

## MEMORANDUM

TO: NEW JERSEY LAW REVISION COMMISSION  
FROM: JOHN M. CANNEL, EXECUTIVE DIRECTOR  
DATED: FEBRUARY 6, 2012  
RE: MORTGAGE ASSIGNMENTS

In the last month we had a number of discussions, telephone conferences and a very useful meeting last Friday. As a result, the latest version of the piece on recording assignment of mortgages incorporates a number of changes. That draft is attached.

We have added a reference to the book and page number assigned to the mortgage. Everyone we spoke to thought that that was necessary to positively identify the particular mortgage. We are hoping that mortgage holders have that information easily available. The subsection on enforcing the note if ownership of the mortgage could not be proved was deleted. It was unnecessary and banking interests objected to it. We have moved the situs of assignment recording to Trenton, the Division of Commercial Recording. Banking interests seem to find that more convenient, and the title industry suggested that e-filing there would be more secure. Most important, at the suggestion of Michael Affuso of the New Jersey Bankers Association, we have added a provision that provides for the recording of mortgage servicers. Current law almost completely ignores them and they are now a key part of a mortgage transaction.

Please realize that this is a work in progress. We have benefitted from helpful comments, but no one has signed off on this draft, and we have not asked them to. In particular, we need to discuss our ideas with some representatives of big banks and with MERS. We hope to try to do that in the next month or so. All of this is innovative and it will take a little time to gel. If we can achieve consensus, we will have accomplished something important.