



A **Preliminary Report** is a report furnished in connection with an application for title insurance and are offers to issue a title policy subject to the stated exceptions set forth in the reports and other such matters as may be incorporated by reference therein.

Within a short time after a title order has been opened, copies of recorded documents, which set forth matters relative to the title of the subject property, have been assembled in the search package and examined by a skilled technician. The result of this examination is the Preliminary Report that is prepared and sent to the customer.

The report is issued before any policy of title insurance, hence the name Preliminary Report.

Those matters shown in the report are as follows:

- The estate or interest covered
- The vested owner of the estate or interest
- A description of the land involved
- The exceptions, liens and encumbrances which affect the land at the date of time of the report

The investigation of title includes matters contained in the public records and, depending upon the type of final policy that is issued, certain off record matters that may be disclosed by an inspection of the subject property.

What To Look For In Your Preliminary Report

- 1. Owners Name:** Are the names the same as shown on the Purchase Agreement/Deposit Receipt? Have all parties executed and approved the Deposit Receipt?
- 2. Type of Estate or Interest:** Fee title or other (Leasehold or Equitable)
- 3. Printed Exceptions:** Current taxes, supplemental taxes (due to recent re-assessment), lien for future supplemental taxes, sale to State for unpaid delinquent taxes/bonds.
- 4. Easements:** Understand the type and location of all easements.
- 5. Covenants, Conditions and Restrictions:** Declaration by owners of any subdivision prior to sale describing property restrictions and agreements affecting said property and future owner's.
- 6. Deeds of Trust:** All existing loans against the property or the existence of any paid-off loans which have not yet been reconveyed of record.
- 7. Notice of Default:** Alerts all parties of an existing foreclosure proceeding.
- 8. State or Federal Tax Liens, Judgments, Bankruptcy or other court proceedings affecting the seller and or the property.**
- 9. Legal Description:** A method of geographically identifying a parcel of land, by lot and block or metes and bounds. Also discloses assessors parcel number.
- 10. 5 Year Short Term Rate:** First American Title has a 5 year short term rate, which means if there has been any insured transaction within the last 5 years the discount will apply. Property did not have to be insured by First American Title in order for us to give the discount.