



title and escrow essentials

PROPERTY INSPECTIONS

Did you know that title companies inspect properties?

This is the case roughly 35% of the time we are asked to issue title insurance. When you see the following **title special exception** on your title commitment, you should know that an inspector will be coming to the subject property:

“Matters relating to the questions of survey, rights of parties in possession, and unrecorded lien rights for labor and material, if any, the disposition of which will be furnished by supplemental report.”

Some of the things the inspector looks for:

- Recent improvements on the property
- Encroachments
- Rights of parties in possession
- Other matters that would disclose a title defect that aren't disclosed in public records

The inspection is usually 'triggered' if:

- Tax values jump significantly
- The property has not been insured in many years
- There is an encroachment/potential encroachment
- There is a recorded survey disclosing potential matters listed above
- It involves new construction or a new subdivision

*If you see this Note: You should know that all Inspection Matters have been cleared:

NOTE: THE MATTERS RELATING TO THE QUESTIONS OF SURVEY, RIGHTS OF PARTIES IN POSSESSION, AND UNRECORDED LIENS FOR LABOR AND MATERIAL HAVE BEEN CLEARED FOR THE LOAN POLICY WHICH, WHEN ISSUED, WILL CONTAIN THE ALTA 9-06 OR WLTA100 ENDORSEMENT, AS APPROPRIATE FOR THE POLICY FORM.

The inspection cost is covered by CW Title and is not passed on to the client. It is not a survey, but it is a pretty accurate snapshot of the above issues. To find out definitively, the client would need to order a survey.

Connect with CW Title to get answers to all of your title and escrow questions!
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