



WHAT TO LOOK FOR IN YOUR PRELIMINARY REPORT

- 1) **Vested Owners Name:** Are the names the same as shown on purchase agreement/deposit receipt? Have all parties executed and approved the purchase agreement?
- 2) **Type of Estate or Interest:** Fee title or other (Leasehold or Equitable).
- 3) **Printed Exceptions:** Current Taxes, supplemental taxes due to recent re-assessment, lien for future supplemental taxes, sale to state for unpaid delinquent taxes/bonds.
- 4) **Easements:** Understand the type and location of all easements.
- 5) **Covenants, Conditions and Restrictions:** Declaration by owners of any subdivision prior to sale describing property restrictions and agreements affecting said property and future owner's. Also referred to as CC&R's.
- 6) **Deeds of Trust:** All existing loans against the property or the existence of any paid-off loans which have not yet been reconveyed of record.
- 7) **Notice of Default:** Alerts all parties of an existing foreclosure proceeding.
- 8) **State or Federal Tax Liens, Judgments, Bankruptcy** or other court proceedings affecting the seller and/or the property.
- 9) **Legal Description:** A method of geographically identifying a parcel of land, by lot and block or metes and bounds. Also discloses assessors parcel number.
- 10) **5 Year Short Term Rate:** Notation at the end of preliminary report. STR indicates property is subject to short term rate which allows for a 20% reduction in the title insurance premium. CornerStone Title has a 5 year short term rate, which means if there has been any insured transaction within the last 5 years the discount will apply. Property did not have to be insured previously by CornerStone Title in order for us to give the discount.

Your report provides vital information to all parties and protects a purchaser against title defects and future losses.