

INSTRUCTIONS FOR FILING A MORTGAGE ON A STATE GRAZING/AGRICULTURAL LEASE

PLEASE READ THE FOLLOWING INSTRUCTIONS CLOSELY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE DEPARTMENT OF NATURAL RESOURCES & CONSERVATION (DNRC) OFFICE IN HELENA AT (406) 444-2058 OR EMAIL AMANDATAYLOR@MT.GOV

A lessee of a state grazing or agricultural lease may mortgage their leasehold interest in the state land. To do so, the mortgagor must submit the following to the Department:

- ▶ A copy of the mortgage that specifically references the state lease(s) to be mortgaged; and
- ▶ A \$25.00 mortgage filing fee (the filing fee is \$25.00 total – not \$25.00 per lease); and
- ▶ A **copy** of a fully completed and executed “Affidavit of Assignment Form” that transfers the lease from the lessee to the mortgage company. The original Assignment Form is to be held in escrow by the mortgage company and only submitted if the lessee defaults on the loan. A separate escrow assignment must be completed for each lease to be mortgaged. The Assignment Form and Instructions can be found at:

<http://dnrc.mt.gov/divisions/trust/agriculture-and-grazing/agriculture-and-grazing-forms>

- When a mortgage has been satisfied, the mortgage company must notify DNRC so that the Mortgage may be removed from the lease. There is no fee to release a mortgage.

Copies of the mortgage and escrow assignment(s) along with the \$25.00 filing fee should be mailed to:

DNRC – AG & GRAZING BUREAU
P. O. BOX 201601
HELENA MT 59620