

507.332 WHETHER RECORDED RECITAL OF UNRECORDED MORTGAGE IS NOTICE.

Subdivision 1. **No notice.** A recital of the existence of an unrecorded mortgage in an instrument:

(1) that affects title to real property and

(2) is recorded with the county recorder of the county where the real property is located, is not actual or constructive notice to a subsequent purchaser or encumbrancer once five years have passed since the date of the instrument containing the recital, unless the conditions in subdivision 2 are met.

Subd. 2. **Notice.** If, in the circumstances described in subdivision 1, an action to foreclose the unrecorded mortgage was commenced and a notice of pendency or notice of lis pendens was recorded during the five-year period, then, the recital is actual or constructive notice of the unrecorded mortgage to a subsequent purchaser or encumbrancer of the real property.

Subd. 3. **Foreclosure period unaffected.** This section does not limit or extend the period, set out in section 541.03, to bring an action to foreclose a mortgage.

Subd. 4. **If lis pendens before March 1995.** This section does not affect a proceeding to foreclose a mortgage pending on August 1, 1994, or to be commenced in a court of this state if, before March 1, 1995, a notice of lis pendens has been recorded in the office of the county recorder or filed in the office of the registrar of titles.

History: 1943 c 180; 1947 c 626 s 1; 1976 c 181 s 2; 1994 c 388 art 1 s 5