

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Clause (1) of section 2, act of June 28, 1951 (P. L. 927), known as the "Lien Priority Law," is amended to read:

Section 2. Liens against real property shall have priority over each other on the following basis:

(1) Purchase money mortgages, from the time they are delivered to the mortgagee, if they are recorded within [thirty] ten days after their date; otherwise, from the time they are left for record. A mortgage is a "purchase money mortgage" to the extent that it is (i) taken by the seller of the mortgaged property to secure the payment of all or part of the purchase price, or (ii) taken by a mortgagee other than the seller to secure the repayment of money actually advanced by such person to or on behalf of the mortgagor at the time the mortgagor acquires title to the property and used by the mortgagor at that time to pay all or part of the purchase price, provided, that a mortgage other than to the seller of the property shall not be a purchase money mortgage within the meaning of this section unless expressly stated so to be.

* * *

Section 2. The act of April 27, 1927 (P. L. 440), entitled "An act relating to the lien of mortgages and defeasible deeds in the nature of mortgages; and protecting the lien of mortgages given by purchasers to sellers, if recorded within thirty days from the date of such mortgage," is repealed in so far as inconsistent herewith.

Section 3. This act shall take effect immediately and shall apply to all mortgages hereafter executed and recorded.

APPROVED—The 18th day of January, A. D. 1968

RAYMOND P. SHAFER

No. 423

AN ACT

HB 371

Amending the act of June 2, 1959 (P. L. 452), entitled "An act providing for the recording of specified forms of stipulations of general mortgage provisions and of

short form mortgages; defining the effect and construction to be given thereto," changing provisions relating to liens of purchase money mortgages.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 3, act of June 2, 1959 (P. L. 452), entitled "An act providing for the recording of specified forms of stipulations of general mortgage provisions and of short form mortgages; defining the effect and construction to be given thereto," is amended to read:

Section 3. A short form mortgage shall be a lien against the real property described therein as of the date and time it is recorded, except that if the mortgage is a purchase money mortgage under the definition set forth in the act of June 28, 1951 (P. L. 927), known as the "Lien Priority Law," it shall be a lien from the time it is delivered to the mortgagee if it is recorded within [thirty] ten days after [delivery to the mortgagee shall be a lien from the date of delivery] its date. When a short form mortgage incorporating by reference the provisions of a stipulation of general mortgage provisions is recorded, it shall have the same effect as any other mortgage instrument and the two recorded instruments together shall be construed to constitute one mortgage. The recording of a short form mortgage which incorporates by reference the provisions, covenants, conditions and obligations, set forth in a recorded stipulation of general mortgage provisions, shall operate as constructive notice of the whole thereof, the same as if the provisions incorporated by reference were set forth in full in the short form mortgage.

Section 2. This act shall take effect immediately and shall apply to all mortgages hereafter executed and recorded.

APPROVED—The 18th day of January, A. D. 1968

RAYMOND P. SHAFER

No. 424

AN ACT

HB 635

Amending the act of August 7, 1963 (P. L. 549), entitled "An act creating the Pennsylvania Higher Education Assistance Agency; defining its powers and duties; conferring powers and imposing duties on the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, Superintendent of Public Instruction and the Department of Banking; and making appropriations," further providing for