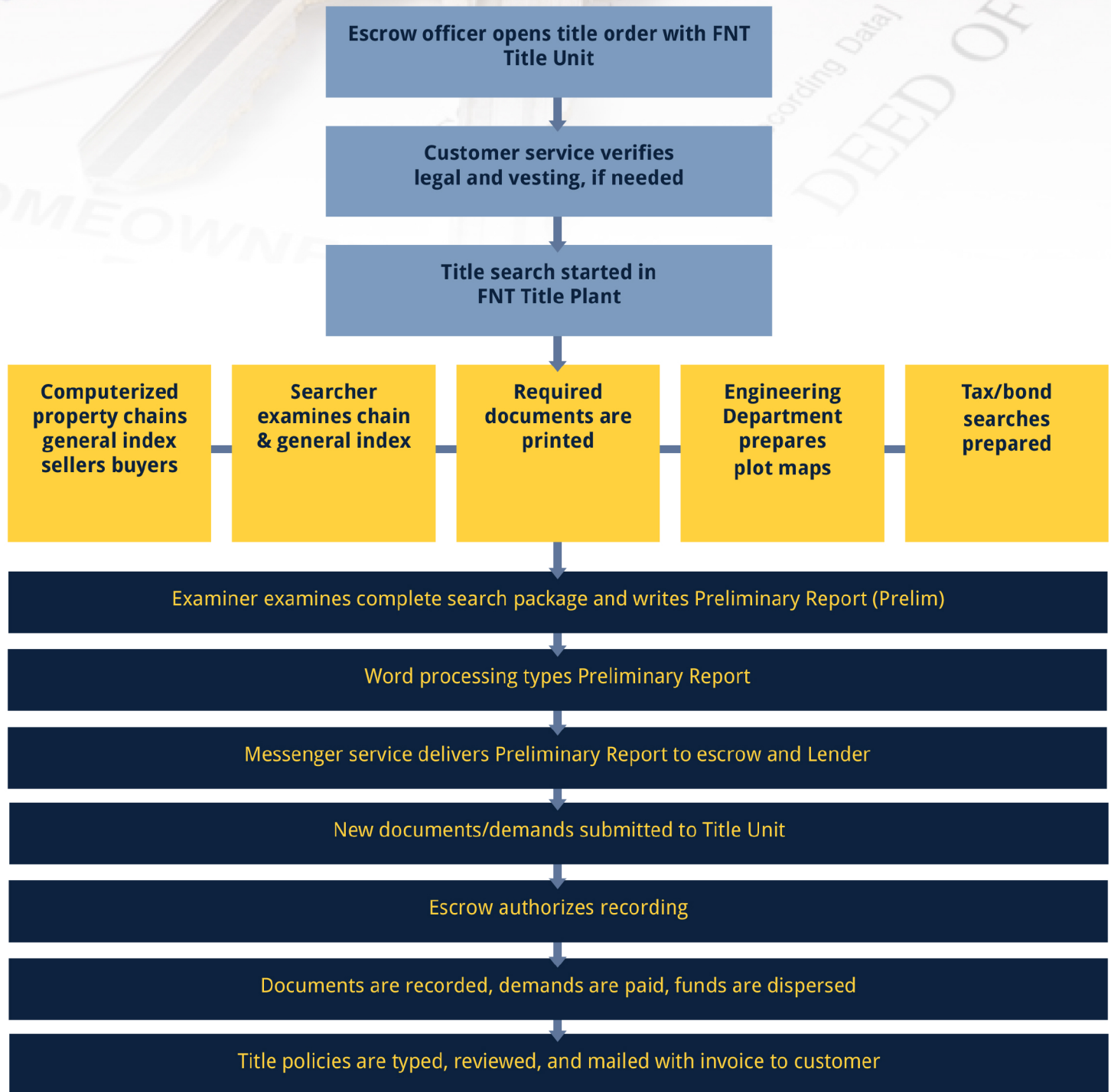




### Life of a Title Search





# The Preliminary Report



The **Preliminary Report** is an offer to issue a policy of title insurance covering a particular estate or interest in land subject to stated exceptions.

Since these exceptions may point to potential problems with your intended purchase, it is important for all parties to review the report once it is received.

A Preliminary Report provides a list of the matters which will be shown as exceptions to coverage in a designated policy or policies of title insurance, if issued currently, covering a particular estate or interest in land. It is designed to provide an interim, or “preliminary” response to an application for title insurance and is intended to facilitate the issuance of the designated policy or policies. It is normally prepared after application (order) for such policy(ies) of title insurance on behalf of the principals to a real property transaction, for the purpose of facilitating requirements relative to closing and policy issuance in form and content approved by those parties.

If a title policy is not contemplated, a Preliminary Report should not be ordered. Instead, consideration should be given to requesting a **Condition of Title Report** or other similar title product.

The Preliminary Report states that it is made solely to facilitate the subsequent issuance of a title insurance policy and that the insurer assumes no liability for errors in the report. Accordingly, any claim arising from a defect in title must be made under the title policy and not the Preliminary Report.

After a title order has been placed, matters relative to the title policy coverage on the subject property are assembled in a title search package and examined by skilled technicians. This is when the Preliminary Report is prepared and sent to the client. The report contains relevant information so that the parties to the transaction will become aware of matters which will not be insured against by the title company. This report is issued before the title policy, hence the name Preliminary Report.

### The matters shown in the report are as follows:

- The estate of interest covered
- The owner of the estate or interest
- The parcel of land involved
- The exceptions, liens, encumbrances and other risks which will not be insured against if a title policy is issued.
- Other requirements and provisions which are reflected as “Notes” in the Preliminary Report which are removed if and when a title policy is issued.





# Statement of Information

What is it & why would you need to fill one out?



**Do you have questions? We are here to help.**

As part of the process to sell, purchase or refinance a property, you may be requested to complete a **Statement of Information** to assist your team at Fidelity National Title in the process of researching and clearing the title to the property. A Statement of Information requests information about you and, if applicable, your spouse or partner such as past addresses, employment and other identifying information to assist us in that process.

Under California Recording law, liens recorded in the **General Index** of a County in the name of individuals or companies attach to property owned in that County by those individuals or companies. Some examples of the types of liens found in the General Index are bankruptcies, judgments, child support and tax liens. As part of the process of clearing the title to issue a **Title Policy**, a review of the General Index is completed by the Title Department prior to the close of your escrow.

Sometimes, if it cannot be clearly determined from information contained on the lien document whether a matching name is only a similar name and not actually you, we may ask for additional information to help us clarify.

Since there are so many similar names, a Statement of Information is very helpful and will speed up the title clearing process and improve the accuracy of the results that must be considered before the Title Policy is issued. The information provided can, in some cases, even help us detect fraud or forgery affecting the property. Therefore, it is important to completely fill out the form and have you (and your spouse or partner, if applicable) sign it.

Fidelity National Title complies with the **Privacy Act** and will safeguard your personal information and only use it to assist in clearing your title. We do not contact any Credit Reporting Agencies as part of the process nor do we provide or sell the information you give us to any outside companies or agencies.



# Common Ways of Holding Title (Vesting)

Descriptions are provided for general reference purposes only. Please consult your attorney for detailed information about the best option for your specific needs.

|                    | Community Property                                                                                                                                                   | Joint Tenancy                                                                                                                                       | Tenancy In Common                                                                                                           | Title Holding Trust                                                                                                                                                                             | Community Property Right of Survivorship                                                                                                                                 |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Parties            | Only Married Spouses                                                                                                                                                 | Any number of persons (can be Married Spouses)                                                                                                      | Any number of persons (can be Married Spouses)                                                                              | Individuals, groups of persons, partnership or corporations, a living trust                                                                                                                     | Only Married Spouses                                                                                                                                                     |
| Division           | Ownership and managerial interests are equal                                                                                                                         | Ownership interest must be equal                                                                                                                    | Ownership can be divided into any number of interests equal or unequal                                                      | The beneficial interest in the trust is a personal property interest. The trustees who create the trust may divide the beneficial interest into any number of interests.                        | Ownership and managerial interests are equal                                                                                                                             |
| Title              | Title is in the "community." Each interest is separate but management is unified                                                                                     | Sale or encumbrance by joint tenancy serves joint tenancy                                                                                           | Each co-owner has a separate legal title to his/her undivided interest                                                      | Legal and equitable title is held by the trustee                                                                                                                                                | Title is in the "community," management is unified                                                                                                                       |
| Possession         | Both co-owners have equal management and control                                                                                                                     | Equal right of possession                                                                                                                           | Equal right of possession                                                                                                   | Right of possession as specified in the trust provisions                                                                                                                                        | Both co-owners have equal management and control                                                                                                                         |
| Conveyance         | Requires written consent of other spouse-or actual conveyance by deed. Separate interest is divisible by will                                                        | Title is held jointly. Conveyance by one co-owner without the others breaks the joint tenancy                                                       | Each co-owner's interest may be conveyed separately by its owner                                                            | Designated parties with the trust agreement authorize the trustee to convey property. Also a beneficiary's interest in the trust may be transferred. <i>"If allowed by the Trust Agreement"</i> | Right of survivorship may be terminated pursuant to the same procedures by which a joint tenancy may be severed                                                          |
| Purchaser's Status | Purchaser can only acquire whole title of community; cannot acquire a part of it                                                                                     | Purchaser will become a tenant in common with other co-owners in the property as to the purchaser's interest. Other owners may remain joint tenants | All the co-owners may agree to make the purchaser a joint tenant with them. Otherwise, the parties become tenants in common | A purchaser may obtain a beneficial interest by assignment or may obtain legal and equitable title from the trust                                                                               | A purchaser can only acquire an interest in property as a tenant in common with a husband and wife (can be Married Spouses) holding their interest as community property |
| Death              | A ½ interest is owned by law by the surviving spouse. The decedent first spouse may only devise their ½ interest                                                     | On co-owner's death his/her interest ends and cannot be disposed of by will. Survivor owns the property by survivorship                             | On co-owner's death his/her interest passes by will to devisee or heirs. No survivorship right                              | Successor beneficiaries may be named in the trust agreement, eliminating the need for probate                                                                                                   | Upon the death of a spouse, his/her interest passes to the surviving spouse, without administration, subject to the same procedures as property held in joint tenancy    |
| Successor's Status | If passing by will, tenancy in common between devisee and surviving spouse results                                                                                   | Last survivor owns property                                                                                                                         | Devisee or heirs become tenants in common                                                                                   | Defined by the trust agreement, generally the successor becomes the beneficiary and the trust continues                                                                                         | Surviving spouse owns property                                                                                                                                           |
| Creditor's Rights  | Property of community is liable for debts of either spouse which are made before or after marriage. Whole property may be sold on execution sale to satisfy creditor | Co-owner's interest may be sold on execution sale to satisfy creditor. Joint tenancy is broken, creditor becomes a tenant in common                 | Co-owner's interest may be sold on execution sale to satisfy his/her creditor. Creditor becomes a tenant in common          | Creditor may seek an order for the execution sale of the beneficial interest or, if the trust doesn't have a spendthrift clause, may seek an order that the trust estate be liquidated          | Property of community is liable for debts of either which are made before or after marriage; whole property may be sold on execution sale to satisfy creditor            |
| Presumption        | Strong presumption that property acquired by Married Spouses is community                                                                                            | Must be expressly stated                                                                                                                            | Favored in doubtful cases except Married Spouse cases                                                                       | A trust is expressly created by an executed trust agreement                                                                                                                                     | Must be expressly stated                                                                                                                                                 |