



If any of the following items appear on your Preliminary Report, they will require immediate attention. A delay in closing may result without **immediate** attention. Please see reverse side for definitions and actions needed to be taken.

1. A Claim of Mechanic's Lien

Amount: \$23,300.00
By: John Contractor
Recorded: January 5, 2001 as instrument No. 01-333

2. Notice Of Action Filed In:

Court: Superior
Case No: A123456
Plaintiff: John Contractor
VS:
Defendent: John Consumer
Purpose: Foreclose/Quiet Title
Recorded: March 5, 2001 as Instrument No. 01-2222

3. Subject to proceedings pending in the bankruptcy court of the central district of the U.S. District Court, California, entitled: In RE: John Consumer, debtor, case no. AP12345, wherein a petition for relief was filed on the date of January 20, 2001.

4. The effect of deed, dated June 4, 1991, executed by June Consumer as Grantor, to John Consumer as grantee, recorded January 19, 2001 as instrument No. 01-12222.

The requirement that this office be furnished with evidence that said deed was an absolute conveyance, for value, and that there are no other agreements, oral or written, regarding the ownership of the land described herein.

5. The lack of a right of access to and from the land.

Explanations:

1. **Mechanic's Lien:** A statutory lien in favor of persons contributing labor, material, supplies, etc. to a work of improvement upon real property. A release must be recorded to be removed.

2. **Notice of Action:** A lis pendens. A proceeding in a court of justice by which one party prosecuted another for the enforcement or protection of a right.

3. **Bankruptcy:** A proceeding in the U.S. Bankruptcy Court wherein assets of a debtor (unable or unwilling to pay debts) are applied by an officer of the court in satisfaction of a creditor's claim.

4. **Uninsured Deed:** A deed that has been recorded that it is believed to not have been checked as to its validity. Additional information may be needed before passing title. Call your title officer to see what might be needed in each case.

5. **Access:** A landowner's right to have ingress to and egress from the property to a public street. This property does not have legal access.



Preliminary Title Report Terms

Estates: The word “estate” is used to express the degree, a fee quantity, nature, duration, or extent of an interest in land. A “Fee” is the highest type of estate or interest an owner can have in land, freely transferable, inheritable and whose owner is entitled to possession. (There are a number of other estates or interests in land that we can insure.)

Vesting: It is the ownership or title to an estate. **Legal Description:** The description of the land covered by the preliminary report.

Exceptions: Matters which are expected from the property conveyed, such as oil and gas rights, or easements for specified purposes.

Taxes: The amount and status of past unpaid real estate taxes, if any, and current year’s taxes, paid or unpaid, or taxes which are a lien but not yet payable.

Bonds: Bonds or assessments, if any, levied at the inception of construction of improvements such as streets, gutters, sidewalks, etc.

CC&Rs: Covenants, conditions and restrictions are limitations sometimes put on the use and enjoyment of real property, such as limiting the property to a single family or to a one-story dwelling.

Easements: An easement is a right of use in favor of others in the land for specific purposes such as public utilities, roads, or ingress and egress.

Deed of Trust: A deed of trust conveys title to particular land to a neutral third party (trustee) with limited powers (such as power of sale) for the purpose of securing a loan (debt).

Assignment: An assignment of the beneficial interest under the deed of trust from one beneficiary to another.

Trustor: The borrower, owner and grantor of the property conveyed in a deed of trust.

Beneficiary: The lender on a deed of trust is referred to as the beneficiary.

Trustee: Is a neutral third party in the deed of trust with limited powers. When the loan is paid in full the property is reconveyed by the trustee back to the person or persons legally entitled to the land, or, if delinquent, the property will be conveyed pursuant to non-judicial foreclosure proceedings, to the highest bidder in a public sale.

Abstract of Judgment: Imposes alien on all real property owned or subsequently acquired by the debtor until satisfaction or expiration of the lien.

Statement of Information: This information statement is confidential and is used to enable the title company to eliminate title problems which may arise through similarity of the name of Seller or Buyer with the name of another person against whom there may be judgments, tax liens, or other matters affecting property ownership.