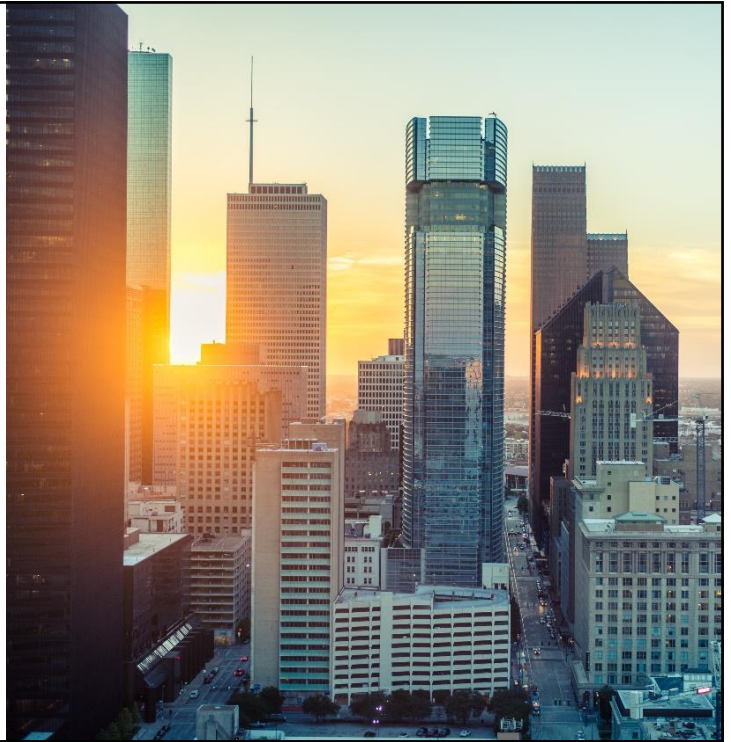


Title Insurance: Common Title Issues & Fixes

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Abstracts of Judgment

An Abstract of Judgment is generally a summary of a court case judgment that details the creation of a lien on the defendant's real property when filed of public record.

Issues:

- Lien Priority
- Validity

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Abstracts of Judgment

Title Insurance Requirements

- Release / Partial Release of the Subject Property
- Affidavit of payment and/or sufficient evidence of satisfaction of judgment from the debtor or the debtor's attorney.



Abstracts of Judgment

Abstract of Lien Filed Against Homestead

- Specific procedure outlined in Tex. Prop. Code §52.0012(f) for release of lien on homestead property.
- Requires:
 - at least a 30-day waiting period after:
 - recording
 - and notice to the creditor to allow the creditor to record a contradicting affidavit.

Abstracts of Judgment

Abstracts of Judgment – Wrong Person?

- Name Searches performed by the title company
- Filed against someone with the same or similar name to the Borrower
- Make a Reasonable determination that the proposed borrower and debtor are not the same person

An Affidavit of Identity with corroborating evidence with affiant affirmatively denying that they are the debtor under penalties of perjury.

Abstracts of Judgment

Discharge in bankruptcy does not automatically remove a judgment lien.

Lien recorded on or after September 1, 1993, is extinguished if:

- Property owned by the debtor when bankruptcy was filed or was acquired after the bankruptcy was filed, and
- Debt evidencing the judgment is discharged (must be listed on the debtor's schedules in time for the creditor to file a proof of claim).

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