

11 RESOLUTIONS

FOR COMMON TRANSACTION FILE PROBLEMS

PROBLEM	RESOLUTION
Paid but unreleased loans	Research and work with the borrower and/or creditor/beneficiary to learn about the payoffs and have the loans released. Research must be done to determine the circumstances surrounding why the loan was not released which often requires contacting the creditor/beneficiary to determine the whereabouts of the original note and deed of trust or learn if a reconveyance was ever prepared and working with the borrower to locate evidence that the loan was paid off.
Seller not in title	Depending on the circumstances, may require further review and analysis. Please contact your Stewart Title escrow or title officer to address this matter.
Seller is deceased	Start with obtaining a copy of the death certificate for the deceased. Probate may be resolved using a copy of a community property agreement, copy of last will and testament, probate affidavit or, in some cases, deeds from potential heirs. Contact your Stewart Title escrow or title officer to address this matter.
Property over-encumbered	Start with an escrow-prepared estimated closing statement that shows an estimated shortfall. If you have a buyer willing to wait through the process, in some cases, the creditors/beneficiaries will negotiate lower payoffs to facilitate the sale transaction.
Federal tax liens	Obtain payoff demands and releases from the IRS in order to close your transaction.
Judgments against seller or buyer	If judgment is against the seller, the judgment must be paid before the purchase transaction closes with sales proceeds or, if paid prior to closing, then a release of judgment must be obtained from the creditor(s) to be recorded at closing. If the judgment is against the buyer, it must be addressed by the buyer with the lender. It's always good practice to have the judgment paid at or before the purchase transaction closes.
State warrant and state tax liens	Payoff demands and releases must be obtained from the appropriate state agency in order to close your transaction.
Pending lawsuits	The lawsuits likely need to be resolved before the transaction can close. In limited circumstances, a monetary holdback may be considered. Contact your Stewart Title escrow or title officer to address this matter.
Housing code violations	Violations typically need to be corrected and appropriate releases need to be obtained from the city/county building department.
Mechanics' liens	Mechanics' Liens must be paid at or before the purchase transaction closes, or, if already paid, a release of lien must be obtained for recording. In limited circumstances, a monetary holdback may be considered. Contact your Stewart Title escrow or title officer to address this matter.
Judgements/ Liens appearing of record against people with a similar name(s)	Individuals of similar name(s) involved in the Stewart Title transaction shall complete a Statement of Information and an affidavit directly addressing these judgments/liens.



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for more information.

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