§ 45-72. Termination of future optional advances.

(a) The holder of a security instrument conforming to the provisions of this Article shall, at the request of the maker of the security instrument or his successor in title promptly furnish to him a statement duly executed and acknowledged in such form as to meet the requirements for the execution and acknowledgment of deeds, setting forth in substance the following:

"This is to certify that the total outstanding balance of all obligations, the payment of which is secured by that certain instrument executed by_____, dated_____, recorded in book _____ at page ____ in the office of the Register of Deeds of _____ County, North Carolina, is $_____, of which amount $_____ represents principal. No future advances will be made under the aforesaid instrument, except such expense as it may become necessary to advance to preserve the security now held.

This day of , 19 .

(Signature and Acknowledgment)"

(b) Such statement, when duly executed and acknowledged, shall be entitled to probate and registration, and upon filing for registration shall be effective from the date of the statement. It shall have the effect of limiting the lien or encumbrance of the holder of the security instrument to the amount therein stated, plus any necessary advances made to preserve the security, and interest on the unpaid principal. It shall bar any further advances under the security instrument therein referred to except such as may be necessary to preserve the security then held as provided in G.S. 45-70(c). (1969, c. 736, s. 1; 1989, c. 496, s. 4; 1999-456, s. 59.)