

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) 444-3014 OR EMAIL APRIL.PETERSON@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