

# TITLE PROBLEMS & CURES

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# WHAT TO DO???

“PERFECT” TITLE



MARKETABLE TITLE



INSURABLE TITLE

# RISK ASSESSMENT

**“Black letter” law**

**Risk to client -- covered by title insurance**

**Risk to client -- not covered by title insurance (Exception, Exclusion or just not a Covered Risk)**

# “Curative” - “Clerical errors”

- Minor Clerical Error, G.S. 47-36.1
  - Attorney-preparer
  - Not change legal description to add property
  - Explanation statement and notation in original instrument ( not a “true” copy)
  - Does not relate back (Was the original sufficient “notice”?)
- Distinguish:
  - Notary acknowledgment correction
  - True “certified copy” re-recording

# More “Curatives”

- Reinstatement of dissolved entity
- Voluntary agreements
  - boundary line,
  - roadway or easement,
  - family settlement agreement
  - joinder of missed parties in existing document
  - consents by mortgagees / trustees

# More “Curatives” . . .

- Curative conveyances from multiple parties who *may* have an interest to assure estoppel (such as other heirs in an estate situation or last shareholders, officers and directors in a dissolved corporation)

# And Still More “Curatives”

- Re-recording of documents in the appropriate chain of title according to G.S. 47-18 and G.S. 47-20 (as compared to title by estoppel which is only an estoppel as between the parties and not binding upon third parties)

# "Curatives" (continued)

Obtaining and recording necessary documents, such as:

- Certified copies of orders of the U.S. Bankruptcy Court
- Articles of conversion, merger or name change amendment from the applicable Secretary of State
- Documents recorded in another county





# LITIGATING/CONVEYANCE: THE 7 STEPS

- Search title
- Lis Pendens
- Court Order *to Convey*
- Court Order of *Actual Conveyance*
- Joinder of creditors of relinquishing party
- Docket final *judgment / order* with CSC
- Record certified copy of final judgment with ROD

# Court Order - NCRCPP Rule 70

- **judgment directs a party to execute a conveyance**
- **party fails to comply within the time specified**
- **judge may direct the act to be done**
- **If NC property, judge may enter a judgment divesting title of party and *vesting it in others***

# "Courtroom Curatives"

- Reformation of existing documents
- Quiet title (G.S. 41-10)
- Declaratory judgment (G.S. 1-253 *et seq.*)
- Equitable remedies
  - equitable lien
  - equitable subrogation
  - equitable subordination
  - constructive trust
  - resulting trust

# Resulting Trust

- Valuable consideration paid by payor
- Payor did not intend title to transferee
- Transferee did not pay consideration
- Trust presumed at law (not by parties)
  - NO fraud, actual or constructive

*Bowen v. Darden*, 241 N.C. 11, 84 S.E. 2d 289 (1954);

*Teachey v. Gurley*, 214 N.C. 288, 199 S.E. 83 (1938).

# Constructive Trust

- Fraud, actual or presumptive, duress, abuse of confidence, breach of duty or unconscionable conduct by “trustee”
- Contrary to the intention of “trustee”
- Imposed by court
- To prevent unjust enrichment

Roper v. Edwards, 323 N.C. 461, 373 S.E.2d 423 (1988)

# Equitable Lien

- Written contract
- Intention to charge property with obligation
- declared by court in equity

*Garrison v. Vermont Mills*, 154 N.C. 1, 69 S.E. 743, mod. On rearg., 152 N.C. 643, 68 S.E. 142

*Burrowes v. Nimocks*, 35 F.2d 152 (4th Cir.)

*Stanley v. Cox*, 253 N.C. 620, 117 S.E.2d 826

*Fulp v. Fulp*, 264 N.C. 20, 140 S.E.2d 708 (1965)

*Brinkley v. Day*, 88 N.C.App. 101, 362 S.E.2d 587 (1987)

# Still More Courtroom “Curatives”

- adverse possession (or easement by prescription),
- Judicial Sales Act (NCGS Chapter 1, Subchapter 10, Article 29A)



# Civil Actions -- Drawbacks

- Investigation, location and joinder of *all* potential parties -- co-owners, possible claimants, lien creditors of all
- Active participation by insured in pleadings, discovery, ADR, court proceedings, appeals & possibly later recoupment action
- Attorneys' fees not available on all claims for relief
- Defenses: Betterments, adverse claims, consumer violations by lender-insureds

# "Curatives" Before the Clerk

- Special proceedings:
  - Partition actions (G.S. 46-1 *et seq.*),
  - Cartway Proceedings (G.S. 136-68 *et seq.*)
  - Neighborhood public road (G.S. 136-67)
  - Church roads & utilities (G.S. 136-71)
  - Declare Public Right-of-way (G.S. 136-96.1)
  - Boundary proceedings (G.S. 38-1 *et seq.*)
  - Petition to sell property to pay debts in an open but insolvent estate

# "Curatives" Before the Clerk (continued)

- Special proceedings:
  - Boundary proceedings (G.S. 38-1 *et seq*)
  - Petition to sell property to pay debts in an open but insolvent estate
  - Sell, lease or mortgage remainders (G.S. 41-11 or G.S. 41-11.1)

# Patience “Curatives”

Passage of time, such as:

- expiration of life estate on death of the life tenant,
- expiration of statutes of limitations on lien enforcement or violations of restrictions,
- failure of surviving spouse to exercise election under G.S. 29-30,
- affirmation (or failure to disaffirm) by a minor within 3 years after reaching the age of majority

# "Curatives" By Title Insurers

"Affirmative coverage"  
on a title insurance policy,  
in appropriate circumstances

# PARTIES: Who are they?

- Identify
- Current legal names
- Record names
- Indexing
- Joinder of others
- Competency
- Capacity
- Approvals
- Creditors (incl. IRS)
- Potential claims of others (AIF, fiduciary, principal, offers, SH's)

The background features a faded, golden-brown image of a globe with a compass rose overlaid on it. The globe shows latitude and longitude lines, and the compass rose has four cardinal directions marked with arrows. The overall tone is warm and professional.

CAUTION:

Be sure to consider other  
parties involved  
*in the closing itself*

# BUYERS

- Structure ownership
- Incompetency
- Co-tenants with judgments, federal tax liens or spouses
- Federal Debt Collection Procedures Act of 1990 (28 U.S.C. 3201(b) -- US judgment liens not subject to PM priority
- Loans for construction or equity lines -- bifurcated priority



# *Identify Interested Parties:* *Record Title*

- Critical to have local *record* documents:
  - Deed
  - Estate
  - Name change (entity or individual)
- Lien creditors of each owner  
Washburn v. Washburn, 234 N.C. 370; 67 S.E.2d 264 (1951)  
U.S. vs. Craft, 535 U.S. 274 (2002)

# Examples of “links” -- missed or misunderstood

- Devisees under will
- Life tenants
- “Class” of devisees
- Spouse
- Easement interests, reserved or conveyed with another parcel
- Unmarried co-tenants with an interest
- Trustee, Guardian or other fiduciary
- Judgment creditors of co-tenants



# Minimum Standards for Indexing Real Property Instruments

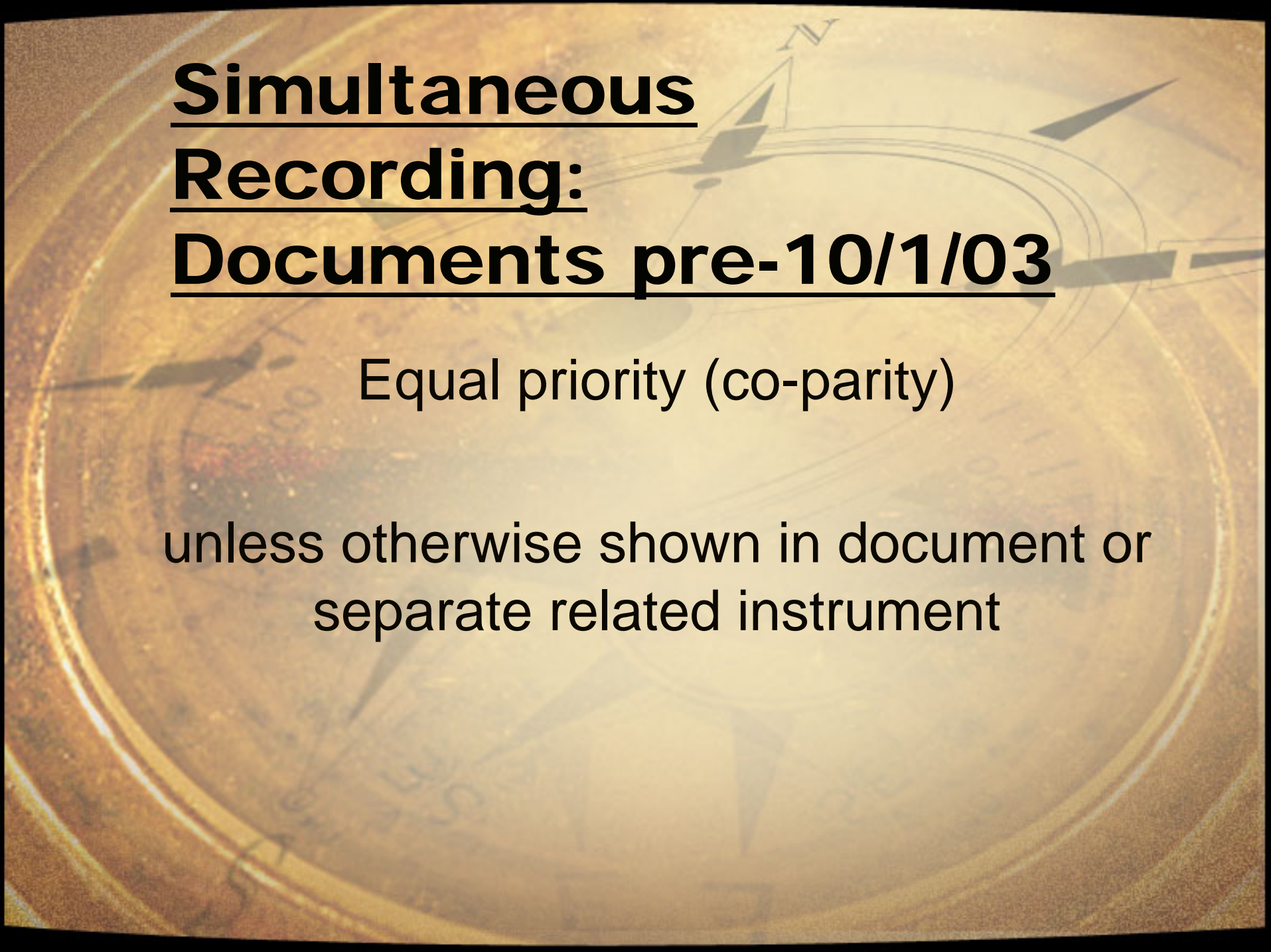
<http://www.secretary.state.nc.us/land/>

(mandatory since 1997)

(53 pages)

# Recording - Setting Priority (G.S. 47-18 & 47-20)

- **Conveyance of land, Contract to convey, Option to convey, Lease of land for more than three years, deed of trust shall have priority**
- **as against lien creditors or purchasers for a valuable consideration from the donor, bargainor or lessor**
- **from the time of registration thereof**
- **in the county where the land lies**



Simultaneous  
Recording:  
Documents pre-10/1/03

Equal priority (co-parity)

unless otherwise shown in document or  
separate related instrument

# Simultaneous Recording - effective on & after 10/1/03

- **Unless otherwise stated in document or separate instrument signed by party whose interest is adversely affected**
- **Priority presumed based on:**
  - Order of recordation**
  - If same time:**
    - Document number**
    - Sequential Book and page**

# Title by Estoppel vs. Record Chain of Title

- Race recording statutes  
    G.S. 47-18 & 47-20)
- Estoppel = binding on parties to the transaction, only
- “Outside” chain of title
  - cannot be found in title search
  - does not bind third party with recorded interest

# ENTITIES

The background of the slide is a warm, golden-brown color with a subtle, circular pattern. In the upper right corner, there is a faint, stylized illustration of a globe with a grid of latitude and longitude lines, and a compass rose with four directional points. The overall aesthetic is professional and thematic, suggesting global or legal concepts.

- Name changes, conversions, mergers must be recorded with Registries where property located
- Self-Dealing is BAD!
- Property titled in the entity is not subject to claims of creditors or spouses of individual owners (though the individual's stock or partnership interest may be)



# ENTITIES

- Organizational documents for authority
- Articles for CORP, LLC, LP must be filed with Secretary of State (or equivalent) of their home state
- Annual Reports
  - current officers/managers -- legal reliance
  - current address
  - good standing

# Corporations, LLC's, and Limited Partnerships

- Secretary of State

[www.secretary.state.nc.us/  
Corporations/](http://www.secretary.state.nc.us/Corporations/)

- If property in prior name, need certified copies of “chain” of name changes



*Elaine F. Marshall*  
Secretary

North Carolina

# DEPARTMENT OF THE SECRETARY OF STATE

PO Box 29622 Raleigh, NC 27626-0622 (919)807-2000

## Corporations

- [Corporations Home](#)
- [Important Notice](#)
- [Corporate Forms](#)
- [Corporations FAQ](#)
- [New Form Notice](#)
- [Verify Certification](#)

## Links

- [Secretary Of State Home](#)
- [Business License](#)
- [Register for E-Procurement](#)
- [Dept. of Revenue](#)

## Legislation

- [1999 Senate Bills](#)
- [2001 Bill Summaries](#)
- [Annual Reports 1997](#)
- [Corporations 1997](#)
- [Other Legislation](#)

## Search

- [By Corporate Name](#)
- [For New Corporation](#)
- [By Registered Agent](#)

## Online Orders

- [Start An Order](#)

Search Type: Starting With

Search Date: 10/26/2002

Search Criteria: QUINCY'S

Search Time: 09:25

Entity Name	Type	Status	Formed
<b>NC</b> Quincy Services, Inc.	BUS	Current-Active	10/24/2000
<b>NC</b> Quincy's Cafe, Inc.	BUS	Current-Active	4/10/2001
<b>NC</b> QUINCY'S REALTY, INC.	BUS	Withdrawn	1/13/1994
<b>NC</b> Quincy's Realty, LLC	LLC	Current-Active	1/22/2001
<b>NC</b> QUINCY'S RESTAURANTS, INC.	BUS	Current-Active	9/22/1999
<b>NC</b> QUINCY'S RESTAURANTS, INC.	BUS	Withdrawn	1/13/1994
<b>NC</b> Quincy's Family Steak House of South Carolina, Inc.	BUS	Multiple	12/13/1977
<b>NC</b> Quincy's Old Place, Inc.	BUS	Multiple	6/16/1981
<b>NC</b> Quincy's Realty, Inc.	BUS	Withdrawn	12/8/1989
<b>NC</b> Quincy's Restaurants, Inc.	BUS	Withdrawn	10/25/1989

Records Returned 1 to 10



Elaine F. Marshall  
Secretary

North Carolina

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Date: 10/26/2002

- Corporations**
  - Corporations Home
  - Important Notice
  - Corporate Forms
  - Corporations FAQ
  - New Form Notice
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  - Dept. of Revenue
- Legislation**
  - 1999 Senate Bills
  - 2001 Bill Summaries
  - Annual Reports 1997
  - Corporations 1997
  - Other Legislation
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  - By Corporate Name
  - For New Corporation
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  - Start An Order

**Legal NC Name:** QUINCY'S REALTY, INC.

Image	Date	Document	Document ID
	1/13/1994	AUTH - Application for Certificate of Authority	940149055
	6/9/1994	ANRT - Annual Report	941600211
	4/5/1995	ANRT - Annual Report	950950127
	4/15/1996	ANRT - Annual Report	961060411
	2/18/1997	ANRT - Annual Report	970490178
	3/20/1998	ANRT - Annual Report	980791400
	6/29/1998	WDMG - Withdraw by Merger	981709068

*View the images on-line!! Netscape users, use the button.*

**ANNUAL REPORT FOR  
BUSINESS CORPORATION**

**FILED**

**MAR 20 1998**

NAME OF CORPORATION: Opportunity Realty, Inc. EFFECTIVE ELAINE F. MARSHALL  
SECRETARY OF STATE

SECRETARY OF STATE CORP. ID NUMBER: 0337241 FISCAL YEAR ENDING: 12/31/97  
MONTH/DAY/YEAR

FEDERAL EMPLOYER ID NUMBER: 58-1864854

CHECK HERE IF INFORMATION HAS NOT CHANGED SINCE MOST RECENTLY FILED ANNUAL REPORT, COMPLETE LINE 8 ONLY.

**1. REGISTERED AGENT & REGISTERED OFFICE MAILING ADDRESS**

CT Corporation System  
225 Hillsborough St.  
Raleigh, NC 27603

OFFICE USE ONLY  
AMOUNT 20.00 AR  
CORP

**2. STREET ADDRESS OF REGISTERED OFFICE**

225 Hillsborough St.  
Raleigh, NC 27603

PROCESSED BY TLS 1210

**3. IF REGISTERED AGENT CHANGED, SIGNATURE OF NEW AGENT** \_\_\_\_\_  
SIGNATURE CONSTITUTES CONSENT TO APPOINTMENT

**4. ENTER PRINCIPAL OFFICE ADDRESS HERE- ADDRESS- 203 East main St., P-11-1**

CITY- Spartanburg ST- SC ZIP- 29319

**5. ENTER PRINCIPAL OFFICE TELEPHONE NUMBER HERE- 864/597-8000**  
PLEASE INCLUDE AREA CODE

**6. ENTER NAME, TITLE AND BUSINESS ADDRESS OF PRINCIPAL OFFICERS HERE-**

NAME- Please see ADDRESS-  
TITLE- attached CITY- ST- ZIP-

NAME- ADDRESS-  
TITLE- CITY- ST- ZIP-

NAME- ADDRESS-  
TITLE- CITY- ST- ZIP-

**7. BRIEFLY DESCRIBE THE NATURE OF BUSINESS- Real Estate Holding Co.**

# CORPORATIONS

- Articles of Incorporation,
- Merger, Conversion, Name Change  
@ Sec/State & Reg of Deeds
- Mortgage or sale in ordinary course of business
  - Board without shareholder approval
- Sale otherwise than in the usual and regular course of business
  - Shareholder approval based on bylaws

# ENTITIES

## Dissolutions

- Title remains vested in entity
- For current transaction, either:
  - Deeds must be consistent with winding upOR
  - Entity must bring reports, fees, taxes current

# LIMITED LIABILITY COMPANIES

- Arts of Org w/ Sec/State
- “Managers” Annual Report -- legal reliance on authority
- “Apparently for carrying on in the usual way the business of the LLC” by a single manager
- “all or substantially all of the assets,” -- unanimous vote of managers
- Merger or name change -- Sec/State & Reg/Deeds



# GENERAL PARTNERSHIP

- Partnership name vs. in names of individuals
- Assumed Name Certificate G.S. 66-68
- Not apparently for the carrying on in the usual way of the business of the partnership requires joinder of all general partners -- 59-39 & 59-40

# LIMITED PARTNERSHIP

- Cert of LP w/ Sec/State
- “Limited partnership” in name
- Merger or name change --
  - Register of Deeds
  - Secretary of State
- Not apparently for the carrying on in the usual way of the business of the partnership requires joinder of all general partners -- 59-403(a)

**Do you know your clients'  
names from past 10 years?**

*Name change  
special proceedings*

*Divorces; marriages*

# CHURCHES & RELIGIOUS ORGANIZATIONS

- Entity type & name in which title held
- Title limitations in vesting instrument  
Reversions and restrictions
- Type of organization now involved:
  - Nonprofit corporation -- G.S. Chapter 55A
  - Religious Societies -- G.S. Chapter 61
  - Voluntary organization -- G.S. 39-24

# CHURCHES & RELIGIOUS ORGANIZATIONS *(cont'd)*

- Local church
  - Organizational documents / requirements
  - Approval by congregation and board
  - Authorized persons
- Connectional churches
  - Organizational requirements
  - Due authorization and approval
  - Web sites

# POWERS OF ATTORNEY & ATTORNEYS-IN-FACT

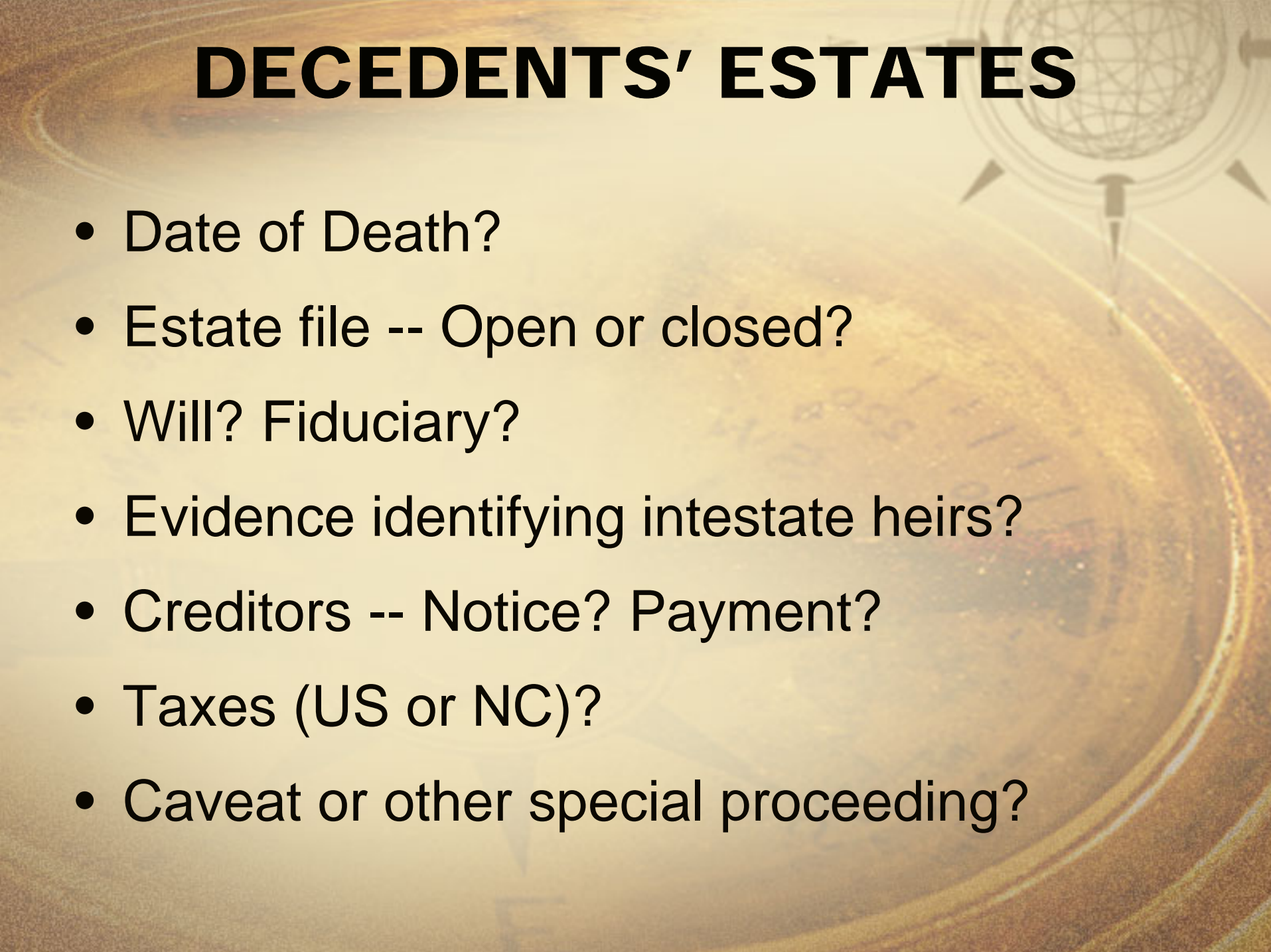
- Principal Alive and Well (Exhibit A)
- Many lenders will not approve closing
- Why can't principal attend in person?
- Incompetent principal -- durable POA
- Recorded in county registry in which property located *at or prior to* closing
- Specific authority to deal with real estate

# POWERS OF ATTORNEY --

## Powers of the AIF

- No gifts unless
  - specifically provided in POA or
  - broad POA powers and gift to charitable organization continuing a “personal history” of such gifts
- No gifts or transactions to AIF unless specifically authorized in POA (incl. mortgaging property for loan to AIF)
- Not authority to act for the Principal in the Principal’s fiduciary capacity

# DECEDENTS' ESTATES

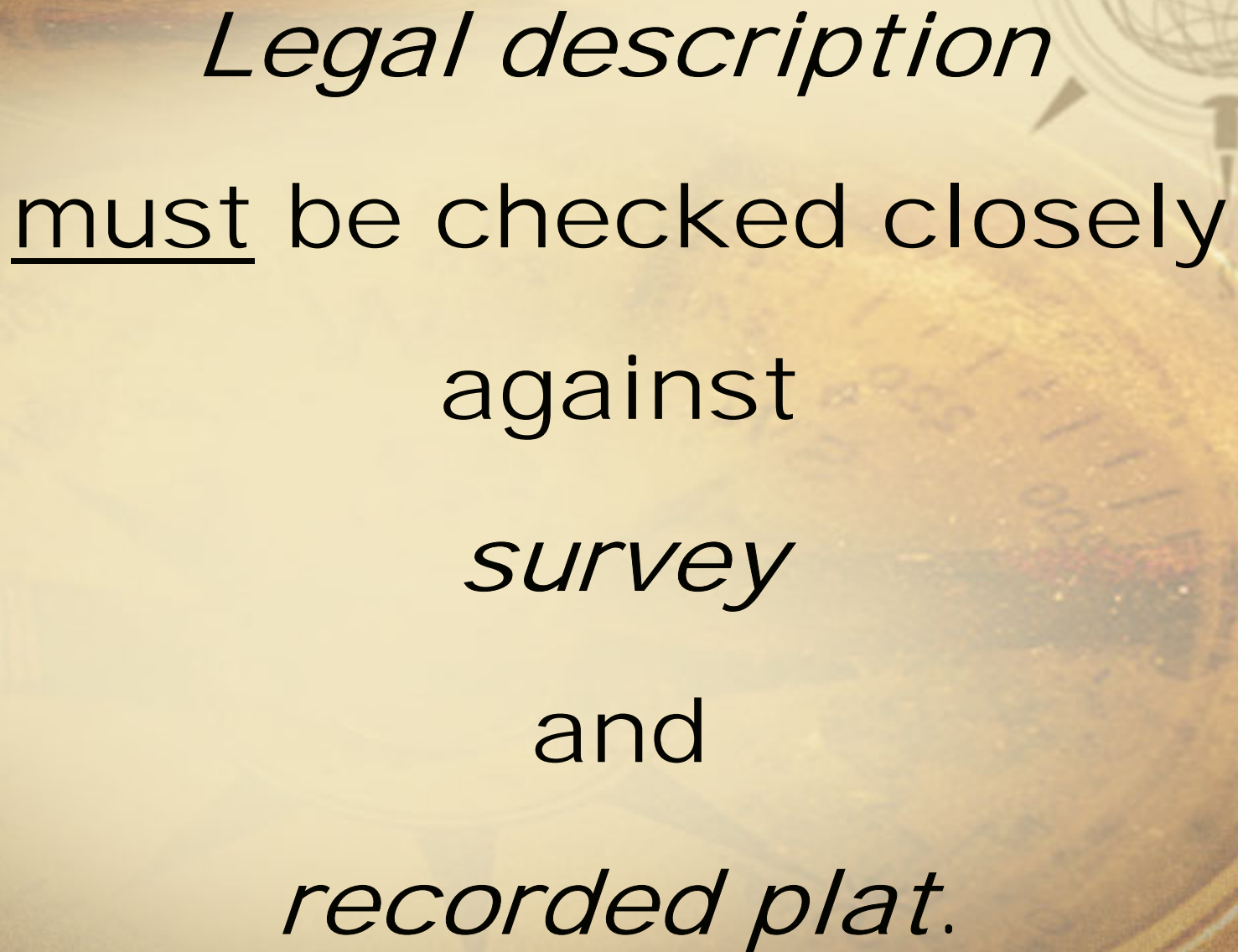
The background of the slide features a faint, golden-toned image of a globe with a compass rose overlaid on it. The globe shows latitude and longitude lines, and the compass rose has a needle pointing towards the top. The overall aesthetic is professional and thematic, suggesting global or legal navigation.

- Date of Death?
- Estate file -- Open or closed?
- Will? Fiduciary?
- Evidence identifying intestate heirs?
- Creditors -- Notice? Payment?
- Taxes (US or NC)?
- Caveat or other special proceeding?





# **Legal Descriptions, Surveys Plats**



*Legal description*  
must be checked closely  
against  
*survey*  
and  
*recorded plat.*

# Property must be:

- **Locatable and identifiable “on the ground” using the *record* legal description and any information contained in the legal description or elsewhere in the recorded documents.**
- **unique property, not ambiguous that it could be one of several.**

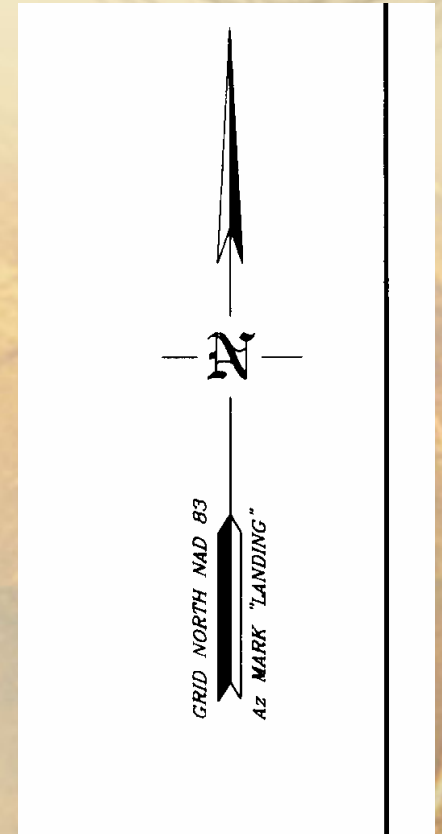
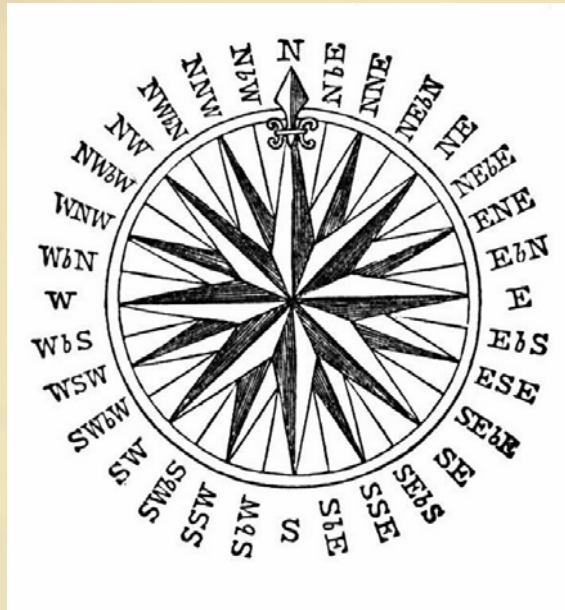
**Whether fee or easement or other interest  
being conveyed in the property**

# RECORDED PLAT

(G.S. 47-30)

- easements,
- setbacks,
- common areas,
- special or restricted use areas,
- restrictions,
- property lines,
- road boundary changes,
- access,
- consistency of your property's boundary lines and benefits (common areas, for example) with prior plats
- other matters

# Know how to draw out a legal description



TAX REF: 6796-09-9837

TOWN OF TRINITY  
D. B. 1703, PG. 1504

LITTLE UMHARRIE RIVER

N77°12'04"E

584.55'

B.E. ENTERPRISES  
DEED BOOK 1315, PAGE 2003  
TAX REF: 6796-09-9837

NEW LOT "B"  
198,798 ± SQ FT  
4.564 ± ACRES  
(D.M.D.)

LOT 8  
188,732 ± SQ. FT  
4.333 ± ACRE  
(D.M.D.)

APPROXIMATE LOCATION 100-YEAR FLOOD  
AS PER P.B. 49, PG. 57  
# 370195-150-9

NIP REFERENCE IRON  
PROPERTY LINE  
TO BE REMOVED  
BY THIS PLAT

N02°05'30"E

218.95'

384.94'

N87°52'24"W

(AREA=0.231 ± ACRES)  
(AREA=1.097 ± ACRES)

LOT 55  
STEEPLEGATE SUB.  
REDIVISION OF PHASE II  
P.B. 38, PG. 61

LOT 54  
STEEPLEGATE SUB.  
REDIVISION OF PHASE II  
P.B. 38, PG. 61

(TOTAL)  
421.11'

S02°08'24"W  
25.00'  
INTERSECTION (E)

N02°07'36"E

296.31'

IP

IP

EIP CONTROL CORNER

IP

38.12'

86.68'

city.  
fixed

DEEDS

*A*  
*Call*

21.00

31

75

DFLIN  
OCIATES, INC.  
HWY  
C 27360  
3377

**LOTS 53A & B  
STEEPLEGATE SUBDIVISION  
REDIVISION OF PHASE II  
PLAT BOOK 49, PAGE 20  
STEEPLEGATE EXTENSION &  
PHASE II REVISED SHEET I OF II  
PLAT BOOK 49, PAGE 57  
DEED BOOK 1635, PAGE 509  
DEED BOOK 1413, PAGE 1269  
TAX REFERENCES**

**6796-29-2027, 6796-29-1329  
TRINITY TOWNSHIP ~ RANDOLPH COUNTY  
NEAR ARCHDALE ~ NORTH CAROLINA**

*p/u*

PREPARED BY

**DAVIS-MARTIN-POWELL & ASSOC., INC.  
ENGINEERING-LAND PLANNING-SURVEYING**



**218 GATEWOOD AVE., SUITE 102  
HIGH POINT, NORTH CAROLINA 27262  
PH (336) 806-4821 FAX (336) 806-4458**



DATE: 12-18-2002      SCALE: 1" = 100'      JOB No. S - 43957  
SURVEYED BY: DMP      DRAWN BY: EDV/JWG      CHECKED BY: JED

# Map Plotting Software

- **Deed Plotter+ For Windows**  
[www.deedplot.com](http://www.deedplot.com)
- **QuikPlat Lite** [www.landplot.com](http://www.landplot.com)
- **DeedChek** [www.deedchek.com](http://www.deedchek.com)
- **MapDraw**  
[www.informatik.com/mapdraw.html](http://www.informatik.com/mapdraw.html)
- **Plat Pronto**  
[www.bwmuncy.com/download.htm](http://www.bwmuncy.com/download.htm)



# Typical title issues to be checked on survey:

- Access
- Acreage
- Waterfront?
- Utilities
- Roads, drives
- Railroads
- Rights-of-way
- Setbacks, buffers
- Boundary lines
- Wrong property
- Old plats
- Encroachments by others
- Encroachments by your owner
- Fence lines
- Improvements
- Appurtenant easements

# Typical claims problems

- **Missing or erroneous calls**
- **Wrong property**
- **Not include all the property**
- **Too much property (i.e. entire subdivision)**
- **Wrong plat reference (and wrong “dirt”)**
- **Not attached to recorded documents**
- **Not referencing permanent monuments**
- **No owner’s survey**
- **Owner’s erroneous belief about coverage --  
access easement or property described**

# Possible resolutions

- Voluntary boundary line agreements
- Quitclaims / releases of interested parties
- Purchase access or tract from third party
- Boundary Line proceeding
- Cartway or other access proceeding
- Quiet Title Action
  - Reformation
  - Equitable remedies
  - Declaratory Judgment Action
  - Ejectment Action

# Boundary Proceeding, G.S. 38-1 *et seq.*

- Location of boundary, *not* title
- Requires proof of ownership by petitioner
- Survey(s) may be obtained but not required
- Appeal or any title dispute would effectively convert to Quiet Title Action; may require new action with additional parties



***CHICAGO BULL  
VOLUME 1, EDITION 5***

Owners Need Surveys – Still!  
(Or, The *Risks To You and Your  
Client* of Lender’s “Survey  
Coverage Without a Survey”)



# ACCESS AND EASEMENTS

When do you really know for  
sure?

# Neighborhood Public Roads, G.S. 136-67, may apply if:

- portions of public road system, not taken over & not abandoned, open and in general use as a necessary means of ingress to and egress from the dwelling house of one or more families
- laid out, constructed, or reconstructed with unemployment relief funds
- outside of the boundaries of incorporated city or town, serve a public use & as a means of ingress or egress for one or more families

# Cartway, G.S. 136-68 *et seq.*

- cultivation of land, timber, working of any quarries, mines, or minerals, or operating industrial or manufacturing plants, public or private cemetery
- no access by public road or other adequate means of transportation, other than a navigable waterway
- 18' width -- *purchased* from fee landowner



# Declare Public Right-of-way, G.S. 136-91.1 (2003)

- 2/3 of road-frontage landowners join;
- right-of-way is depicted on an unrecorded map, plat, or survey;
- right-of-way has been actually open and used by the public;
- Recorded deeds for at least 3 parcels reference ROW as a named street or road;
- Meets construction standards of G.S. 136-102.6; conclusively deemed public.



# MISCELLANEOUS PROBLEMS

# TACKING (RPC 99)

- Owner's policy only
  - Loan policies on limited (single owner) searches
  - Aff cov for non-\$ things that matter to owner
  - “Generic” exceptions in loan policies
- Only as good as the prior policy
- Advise client of risk
- Client planning changes / improvements?
- Judgment searches
  - All owners w/in search period
  - For full 20-year period (not just to prior policy date)

# Tacking: Risk Cases

- **Prior policy has errors**
- **Prior policy on different property**
- **Inadequate search period**
- **Inadequate judgment search (full 20-years)**
- **Tacking to loan policy rather than owner's policy (coverage disappears)**
- **Tacking without full disclosure to and permission of client**
- **Not obtaining owner's coverage**

# Tacking: Risk Cases (cont'd)

- **Not obtaining enough owner's coverage (especially in commercial situation)**
- **Not adequately reviewing prior policy and its exceptions**
- **Not fulfilling requirements for necessary endorsements**
- **Not clearing problems with title company *prior to closing***

# Affirmative Coverage INAPPROPRIATE

- Restrictive covenant prohibited intended use of property; high risk neighbors will object
- Void conveyance (incompetent, minor or missing)
- Uncanceled equity line

# Affirmative Coverage INAPPROPRIATE

- Outstanding lien (judgment, federal tax lien) exceeding property value
- Mobile home title not converted
- Prior uncanceled liens, for which payment is uncertain

# "Cures" are:

- time-consuming
- frustrating for your client
- costly for all and
- much easier to address (& charge appropriate party, the seller) prior to your closing!!



# NORTH CAROLINA BAR ASSOCIATION -- REAL PROPERTY SECTION

- Volunteers = peers
- Leadership, energy,
- Fighting negative trends
- Education
- Listserv

**BE THERE!!!**

# http://www.ncbar.org

The screenshot shows a web browser window displaying the North Carolina Bar Association website. The browser's address bar shows the URL <http://www.ncbar.org>. The website header includes the NCBA logo, the text "Click for Cyber CLE", and a "Quick Find" search box. A navigation menu below the header contains links for Membership, CLE, Legal Professionals, Public, Media, Law Students, and Students/Teachers. The main content area is titled "Real Property Section" and features a left-hand sidebar with a "HOME" button and a "NCBA NOW" section containing links for NC Casemaker, Listserv, Real Property Forms Search, and Legal Professionals. The "Legal Professionals" section lists various resources such as BarCARES, Billing Form Samples, Commission/Task Force Committees, Divisions, Governmental Affairs, Lawyer Referral Service, Lawyers in the Schools, Medico-Legal Guidelines, Member Directory, Practice Tips, Public Service, Relocation Service, Sections, and Solo and Small Firms. The main content area lists "Officers, Council Members and Committees", "Council Meeting Minutes", "Bylaws", "Calendar", "Forms, Brochures & Public Information Articles", "Listserv", "Newsletters", "Future Real Property CLE", "Past CLE Manuscripts Index", "Real Property Lawyer-to-Lawyer Referral", "Attorney-to-Attorney Directory (search by County & Section to find Section members anywhere in the state)", "Links", and "Want to Participate? Suggest, write or present a topic or article!". A grey box on the right side of the page is titled "Hot Topics for the Section" and lists "Guidelines for Charging the Non-Standard Document / Instrument Fee", "FTC-DOJ Information", and "New Forms Manuals". At the bottom of the page, there are two links: "Back to NCBA Index Page" and "Back to Sections Index Page".

**HOME** **Real Property Section**

**NCBA NOW**

NC Casemaker  
Listserv  
Real Property Forms Search

**Legal Professionals**

BarCARES  
Billing Form Samples  
Commission/Task Force Committees  
Divisions  
Governmental Affairs  
Lawyer Referral Service  
Lawyers in the Schools  
Medico-Legal Guidelines  
Member Directory  
Practice Tips  
Public Service  
Relocation Service  
Sections  
Solo and Small Firms

Officers, Council Members and Committees  
Council Meeting Minutes  
Bylaws  
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Forms, Brochures & Public Information Articles  
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Future Real Property CLE  
Past CLE Manuscripts Index  
Real Property Lawyer-to-Lawyer Referral  
Attorney-to-Attorney Directory (search by County & Section to find Section members anywhere in the state)  
Links  
Want to Participate? Suggest, write or present a topic or article!

**Hot Topics for the Section**

Guidelines for Charging the Non-Standard Document / Instrument Fee

FTC-DOJ Information

New Forms Manuals

[Back to NCBA Index Page](#)  
[Back to Sections Index Page](#)

The background features a faded, sepia-toned image of an antique map. A prominent compass rose is visible in the upper right quadrant, with a globe integrated into its design. The map's lines and text are faint and difficult to discern. The overall color palette is warm, consisting of various shades of brown, tan, and gold.

Questions?



*Thank*

*You!*