



Title Insurance 101

Real Estate Documents, Fee Simple Title
& County Records

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COUNTY RECORDS

- Register of Deeds
 - Recording
 - Grantor/Grantee Index
- Tax Rolls
 - Water & Sewer Department
- Abatements; Fines & Penalties; Fees
- DataTrace/Titlewave/other “plants”

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RECORDING

- What is it?
 - Centralized system for keeping real estate records
- Why do it?
 - Recording real estate docs provides constructive notice of the contents of those docs
 - Gives the public a limited right to rely on the official record for the status of real estate title
 - Provides the basis for establishing priority of interests
- Principal responsibility lies with the ROD
 - One per county – elected official

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RECORDING REQUIREMENTS

- See MCL 565.201
- Name of each person executing – without discrepancy
 - Signed and dated
- Notary
 - Traditional vs RON
- Not smaller than 10pt font
- Paper size not more than 8.5 x 14
- Legible
- 2.5" top margin; ½" side/bottom margins
- Contains ONE recordable event

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RECORDING REQUIREMENTS

- Name of the drafter
- Tax certification from the treasurer (deeds, L/C, etc)
- Payment of transfer taxes (county & state)
 - Or recite proper exemption
- Death certificate – if conveyance by survivors
- “Return to” name/address

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RECORDING PROCESS

- Upon receipt of doc – ROD office verifies if recording requirements are met
- If yes, doc & fees accepted – ROD logs acceptance in the Entry Book
 - Often see a “received” date/time stamp
 - Officially deemed recorded at this point
- Once received, doc is given a liber & page (or Instrument/Document Number as the case may be)
 - Once logged in the official index (grantor/grantee)

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BRIEF COMMENT ON E-RECORDING

- Done via vendor portal to the ROD (ePN, Simplifile, etc)
- No County in the country is recording a truly electronic document
 - They are all images or copies
- Differences between mortgage/refi transactions and sales
 - Sales require Treasurer tax cert – so e-recording a deed is only helpful if Treasurer office is also online

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FINAL COMMENTS ON RECORDING

- Proof docs before and during closing to minimize errors
- Have parties check name spellings & addresses
- Crucial to get documents recorded timely
- “Gap” period
 - ALTA Best Practice – submission within 2 days
 - Covered by the policy

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COMMON REAL ESTATE DOCUMENTS

- Affidavits
- Purchase agreements
- Land Contract/ Memorandum of Land Contract
- Leases/ Memorandum of Leases
- Oil & Gas Leases
- Easements & Right of Ways

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REAL ESTATE DOCUMENTS

- Plat
- Lis Pendens
- Building & Use Restrictions (or CCRs)
- Judgments (Divorce, Quiet Title, etc)
- Condominium Master Deed
- Claim of Interest
- Letters of Authority

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REAL ESTATE DOCUMENTS

DEEDS

- Warranty Deed
- Quit Claim Deed
- Covenant Deed
- Sheriff's Deed
- Deeds in Lieu of Foreclosure
- Tax Deed

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REAL ESTATE DOCUMENTS

MORTGAGES

- Purchase Money Mortgage
- Refinance Mortgage
- Home Equity Mortgage
- Reverse Mortgage
- Assignments Rents & Leases

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REAL ESTATE DOCUMENTS

LIENS

- Federal Tax Liens
- State Tax Liens
- Judgment Liens
- UCC Financing Statements
- Mechanic's Liens
- Release of Liens

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REAL ESTATE DOCUMENTS

- Corporate Documents
 - Articles of Incorporation
- Limited Liability Companies (LLC)
 - Articles of Organization
 - Operating Agreement
- Partnerships
 - Partnership Agreement
- Trust Agreements
- Certificate of Trust

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FEE SIMPLE TITLE

Definition: Complete and total ownership of real property (the whole bundle of sticks)

TYPES OF TENANCY:

- Tenants in common
- Joint Tenants
- Joint tenants with full rights of survivorship
- Tenancy by the entireties

FEE SIMPLE IS SUBJECT TO:

- Homestead

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Secondary Sources

- Michigan Land Title Standards
- “Michigan Real Property Law” by John G. Cameron
- Underwriter materials – bulletins, training materials, etc.

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QUESTIONS?

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