

GLOSSARY OF COMMON TERMS

AKA Also known as.

ALTA Refers to a form of Title Insurance adopted by the American Land Title Association and is used nationwide. It usually refers to a loan policy, but can also insure an owner.

Base The examiner's notes, report and title policy or a copy thereof, used as a starter point in making an examination for reissue of the policy at a later date.

Blanket Policy Policy covering an entire tract of land or subdivision from which policies are issued on a separate parcels. Also called Base.

C. C. & R's Covenants, Conditions & Restriction, limitations sometimes put on the use and enjoyment of real property. This can be done with agreements contained in deeds and other documents.

Chain of Title A chronological list of documents which comprise the record history of title of a specific piece of real estate.

Constructive Notice Notice given by the public records. Generally, the law presumes that one has the same knowledge of instruments properly recorded as if he were actually acquainted with them.

Conveyance Any instrument or document which transfers the title to or interest in real estate from one person to another.

Coverage Matters insured under the policy. **ADDITIONAL COVERAGE** is a term applied to extra premiums charged where extraordinary risk or labor is involved in connection with the issuance of a policy.

Date Down The date to which an examination of title is to be brought down to. If instruments are left with an order, the date to be covered is generally the date of recording of these instruments in the Recorder's Office.

Description The exact location of a piece of property stated in terms of lot, block and tract, or by metes and bounds. (This is also referred to as a legal description of property.)

Easement A right or interest in the land of another which entitles the holder thereof to some use, privilege, or benefit (such as a place for pole lines, pipe lines, roads thereon, or travel over, etc.) out of or over said land.

Encroachment When a building, a wall, a fence or other fixture encroaches upon (overlaps) the land of an adjoining owner, there is said to be an "encroachment", provided this adjoining owner has not consented to such location on his land.

Encumbrances The term "Encumbrances" includes taxes, assessments, and all liens upon real property; in other words anything that affects the title to real property.

Escrow A transaction in which a third party acts as the agent for the seller and buyer, or for the borrower and lender, in carrying out the instruction of both and handling and disbursing the papers and funds.

Estate In law, the degree, nature, and amount of interest or ownership a person may have in any property. More often the term is applied to property left after death. **TESTATE ESTATE** means the deceased person left a will and **INTESTATE ESTATE** means the decedent left no will.

Examination The process of determining the vesting of title, and encumbrances and liens thereon.

Fee Simple An absolute fee; a fee without limitation to any particular class of heirs or restrictions.

General Index An index (kept in the plant) of all matters affecting persons or corporations and their rights to do business and all matters of a general nature which cannot be entered on the Lot Books because no specific property is mentioned.

Instrument Any legal document such as Deed, Trust Deed, etc. Sometimes the term document rather than instrument is used.

Marketability The status of a title, when viewed in the light of whether or not it is in such a condition that a purchaser would not object to the condition of title.

Metes and Bounds (Measurements and boundaries). When it becomes necessary to describe a parcel of land in an unsubdivided area or one that is part of a larger lot, the parcel is described usually by metes and bounds, that is, by specific reference to the location, direction and extent of its boundary lines. The place of beginning of such a description is one that has been established by a recorded deed or official survey.

Official Records The books in which all instruments filed in the County Recorder's Office are recorded.

Parcel Parcel generally refers to a piece of land that cannot be designated by lot number.

P.I.Q. Property in question.

Plant Consists of Lot Books or Property Accounts, Maps, General Index or (Individual Corporation Files) and other records necessary for the issuance of Title Policies.

Plat The map included with the Title Policy to show the breakdown of the property described in the Policy.

Preliminary Report A commitment letter setting out the terms upon which a title insurance company is willing to insure the title, which letter shows the description of the property, the vesting of the title, and any liens and encumbrances against which the company is not willing to insure.

Real Property Land and generally whatever is erected, growing, or affixed to the land.

Recording The filing of a document with the County Recorder at the Court House for the purpose of having it copied into the public records. The recording of a document gives notice to the public of its contents.

Right Of Way Right to use or cross over property of another.

Schedule Rate A schedule of prices for title insurance policies. Searcher A person who assembles all the facts and documents concerning the title to real property for submission to a title examiner after checking title plant records or those in the office of the county recorder.

Starter The base or policy of the last title order from which the examination of the current order is begun. (A starting point in the search of title on the property.)

Street Improvement Bonds Interest-bearing bonds issued usually by a City or County to secure the payment of assessments levied against land for the work of street improvements. This improvement work could be on streets, sidewalks, sewer, lighting, etc.

Subdivision A tract of land divided, by means of a map, into lots, or lots and blocks, for the purpose of resale, generally for residential or agricultural purposes.

Title Insurance Policy A policy which insured the ownership (title) of an estate or interest in land, or the priority and validity of an encumbrance on land. It is a contract to indemnify against loss through defects in the title, or against liens and encumbrances that may affect the title at the time the policy is issued.

Title The evidence of ownership.

Title Search The checking or reviewing of all documents affecting the ownership of a piece of property.

Vest To give title to or to pass ownership to property.

Vesting A statement of the name or names of the record owners and the type of ownership, which they hold such as joint tenancy, community property, etc.

Wild Deed A commonly used expression for a deed wherein none of the parties named in the deed have any apparent interest in the property.

Lien A charge upon property for the payment or discharge of a debt or duty.