estate owner to relocate an
36 easement under this chapter may not be waived, excluded or
37 restricted by agreement even if:

38 1. The instrument creating the easement prohibits relocation
39 or contains a waiver, exclusion or restriction of this chapter;

40 2. The instrument creating the easement requires consent of
41 the easement holder to amend the terms of the easement; or

42 3. The location of the easement is fixed by the instrument
43 creating the easement, another agreement, previous conduct,
44 acquiescence, estoppel or implication.



1 **Sec. 31.** *In applying and construing this uniform act,*
2 *consideration must be given to the need to promote uniformity of*
3 *the law with respect to its subject matter among the states that*
4 *enact it.*

5 **Sec. 32.** *This chapter modifies, limits or supersedes the*
6 *Electronic Signatures in Global and National Commerce Act, 15*
7 *U.S.C. §§ 7001 et seq., but does not modify, limit or supersede*
8 *section 101(c) of that act, 15 U.S.C. § 7001(c), or authorize*
9 *electronic delivery of any of the notices described in section 103(b)*
10 *of that act, 15 U.S.C. § 7003(b).*

11 **Sec. 33.** Title 9 of NRS is hereby amended by adding thereto a
12 new chapter to consist of the provisions set forth as sections 34 to
13 50, inclusive, of this act.

14 **Sec. 34.** *This chapter may be cited as the Uniform Mortgage*
15 *Modification Act.*

16 **Sec. 35.** *As used in this chapter, unless the context otherwise*
17 *requires, the words and terms defined in sections 36 to 46,*
18 *inclusive, of this act, have the meanings ascribed to them in those*
19 *sections.*

20 **Sec. 36.** *“Electronic” means relating to technology having*
21 *electrical, digital, magnetic, wireless, optical, electromagnetic or*
22 *similar capabilities.*

23 **Sec. 37.** *“Financial covenant” means an undertaking to*
24 *demonstrate an obligor’s creditworthiness or the adequacy of*
25 *security provided by an obligor.*

26 **Sec. 38.** *“Modification” includes change, amendment,*
27 *revision, correction, addition, supplementation, elimination,*
28 *waiver and restatement.*

29 **Sec. 39.** 1. *“Mortgage” means an agreement that creates a*
30 *consensual interest in real property to secure payment or*
31 *performance of an obligation, regardless of:*

32 (a) *How the agreement is denominated, including a mortgage,*
33 *deed of trust, trust deed, security deed, indenture and deed to*
34 *secure debt; and*

35 (b) *Whether the agreement also creates a security interest in*
36 *personal property; and*

37 2. *The term does not include an agreement that creates a*
38 *consensual interest to secure a liability owed by a unit owner to a*
39 *condominium association, owners’ association or cooperative*
40 *housing association for association dues, fees or assessments.*

41 **Sec. 40.** *“Mortgage modification” means modification of:*

42 1. *A mortgage;*

43 2. *An agreement that creates an obligation, including a*
44 *promissory note, loan agreement or credit agreement; or*



1 3. An agreement that creates other security or credit
2 enhancement for an obligation, including an assignment of leases
3 or rents or a guaranty.

4 **Sec. 41.** "Obligation" means a debt, duty or other liability,
5 secured by a mortgage.

6 **Sec. 42.** "Obligor" means a person that:

7 1. Owes payment or performance of an obligation;

8 2. Signs a mortgage; or

9 3. Is otherwise accountable, or whose property serves as
10 collateral, for payment or performance of an obligation.

11 **Sec. 43.** "Person" means an individual, estate, business or
12 nonprofit entity, government or governmental subdivision, agency
13 or instrumentality, or other legal entity.

14 **Sec. 44.** "Recognized index" means an index to which
15 changes in the interest rate may be linked that is:

16 1. Readily available to, and verifiable by, the obligor; and

17 2. Beyond the control of the person to whom the obligation is
18 owed.

19 **Sec. 45.** "Record" means, when used as a noun,
20 information:

21 1. Inscribed on a tangible medium; or

22 2. Stored in an electronic or other medium and retrievable in
23 perceivable form.

24 **Sec. 46.** "Sign" means, with present intent to authenticate or
25 adopt a record:

26 1. Execute or adopt a tangible symbol; or

27 2. Attach to or logically associate with the record an
28 electronic symbol, sound or process.

29 **Sec. 47.** 1. Except as provided in subsection 3, this chapter
30 applies to a mortgage modification.

31 2. This chapter does not affect:

32 (a) Law governing the required content of a mortgage;

33 (b) A statute of limitations or other law governing the
34 expiration or termination of a right to enforce an obligation or a
35 mortgage;

36 (c) A recording statute;

37 (d) A statute governing the priority of a tax lien or other
38 governmental lien;

39 (e) A statute of frauds or the provisions of chapter 719 of NRS;
40 or

41 (f) Except as provided in paragraph (h) of subsection 2 of
42 section 48 of this act, law governing the priority of a future
43 advance.

44 3. This chapter does not apply to any of the following
45 modifications:



1 (a) A release of, or addition to, property encumbered by a
2 mortgage;

3 (b) A release of, addition of, or other change in an obligor; or

4 (c) An assignment or other transfer of a mortgage or an
5 obligation.

6 **Sec. 48. 1.** For a mortgage modification described in
7 subsection 2:

8 (a) The mortgage continues to secure the obligation as
9 modified;

10 (b) The priority of the mortgage is not affected by the
11 modification;

12 (c) The mortgage retains its priority regardless of whether a
13 record of the mortgage modification is recorded in the land
14 records of a jurisdiction in which the property is located; and

15 (d) The modification is not a novation.

16 2. Subsection 1 applies to one or more of the following
17 mortgage modifications:

18 (a) An extension of the maturity date of an obligation;

19 (b) A decrease in the interest rate of an obligation;

20 (c) If the change does not result in an increase in the interest
21 rate of an obligation as calculated on the date the modification
22 becomes effective:

23 (1) A change to a different index that is a recognized index
24 if the previous index to which changes in the interest rate were
25 linked is no longer available;

26 (2) A change in the differential between the index and the
27 interest rate;

28 (3) A change from a floating or adjustable rate to a fixed
29 rate; or

30 (4) A change from a fixed rate to a floating or adjustable
31 rate based on a recognized index;

32 (d) A capitalization of unpaid interest or other unpaid
33 monetary obligation;

34 (e) A forgiveness, forbearance or other reduction of principal,
35 accrued interest or other monetary obligation;

36 (f) A modification of a requirement for maintaining an escrow
37 or reserve account for payment of an obligation, including taxes
38 and insurance premiums;

39 (g) A modification of a requirement for acquiring or
40 maintaining insurance;

41 (h) A modification of an existing condition to advance funds;

42 (i) A modification of a financial covenant; and

43 (j) A modification of the payment amount or schedule
44 resulting from another modification described in this subsection.



1 **3. The effect of a mortgage modification not described in**
2 *subsection 2 is governed by other law.*

3 **Sec. 49. In applying and construing this uniform act, a court**
4 *shall consider the promotion of uniformity of the law among*
5 *jurisdictions that enact it.*

6 **Sec. 50. This chapter modifies, limits or supersedes the**
7 *Electronic Signatures in Global and National Commerce Act, 15*
8 *U.S.C. §§ 7001 et seq., but does not modify, limit or supersede*
9 *section 101(c) of that act, 15 U.S.C. § 7001(c), or authorize*
10 *electronic delivery of any of the notices described in section 103(b)*
11 *of that act, 15 U.S.C. § 7003(b).*

12 **Sec. 51.** 1. Sections 1 to 32, inclusive, of this act apply to an
13 easement created before, on, or after October 1, 2025.

14 2. Sections 33 to 50, inclusive, of this act apply to a mortgage
15 modification made on or after October 1, 2025, regardless of when
16 the mortgage or the obligation was created.

17 3. As used in this section:

18 (a) “Easement” has the meaning ascribed to it in section 7 of this
19 act.

20 (b) “Mortgage” has the meaning ascribed to it in section 39 of
21 this act.

22 (c) “Mortgage modification” has the meaning ascribed to it in
23 section 40 of this act.

24 (d) “Obligation” has the meaning ascribed to it in section 41 of
25 this act.



