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HOUSE BILL 1435

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State of Washington

63rd Legislature

2013 Regular Session

By Representatives Goodman and Nealey

Read first time 01/28/13. Referred to Committee on Judiciary.

1       AN ACT Relating to clarifying agency relationships in reconveyances  
2 of deeds of trust; and amending RCW 61.24.110.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       **Sec. 1.** RCW 61.24.110 and 1998 c 295 s 13 are each amended to read  
5 as follows:

6       (1) The trustee of record shall reconvey all or any part of the  
7 property encumbered by the deed of trust to the person entitled thereto  
8 on written request of the beneficiary, or upon satisfaction of the  
9 obligation secured and written request for reconveyance made by the  
10 beneficiary or the person entitled thereto.

11       (2) If the beneficiary fails to request reconveyance within the  
12 sixty-day period specified under RCW 61.16.030 and has received payment  
13 as specified by the beneficiary's demand statement, a title insurance  
14 company or title insurance agent as licensed and qualified under  
15 chapter 48.29 RCW, a licensed escrow agent as defined in RCW 18.44.011,  
16 or an attorney admitted to practice law in this state, who has paid the  
17 demand in full from escrow, upon receipt of notice of the beneficiary's  
18 failure to request reconveyance, may, as agent for the person entitled

1 to receive reconveyance, in writing, submit proof of satisfaction and  
2 request the trustee of record to reconvey the deed of trust.

3 (3) (a) If the trustee of record is unable or unwilling to reconvey  
4 the deed of trust within one hundred twenty days following payment to  
5 the beneficiary as prescribed in the beneficiary's demand statement, a  
6 title insurance company or title insurance agent as licensed and  
7 qualified under chapter 48.29 RCW, a licensed escrow agent as defined  
8 in RCW 18.44.011, or an attorney admitted to practice law in this state  
9 may record with each county auditor where the original deed of trust  
10 was recorded a notarized declaration of payment. The notarized  
11 declaration must: (i) Identify the deed of trust, including original  
12 grantor, beneficiary, trustee, loan number if available, and the  
13 auditor's recording number and recording date; (ii) state the amount,  
14 date, and name of the beneficiary and means of payment; and (iii)  
15 include a declaration that the payment tendered was sufficient to meet  
16 the beneficiary's demand and that no written objections have been  
17 received.

18 (b) A copy of the recorded declaration of payment must be sent by  
19 certified mail to the last known address of the beneficiary and the  
20 trustee of record not later than two business days following the date  
21 of recording of the notarized declaration. The beneficiary or trustee  
22 of record has sixty days from the date of recording of the notarized  
23 declaration to record an objection, including reference to the  
24 recording number of the declaration and original deed of trust, in the  
25 records where the notarized declaration was recorded. If no objection  
26 is recorded within sixty days following recording of the notarized  
27 declaration, any lien of the deed of trust against the real property  
28 encumbered must cease to exist.

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