



What does title insurance protect against?

1. Forged deeds, mortgage satisfactions and other documents.
2. Defects in recorded documents:
 - a. Improper execution, recording or indexing;
 - b. Improper or forged witnessing;
 - c. Incomplete, defective or missing notarial acknowledgment;
 - d. Forged notarial acknowledgement;
 - e. Lack of authority of notary.
3. Deeds from:
 - a. Minors;
 - b. persons of unsound mind;
 - c. Corporations prior to incorporation or after the termination of the corporate status;
 - d. Corporations unauthorized by corporate bylaws or through false corporate resolutions;
 - e. Partnerships unauthorized by partnership agreements, for example, signed by fewer than the required number of partners;
 - f. Legal non-entities that cannot hold or convey title (church, trust, estate, sole proprietorship, charity or club);
 - g. Trustee not authorized by trust agreement;
 - h. Personal representative without a power to sell.
4. Deeds challenged because:
 - a. Execution under fraud, undue influence or duress;
 - b. Court proceedings subject to appeal or further court order;
 - c. Court proceedings where all necessary parties are not joined;
 - d. Lack of jurisdiction of court over property or persons in court proceedings;
 - e. Execution under mistake, or duress;
 - f. Execution through a false or expired power of attorney, for example, after the death of the seller;
 - g. Failure to comply with the Soldiers and Sailors Civil relief act;
 - h. Violation of public policy, for example, payments of gambling debts, payments of contracts to commit crimes and conveyances made in restraint of trade;
 - i. Outstanding but unrecorded contract for deed;
 - j. Unauthorized conveyance from a governmental entity;
 - k. Inadequate legal descriptions.

5. Will and estate concerns:

- a. Undisclosed heirs;
- b. Misinterpretation of wills and trusts;
- c. Birth or adoption of children after the execution of a will;
- d. Wills revoked by marriages after the execution;
- e. Federal and state estate taxes;
- f. Discovery of a will of a person whose estate has been probated by intestacy;
- g. Discovery of a later will after the probate of a first will;
- h. Lack of capacity of foreign personal representatives and trustees;
- i. Claims of estate creditors;
- j. Conveyances from a person who murdered the decedent;
- k. Duress in the execution of wills and trusts;
- l. Undisclosed divorce of a spouse who conveys as a sole heir of the deceased;
- m. Administration of estates and probates of wills of persons absent but not deceased;
- n. Deeds delivered after the death of the seller or buyer.

6. Undisclosed but recorded:

- a. Prior mortgage;
- b. Judgment;
- c. Spousal or child support lien;
- d. Lien for attorney's fees in a domestic action;
- e. Lis pendens;
- f. Environmental lien;
- g. Option;
- h. Right of first refusal;
- i. Restrictive covenants, including restrictive covenants with a right of reverter;
- j. Easement;
- k. Boundary line agreement;
- l. Party wall agreement.

7. Recording mistakes: incorrect indexing, errors and omissions in transcribing, and failure to preserve original documents.

8. Tax and assessment issues:

- a. Errors in tax records, for example, listing payments against incorrect property and mailing tax bill to incorrect party;
- b. Erroneous satisfactions of tax liens later reinstated;
- c. Erroneous reports from tax officials;
- d. Special assessments which become liens when ordinances are passed but are not yet a matter of public record;
- e. Liens created by outstanding taxes at the sale of a majority of the assets of a business;
- f. Tax homestead exemptions set aside as fraudulently claimed.

9. Deeds which are held by courts to be equitable mortgages;

10. Outstanding prescriptive or easement rights not shown of record and not disclosed by a survey.
11. Federal condemnations not filed in the local public records.
12. Bankruptcies not filed in the local public records.
13. Environmental liens not filed in the local public records.
14. Mechanics' lien issues.
15. Rights created by Financing Statements filed under the Uniform Commercial Code in the name of a debtor who may not be the property owner of record but who may occupy the property.
16. Pipes or sewer lines that fail to follow the route of granted easements.
17. Fraudulent or unauthorized changes in public records.
18. Interests arising by deeds to fictitious characters to conceal illegal activities on the land.
19. Title matters arising beyond the customary search period.
20. Ineffective or disputed releases of prior mortgages and other liens.
21. Land without a right of access to a public road.

Know
before you
close.



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