

# Introduction to Real Estate Law & Title Work

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## 1) Course Orientation: What Title Work Is

### 1.1 The purpose of title examination/abstracting

- Verify **who owns what** and **what burdens/limits** the ownership
- Identify risks for buyer/lender/insurer (liens, defects, restrictions)
- Produce clear deliverables: **abstract**, **title report**, **title commitment**, **requirements/exceptions list**

### 1.2 Who relies on your work

- Title underwriters / title agents
- Lenders and closing attorneys
- Buyers/sellers, investors, REO teams
- Surveyors (boundary/easement coordination)

### 1.3 Key roles and how they differ

- **Abstractor**: gathers the recorded history and supporting documents
- **Title examiner**: analyzes the history, determines status/defects, writes requirements
- **Underwriter**: approves coverage/curative, sets exceptions
- **Closer/escrow**: executes payoff/disbursement/documents

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## 2) Real Property Basics for Title People

### 2.1 Real vs personal property

- Land + attachments/fixtures vs movable items
- Fixture concepts: annexation, adaptation, intent (why it matters for UCC/fixture filings)

### 2.2 Ownership “bundle of rights”

- Possession, use, transfer, exclude, encumber
- Limits: police power, eminent domain, taxation, escheat

## 2.3 Forms of ownership (estate types)

- **Fee simple absolute** (most common)
- Life estate / remainder / reversion
- Leasehold estates (tenant interests; memorandum of lease)
- Future interests (why old deeds/probate can matter)

## 2.4 Co-ownership

- Joint tenancy (right of survivorship)
- Tenancy in common
- Tenancy by the entirety (where recognized)
- Practical title impacts: signatures required, survivorship proof, divorce effects

## 2.5 Legal capacity to convey

- Minors, incompetency/guardianship
- Entities: corporations, LLCs, trusts, partnerships
- Authority docs: resolutions, operating agreements, trustee powers

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# 3) The “Language” of Land: Legal Descriptions & Maps

## 3.1 Types of legal descriptions

- **Metes and bounds**
- **Lot & block** (subdivision plat)
- **Rectangular/PLSS** (section-township-range)
- Condominium unit + common elements

## 3.2 Reading metes and bounds (core skills)

- Calls: direction/bearing, distance, monuments
- Points of beginning (POB), closures, gaps/overlaps
- Common red flags: ambiguous monuments, missing curve data, “more or less,” adjoiners conflicts

## 3.3 Plats, surveys, and what examiners check

- Subdivision plat dedication language
- Easements shown vs not shown
- Vacations/abandonments of roads/easements
- Survey exceptions and survey-related requirements

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## 4) Conveyancing 101: How Title Transfers

### 4.1 Deed basics

- Grantor/grantee, consideration, granting clause, habendum
- Execution, acknowledgment, witnesses (state-specific)
- Delivery and acceptance concepts

### 4.2 Common deed types and risk

- Warranty deed (general/special), grant deed
- Quitclaim deed (risk/limited assurances)
- Trustee's deed, sheriff's deed, personal representative deed
- Deeds in lieu, correction deeds, confirmatory deeds

### 4.3 Chain of title concept

- “Root” deed, sequence of conveyances
- **Wild deeds** (outside chain)
- Breaks: missing deed, wrong name, unrecorded interest

### 4.4 Common deed problems (frequent exam items)

- Incorrect legal description
- Missing marital status or missing spouse where required
- Entity name mismatches
- Forged/defective acknowledgments
- Scrivener errors; re-recording issues

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## 5) Recording System: Why It Matters to Priority

### 5.1 Recording offices and indexes

- Grantor-grantee index, tract index, online systems
- Instruments: deeds, mortgages/deeds of trust, releases, assignments, liens

## 5.2 Notice & priority fundamentals (general)

- “First in time” concept + effect of recording statutes
- Constructive notice vs actual inquiry notice
- Race / notice / race-notice (know the idea; your state controls specifics)

## 5.3 Recording requirements and defects

- Proper acknowledgment/notary
- Correct fees, margins, legibility
- Correct county and correct legal description

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# 6) Encumbrances & Interests That Affect Title

## 6.1 Liens vs encumbrances vs restrictions

- **Lien:** claim for payment (mortgage, tax, judgment)
- **Encumbrance:** broader (easements, restrictions, leases)
- **Title defect:** breaks in ownership/authority/description

## 6.2 Easements (major title topic)

- Appurtenant vs in gross
- Created by grant, reservation, implication, necessity, prescription
- Utility easements, ingress/egress, drainage, access rights
- Title treatment: exceptions, location via plat/survey, curative if unclear

## 6.3 Covenants, conditions, restrictions (CC&Rs)

- Subdivision restrictions; HOA declarations
- Architectural control, assessments, use restrictions
- Term/renewal/amendment, enforcement, recording references

## 6.4 Leases and tenant rights

- Long-term leases; memorandum of lease
- Possession as notice (why a tenant can matter even if lease unrecorded)
- Subordination/non-disturbance agreements (lender context)

## 6.5 Mineral, water, timber, air rights (jurisdiction-dependent)

- Severed minerals; prior reservations; leases
- Surface use rights; pooling/unitization (high-level)

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## 7) Financing Documents: Mortgages, Deeds of Trust, and UCC

### 7.1 Mortgage/Deed of trust components

- Borrower/lender, secured property legal, covenants, default remedies
- Rider documents (condo, planned unit development)

### 7.2 Assignments, modifications, subordinations

- Assignment chain (MERS issues, recorded assignments)
- Loan mods and their priority effects
- Subordination agreements (who moves behind whom)

### 7.3 Releases/satisfactions (curative cornerstone)

- Full release, partial release, reconveyance
- Common issues: wrong legal, wrong party, missing recording

### 7.4 UCC and fixtures (intro level)

- UCC-1 filings (personal property)
- Fixture filings (can affect real property priority)

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## 8) Taxes, Assessments, and Governmental Matters

### 8.1 Property taxes

- Current vs delinquent taxes
- Tax liens and tax sales (concept)
- How title treats: requirements, payoff, proof of payment

### 8.2 Special assessments

- Municipal assessments, improvement districts, utilities
- How they show up: recorded liens, tax bill line items, municipal letters

### **8.3 Zoning/building code (title vs non-title)**

- Zoning is generally not “title,” but may appear via recorded notices/violations
- Permits and code enforcement liens (some jurisdictions record)

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## **9) Judgments, Probate, Divorce, Bankruptcy (The “People Problems”)**

### **9.1 Judgment liens**

- How judgments attach (debtor name match, county, duration, renewals)
- Name matching standards, common name issues, indexing errors
- Releases/satisfactions; partial releases; payoff letters

### **9.2 Probate and estates**

- When probate is required to transfer title
- Personal representative/executor authority
- Affidavit of heirship (where accepted; limits)
- Common defects: missing heirs, unclear distribution, missing recorded orders

### **9.3 Divorce/family law impacts**

- Property settlements, QDRO relevance, deeds between spouses
- Homestead rights (state-specific)

### **9.4 Bankruptcy**

- Automatic stay basics
- Trustee authority, discharge vs lien survival
- Recorded notices and how they affect closing requirements

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## **10) Foreclosure, REO, and Distressed Title (Intro)**

### **10.1 Foreclosure types (high-level)**

- Judicial vs non-judicial
- Notice requirements concept; redemption periods (where applicable)

## 10.2 Title examiner checklist for foreclosure chains

- Correct parties, service/notice, recorded sale documents
- Priority: senior vs junior liens, HOA liens, tax liens
- REO deed out of lender; curative for missing assignments or improper releases

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# 11) The Title Search: Method, Scope, and Process

## 11.1 Defining the scope

- Property identifiers: legal description, parcel ID, address, subdivision
- Search period: back to root, statutory period, or underwriter guidelines
- Names to search: owners, prior owners, variations, entities, spouses

## 11.2 Search workflow (standard)

1. Confirm legal description + county
2. Pull current vesting deed
3. Work backward through conveyances to root
4. Track encumbrances: mortgages/assignments/releases
5. Check easements/restrictions/plats
6. Search judgments/liens by name
7. Check taxes/assessments
8. Review probate/divorce/bankruptcy indicators
9. Identify gaps/defects and draft requirements/exceptions

## 11.3 Index searching skills

- Grantor/grantee sequences
- Tract search by legal description or plat
- Common errors: misspellings, initials, entity suffix changes, hyphenated names

## 11.4 “Red flag” list (what to stop and investigate)

- Missing release for a mortgage
- Deed out of an entity without authority evidence
- Deed/loan legal description mismatch
- Unresolved probate/heirship gap
- Judgments on same/similar name
- Recorded easement that conflicts with intended use/access
- Break in chain / wild deed indications

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## 12) Title Deliverables: Abstracts, Reports, Commitments

### 12.1 Abstract of title (what it contains)

- Chronological list of instruments affecting title
- Copies or references, recording data, brief summaries
- Clear identification of current owner and encumbrances

### 12.2 Title report vs title commitment (concept)

- Report: findings summary (varies by company)
- Commitment: insurer's conditional promise to issue policy if requirements met

### 12.3 Requirements vs exceptions

- **Requirements:** must be satisfied to close/insure (payoffs, releases, probate docs)
- **Exceptions:** items not covered or limited coverage (easements, restrictions, survey matters)

### 12.4 Schedule structure (typical)

- Schedule A: insured, estate, amount, legal description, vesting
- Schedule B-I (requirements) / B-II (exceptions) (labels vary)

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## 13) Curative Title: Fixing Defects (Intro Toolkit)

### 13.1 Curative categories

- Missing releases/satisfactions
- Corrective deeds / re-recording with correction
- Missing authority docs (entity resolutions, trustee certs)
- Probate/affidavit solutions where allowed
- Name discrepancies (affidavit of identity, "one and same")
- Boundary/survey cures (endorsements vs exceptions)

### 13.2 Curative workflow

- Identify defect → determine required proof → request documents → verify recording → update commitment/report

### **13.3 What NOT to do**

- Guess at legal descriptions
- “Clear” judgments by assumption
- Ignore a break in chain
- Provide legal advice outside your role (follow firm/underwriter policy)

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## **14) Professional Standards, Ethics, and Risk Management**

### **14.1 Confidentiality and data handling**

- SSNs, financial info, protected communications
- Secure document storage and transmission

### **14.2 Accuracy standards**

- Double-check recording references, legal descriptions, names
- Use checklists; peer review; exception templates

### **14.3 Quality control and documentation**

- Notes in the file: why you cleared or excepted an item
- Maintain audit trail: screenshots, copies, date/time stamps

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## **15) Practical Exercises and Skill Labs**

### **15.1 Foundational drills**

- Label parts of a deed and a mortgage
- Identify deed type and risk level from short excerpts
- Read and summarize an easement document

### **15.2 Chain of title build**

- Given 8–12 instruments, create:
  - Ownership chain
  - Open mortgages and their releases
  - List of exceptions (easements/restrictions)
  - Requirements (missing release, probate, payoff)

### **15.3 Commitment drafting practice**

- Write Schedule A from a vesting deed
- Draft 8–12 common exceptions (survey, easements of record, taxes, CC&Rs)
- Draft 5–8 requirements (ID affidavit, payoff/release, missing probate doc)

### **15.4 Curative scenarios**

- Name mismatch: “Robert J. Smith” vs “Bob Smith”
- Entity grantor without evidence of authority
- Missing mortgage release
- Probate gap (decedent owner; no recorded deed out)

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## **16) Must-Know Vocabulary (Exam/Shop Readiness)**

- Vesting, chain of title, root, marketable title
- Encumbrance, lien, easement, covenant, restriction
- Acknowledgment, recording, constructive notice
- Priority, subordination, assignment, satisfaction/release
- Probate, personal representative, affidavit of heirship
- Judgment lien, lis pendens, bankruptcy stay
- Survey exception, gap/overlap, monument, POB