

## Underlying Documents

### Conducting Title Searches of Underlying Documents

Pacific Coast Title will search the title records of any property when a Preliminary Report is requested. Within the Preliminary Report it will show the legal description of the property, the current owner's name, all underlying encumbrances, liens, judgments, deeds and any other underlying matters such as easements, covenants, conditions and restrictions (CC&R's), and AGREEMENTS which affect and run with the land.

- View easements or covenants
- Height restrictions
- Building limitations
- Encroachment issues such as fence lines, gardens, and even swimming pools crossing property lines
- Water well sharing
- Parking
- Road maintenance
- Shared driveway
- Solar panels
- Noise
- Covenants, Conditions and Restrictions (CC&R's)

If there are any outstanding issues, Pacific Coast Title will work with the appropriate parties to make sure that the items are satisfied, paid and/or removed before closing.

### There are Several Types of Title Policies:

**Standard Coverage Owner's Title Policy (CLTA Standard)** – Covers clear title, incorrect signatures, fraud, forgery, defects in recordation, restrictive covenants, encumbrances and judgments.

**Home Owners Extended Coverage Residential Owner's Title Policy (ALTA/CLTA HOP)**- Covers building permit violations from previous owners, covenant violations from previous owners, subdivision maps, living trusts, structure damages from mineral extractions, encroachments and forgeries after title is issued.

**Lender's Title Policy (ALTA Concurrent)** – Covers mechanic's liens and unrecorded liens, unrecorded easement and access rights and defects and other unrecorded documents.

### Benefits of Title Insurance

An ALTA/CLTA HOP Policy from Pacific Coast Title affords the buyer and his or her heirs protection against any serious financial loss due to a defect in the title of the property and protects the seller from breach of warranties. Title insurance covers claims arising out of problems that could have been discovered in a public record search. In addition, those that are considered non-recorded defects that could not have been discovered in a public records search.

Title insurance is required by all lenders. A lender's title insurance policy (ALTA Concurrent) provides coverage for the lender against the loss of security as a result of a title problem. The lender's protection remains in effect until the mortgage is paid and satisfied.

Typically owners title insurance is a single one-time premium. In some areas the seller pays for the owners policy in other areas it is the buyer. However it is customary that the buyer purchase the lenders policy. A refinance of the lenders policy will usually require a new policy.