

# New Member Training

## Basic Concepts



© 2022 Attorneys' Title Fund Services, L.L.C.  
Legal Education Department

<sup>1</sup>  
The  
Fund

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## New Member Training Goals

Make new Fund Members familiar with:

- The real estate closing process
- Title insurance commitments and policies
- Title insurance statutes and regulations
- Dealing with institutional lenders
- Potential problems and how to avoid claims
- Ethics involved in a real estate transaction
- The Fund's key personnel, resources, and services

<sup>2</sup>  
The  
Fund

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## A Brief History of The Fund

- Founded in 1948 by and for Florida attorneys to help them provide real estate purchasers and lenders with legal expertise and title protection
- Attorneys' Title Fund Services, ("ATFS") still known as The Fund, now provides services to thousands of Fund Members issuing title insurance on Old Republic National Title Insurance Company ("Old Republic")

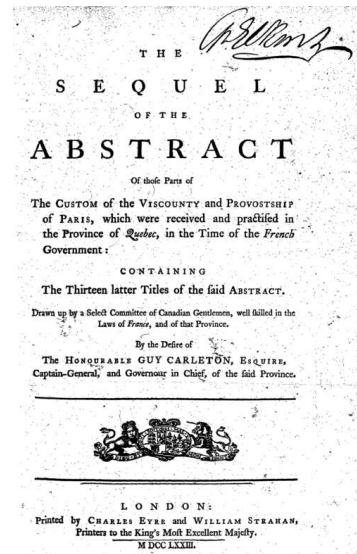
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## Searching Title to Land

- Initially **attorneys** searched and examined courthouse records manually and gave **opinions of title**
- Later, **abstracters** searched and digested public records to create abstracts
- **Abstracts** are a condensed history of title to land tracing ownership back to earliest public record including a statement of all liens, charges and liabilities
- **Title plants** were created to store and share abstracts. Some large title plants were later merged into The Fund



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## History of Title Insurance: Indexing and Title Plants

- Courts record documents in order received, then index by names of parties.
- The primary means of indexing by clerks is **Grantor/Grantee Index**.
- Before title plants, this was the only option for examining title
- Title Plants convert courthouse data to simply searches:
  - **Property Index** – instruments with legal descriptions indexed by **geographical location**
  - **General Index** – instruments indexed by names of parties
  - Title plant conversion may also reveal errors in documents



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## Computerization of Title Plants / ATIDS

The Fund developed a computerized title plant beginning in 1967.

- ATIDS rolled out in 1971 and includes both a **name index** and a **property index**
- The Fund's two data centers analyze every document, enter each document into system, and certify accuracy daily

Automated Title Information Data System (**ATIDS**) is the largest database of computerized title information in the state of Florida.



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## What is title examination?

A review and evaluation of recorded documents from past to present:

- To establish an unbroken “chain” of title
- To establish legal sufficiency of instruments (confirming accuracy of legal descriptions, parties, etc.)
- To determine encumbrances, limitations or adverse matters
- All to reach conclusion as to quality of title
  - Originally to prepare an “opinion of title”
  - Now to determine insurability of title interest, and
  - To determine what must be done to insure title and/or render title free of objectionable title defects



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## Encumbrances & Adverse Matters

- Encumbrances and adverse matters may appear in either name searches or property searches.
- Include liens, court actions, interests in land and restrictions on use
- Must be addressed in the Title Commitment as either:

- **B-I – Requirements, or**
- **B-II – Exceptions**



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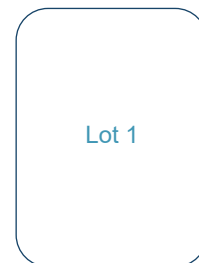
## Why Title Insurance?

- Lenders require assurance that mortgage liens will be valid and enforceable before making loans
- Owners need recourse in case of fraud, boundary disputes, prior liens, and other challenges to title
- Title insurance is the modern equivalent of lawyers' or abstractors' opinion of title
  - Doesn't rely on one professional's ability to pay in case of mistake/loss
  - Uses modern business practices for speed, flexibility, and uniformity



## Legal Descriptions – 4 Types in FL

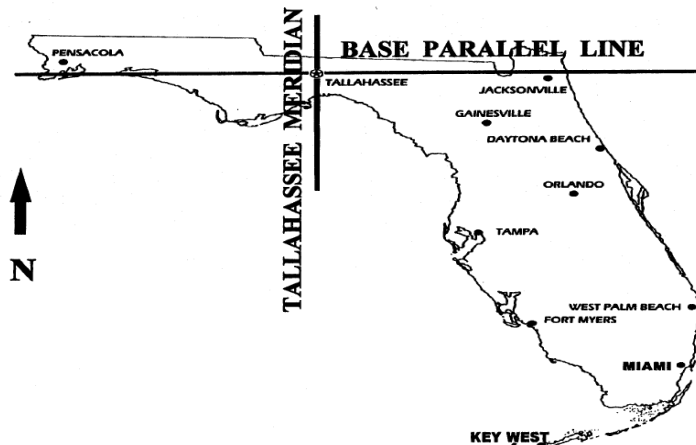
1. **Metes and Bounds** – Old system using measured straight runs (“Metes”) and boundaries like watercourses, stone walls, roads, etc. (“Bounds”)
    - “Beginning with a corner at the intersection of two stone walls ...”
  2. **Government Survey Method / Fractional Sections**
    - “The East ½ of the Southeast ¼ of Section \_\_\_\_”
  3. **Platted property**
    - Lot, Block, Plat Name, Plat Book No., and Page
  4. **Condominiums , Sec. 718.104, F.S.**
    - Official Record Book and Page for Declaration of Condominium
- Street address and tax ID ≠ legal description
  - Shape must close



# Government Survey Legal Descriptions

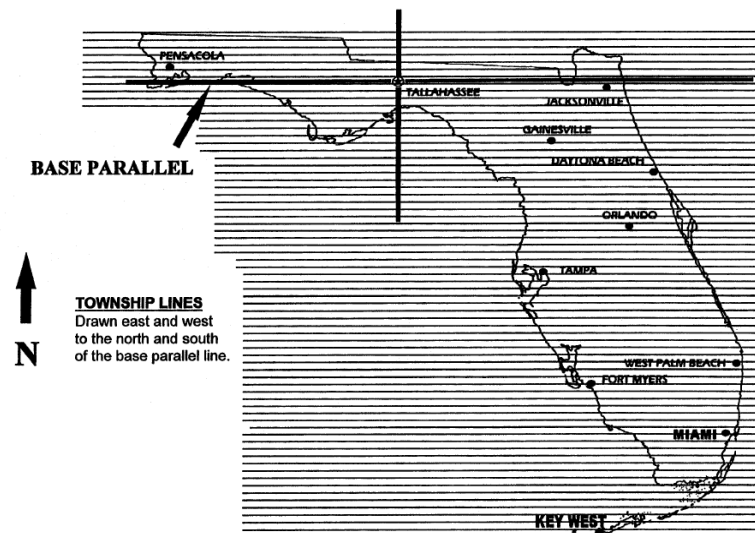
## GOVERNMENT SURVEY METHOD

Congress provided for the survey of all lands in the United States. The government survey excluded the original thirteen colonies where most of the land had been sold and already described using the monuments method. Texas was also excluded. In the rest of the United States, including Florida, the government survey is the basis for the legal description of real property. This rectangular survey system is said to have been devised by Thomas Jefferson in 1784 and was officially adopted by the United States in 1805. In Florida, Tallahassee is the location for the initial starting point of government surveys. A principal meridian (Tallahassee meridian) runs north and south through Tallahassee to the north boundary of the state and south out into the Gulf of Mexico. A base parallel line has also been established running east and west through Tallahassee intersecting the Tallahassee meridian and extending east into the Atlantic Ocean and west to the Florida boundary (and beyond).



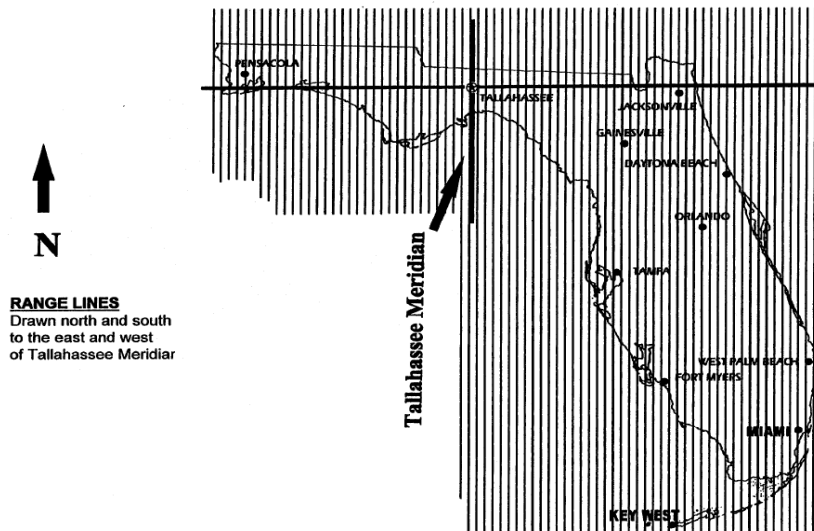
# Government Survey Legal Descriptions

Again starting at Tallahassee, the State is divided by lines running east and west, each measured six miles apart and drawn to the north and south of the base parallel line. These are called **township** lines. Each area lying between township lines is given a number determined by counting north and south from Tallahassee and is designated by **number and direction**, i.e., Township 1 North, Township 7 North, Township 30 South, Township 55 South.



## Government Survey Legal Descriptions

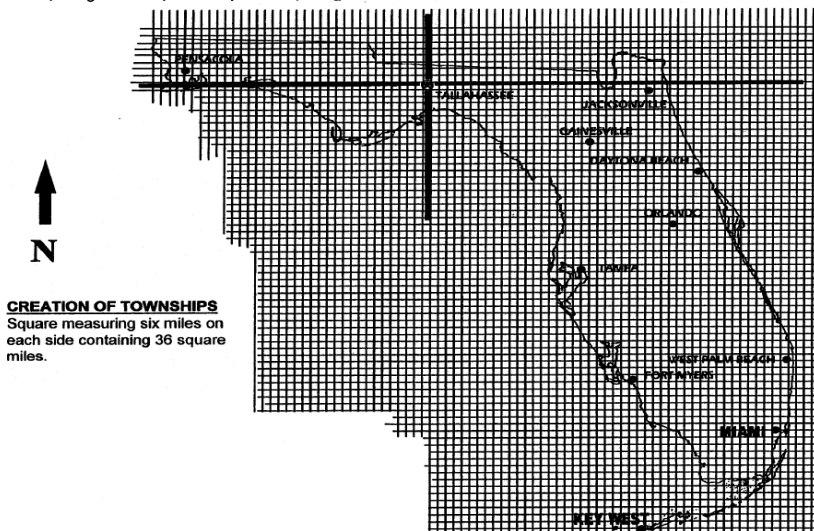
The state is then divided by lines running north and south, each measured six miles apart drawn to the east and west of the Tallahassee meridian. These are called **range** lines. Each area lying between range lines is given a number determined by counting east or west from Tallahassee and is designated by **number and direction**, i.e., Range 10 East, Range 20 East, Range 5 West, Range 40 West.



**RANGE LINES**  
Drawn north and south  
to the east and west  
of Tallahassee Meridian

## Government Survey Legal Descriptions

Each small box created by the intersecting lines is a township and can be identified by the **range** number and direction and **township** number and direction. In a legal description the location of the township is given first by the range, i.e., Township 21 South, Range 34 East, Township 2 North, Range 28 West.

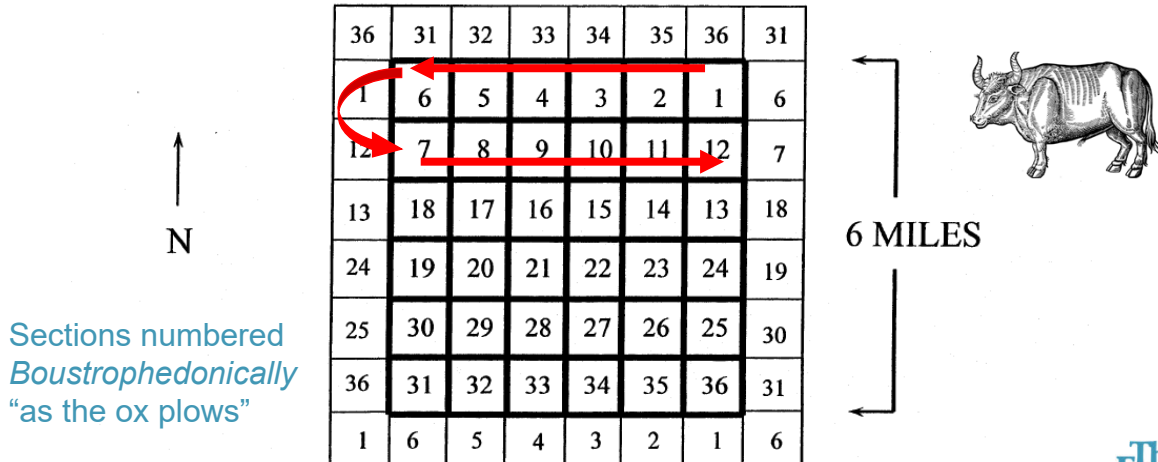


**CREATION OF TOWNSHIPS**  
Square measuring six miles on  
each side containing 36 square  
miles.



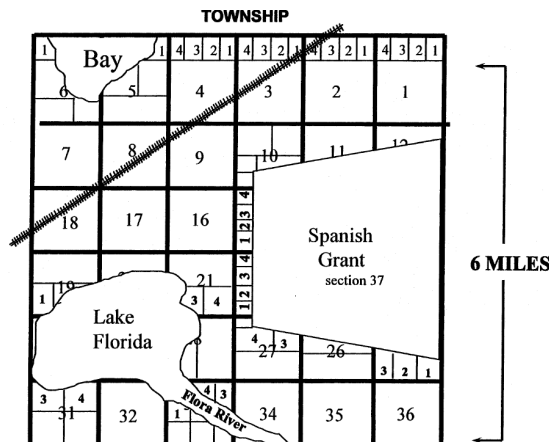
# Government Survey Legal Descriptions

Each box or square formed by intersecting township and range line is further divided into 36 squares, each having sides measuring one mile. Each square is called a section. Each section is given a number with Section 1 always in the northeast corner of the township. Section 6 is in the northwest corner, Section 31 is in the Southwest corner and Section 36 is in the southeast corner. In a legal description the section number precedes the township and range numbers.



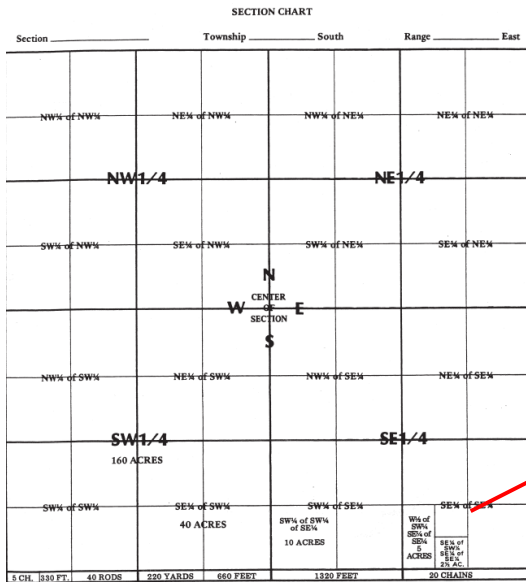
# Government Survey Legal Descriptions

In many areas of the state there are irregular tracts created by bays, oceans, navigable lakes, oversized sections, Spanish grants, rivers, etc., which cannot be divided using a regular quartering system. In these situations the government surveyor divided the land into irregular parcels called **government lots**, giving each lot a number within a section. When property is described using a government lot it is done in accordance with the original government survey or in accordance with a resurvey done to correct the original. Copies of the government surveys should be a part of the reference materials in every title plant. In examining the surveys be sure you look at the original and any resurveys. They are the official source for the size of every section, the location of government lots and are a basis for determining what bodies of water **may** be navigable.

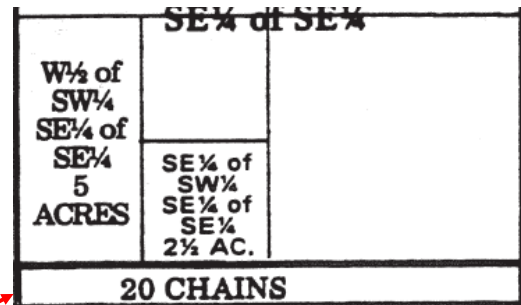




# Government Survey Legal Descriptions



**Tip:** Read fractional or “aliquot” descriptions backwards to locate on section chart



## END OF SECTION 1

# Anatomy of a Title Insurance Policy:

## The Title Insurance Commitment

- Commitment jacket
- Schedule A (terms of coverage)
- Schedule B-I: Requirements
- Schedule B-II: Exceptions

## Title Association

### Commitment Jacket

**AMERICAN LAND TITLE ASSOCIATION**  
COMMITMENT FOR TITLE INSURANCE  
(With Florida Modifications)

ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

**NOTICE**

**IMPORTANT—READ CAREFULLY:** THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRA CONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

**COMMITMENT TO ISSUE POLICY**

Subject to the Notice, Schedule B, Part I—Requirements, Schedule B, Part II—Exceptions, and the Commitment Conditions, Old Republic National Title Insurance Company, a Florida corporation, (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I—Requirements have not been met within 180 days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY  
A Stock Company  
1400 North Westshore Blvd., Suite 900, Tampa, FL 33607  
(813) 371-1111

 By  President  
Attest  Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice, the Commitment to Issue Policy, the Commitment Conditions, Schedule A, Schedule B, Part I—Requirements, and Schedule B, Part II—Exceptions, and a counter-signature by the Company or its issuing agent that may be in electronic form.

Form 123 - ALTA Commitment for Title Insurance 2021 v. 05.08 (with Florida Modifications)  
07-01-2021 1 of 4

**AMERICAN LAND TITLE ASSOCIATION  
COMMITMENT**  
(With Florida Modifications)

*ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY*

Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:

<b>Commitment Number:</b> 50156	<b>Revision Number:</b> None	<b>Issuing Office File Number:</b> Sassy to Brassy	<b>Issuing Agent:</b> Marguerita Daniels, P.A.
<b>Property Address:</b> 30 Classy Lane, Orlando, FL 32819	<b>Loan ID Number:</b> 6789876	<b>Issuing Office's ALTA® Registry ID:</b> 354321	<b>Issuing Officer:</b> 8999

**SCHEDULE A**

- Commitment Date: April 30, 2018 @ 11:00 PM
- Policy to be issued:
 

a. OWNER'S 2021 ALTA® Owner's Policy with Florida Modifications	Proposed Amount of Insurance:
Proposed Insured: Brassy Buyer	\$250,000.00
The estate or interest to be insured: Fee Simple	
- b. MORTGAGEE: 2021 ALTA® Loan Policy with Florida Modifications
 

Proposed Insured: JPMorgan Chase Bank, N.A.	\$150,000.00
The estate or interest to be insured: Fee Simple	
- The estate or interest in the Land at the Commitment Date is: Fee Simple
- The Title is, at the Commitment Date, vested in: Sally Sassy, as disclosed in the Public Records, has been since August 1, 2010
- The Land is described as follows: Lot 11, Block 2, TEQUILA, according to the Plat thereof, as recorded in Plat Book 92, Page 4, of the Public Records of Orange County, Florida.

Old Republic National Title Insurance Company  
1408 Westshore Blvd, Suite 900, Tampa, Florida 33607, (813) 375-1111

*Marguerita Daniels*  
AUTHORIZED SIGNATORY  
Marguerita Daniels  
Attorney at Law

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Form C21 - Schedule A - ALTA Commitment for Title Insurance 2021 v. 01.00 (with Florida Modifications) 8/19/2021 1 of 3

## Title Commitment

Basic information

- Property address
- Loan ID


Proposed new policies

- Proposed new owner
- Proposed mortgagee
- Amounts of coverage

Current status of property:

- Current owner
- Legal description

Date of title search


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**AMERICAN LAND TITLE ASSOCIATION  
COMMITMENT**  
(With Florida Modifications)

*ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY*

**Schedule B-1**

Issuing Office File Number: Sassy to Brassy

**REQUIREMENTS**

All of the following Requirements must be met:

- The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
- Pay the agreed amount for the estate or interest to be insured.
- Pay the premiums, fees, and charges for the Policy to the Company.
- Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
  - Warranty Deed from Sally Sassy, joined by spouse, if married, or non-homestead language, to the proposed purchaser(s).
  - Mortgage from Brassy Buyer, joined by spouse, if married, to the proposed mortgagee(s).
- Record satisfaction of the mortgage from Sally Sassy to HSBC Bank, N.A. dated August 1, 2010 and recorded in O.R. Book 30080, Page 11, Public Records of Orange County, Florida.
- Homeowner's Association estoppel letter must be furnished showing that the assessments are current and that there are no unpaid special assessments.

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Form C21 - Schedule B-1 - ALTA Commitment 2021 v. 01.00 (with Florida Modifications) 8/19/2021 2 of 3

## Title Commitment

B-I Requirements

Steps necessary to issue policy

- Payment
- Documents
- Title matters
  - Satisfy prior encumbrances
  - Obtain estoppels from Associations
  - More based on specific situation


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AMERICAN LAND TITLE ASSOCIATION  
COMMITMENT  
(With Florida Modifications)

ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

Schedule B-II

Issuing Office File Number: Sassy to Brassy

EXCEPTIONS FROM COVERAGE

SOME HISTORICAL LAND RECORDS CONTAIN DISCRIMINATORY COVENANTS THAT ARE ILLEGAL AND UNENFORCEABLE BY LAW. THIS COMMITMENT AND THE POLICY TREAT ANY DISCRIMINATORY COVENANT IN A DOCUMENT REFERENCED IN SCHEDULE B AS IF EACH DISCRIMINATORY COVENANT IS REDACTED, REPUDIATED, REMOVED, AND NOT REPUBLISHED OR RECIRCULATED. ONLY THE REMAINING PROVISIONS OF THE DOCUMENT WILL BE EXCEPTED FROM COVERAGE.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.
2. a. General or special taxes and assessments required to be paid in the year 2018 and subsequent years.  
b. Rights or claims of parties in possession not recorded in the Public Records.  
c. Any encroachment, encumbrance, violation, variation or adverse circumstance that would be disclosed by an inspection or an accurate and complete land survey of the Land and inspection of the Land.  
d. Easements or claims of easements not recorded in the Public Records.  
e. Any lien, or right to a lien, for services, labor or material furnished, imposed by law and not recorded in the Public Records.
3. Any Owner's Policy issued pursuant hereto will contain under Schedule B the following exception: *Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the Land insured hereunder, including submerged, filled and artificially exposed lands, and lands accreted to such lands.*
4. Restrictions, conditions, reservations, easements, and other matters contained on the Plat of TEQUILA as recorded in Plat Book 92, Page 4, Public Records of Orange County, Florida.
5. Any lien provided by County Ordinance or by Chapter 159, Florida Statutes, in favor of any city, town, village or port authority, for unpaid service charges for services by any water systems, sewer systems or gas systems serving the land described herein, and any lien for waste fees in favor of any county or municipality.
6. Covenants, conditions, rights, assessments, easements and restrictions recorded July 2, 2009, in O.R. 27891, Page 80, Public Records of Orange County, Florida (hereinafter "Declaration"). Such declaration may establish and provide without limitation for easements, liens, charges, and/or assessments.
7. Easement in favor of Duke Energy, recorded September 10, 2009, in O.R. 27894, Page 99, Public Records of Orange County, Florida.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice, the Commitment to Issue Policy, the Commitment Conditions, Schedule A, Schedule B, Part I—Requirements, and Schedule B, Part II—Exceptions, and a counter-signature by the Company or its issuing agent that may be in electronic form.

Form C21 - Schedule B-II - ALTA Commitment 2021 v. 01.08 (with Florida Modifications)

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## Title Commitment

### B-II Exceptions

- Specific known issues not covered
- Kept, deleted, or modified as appropriate
- Final result becomes Policy Schedule B

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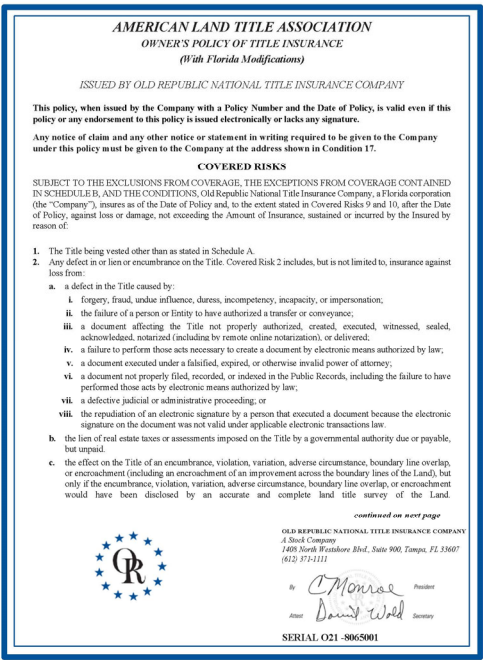
## Types of Florida Title Insurance

- Owner's Policy (O21) ALTA 2021 Owner's Policy with Florida modifications
  - Indemnifies owner against loss if title is unmarketable
  - Issued for full insurable value = fair market value
- Loan Policy (M21) ALTA 2021 Loan Policy with Florida modifications
  - Indemnifies lender against loss if the mortgage is not a valid lien of specified priority
  - Issued for full principal indebtedness or up to 125% of that amount
- CPLs = Closing Protection Letters

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AMERICAN LAND TITLE ASSOCIATION  
OWNER'S POLICY OF TITLE INSURANCE  
(With Florida Modifications)

ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

This policy, when issued by the Company with a Policy Number and the Date of Policy, is valid even if this policy or any endorsement to this policy is issued electronically or lacks any signature.

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Condition 17.

**COVERED RISKS**

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, Old Republic National Title Insurance Company, a Florida corporation (the "Company"), insures as of the Date of Policy and, to the extent stated in Covered Risks 9 and 10, after the Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

- The Title being vested other than as stated in Schedule A.
- Any defect in or lien or encumbrance on the Title. Covered Risk 2 includes, but is not limited to, insurance against loss from:
  - a defect in the Title caused by:
    - forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - the failure of a person or Entity to have authorized a transfer or conveyance;
    - a document affecting the Title not properly authorized, created, executed, witnessed, sealed, acknowledged, returned (including by remote online notarization), or delivered;
    - a failure to perform those acts necessary to create a document by electronic means authorized by law;
    - a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - a document not properly filed, recorded, or indexed in the Public Records, including the failure to have performed those acts by electronic means authorized by law;
    - a defective judicial or administrative proceeding; or
    - the repudiation of an electronic signature by a person that executed a document because the electronic signature on the document was not valid under applicable electronic transactions law.
  - the lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid;
- the effect on the Title of an encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment (including an encroachment of an improvement across the boundary lines of the Land), but only if the encumbrance, violation, variation, adverse circumstance, boundary line overlap, or encroachment would have been disclosed by an accurate and complete land title survey of the Land.

*continued on next page*

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY  
A Stock Company  
1408 Westshore Blvd., Suite 900, Tampa, FL 33607  
(813) 373-1111

*M. Monreal* President  
*Daniel Wolf* Secretary


SERIAL 021-8065001

Form 021 - ALTA Owner's Policy of Title Insurance 2013 v. 01.00 (with Florida Modifications)  
01/26/2023 Page 1 of 9

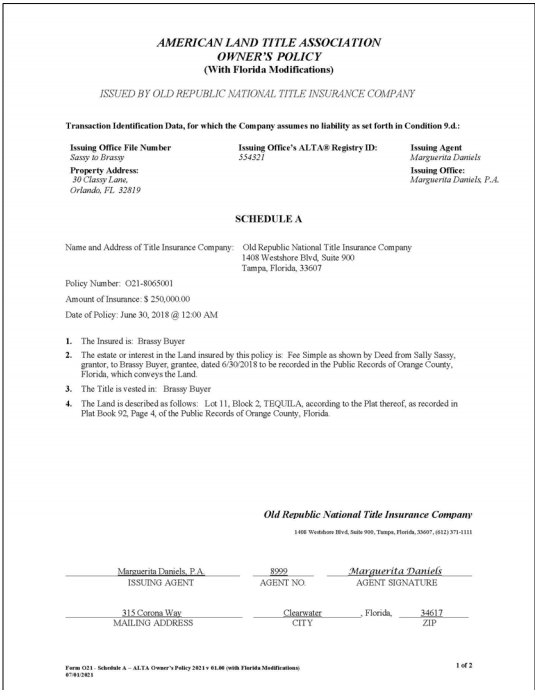
## Owner's Policy

### Owner's Policy Jacket

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AMERICAN LAND TITLE ASSOCIATION  
OWNER'S POLICY  
(With Florida Modifications)

ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

Transaction Identification Data, for which the Company assumes no liability as set forth in Condition 9.d:

<b>Issuing Office File Number</b> Sally to Brassy	<b>Issuing Office's ALTA® Registry ID:</b> 354521	<b>Issuing Agent</b> Marguerita Daniels
<b>Property Address:</b> 30 Classy Lane, Orlando, FL 32819		<b>Issuing Office:</b> Marguerita Daniels, P.A.

**SCHEDULE A**

Name and Address of Title Insurance Company: Old Republic National Title Insurance Company  
1408 Westshore Blvd, Suite 900  
Tampa, Florida, 33607

Policy Number: 021-8065001  
Amount of Insurance: \$ 250,000.00  
Date of Policy: June 30, 2018 @ 12:00 AM

- The Insured is: Brassy Buyer
- The estate or interest in the Land insured by this policy is: Fee Simple as shown by Deed from Sally Sassy, grantor, to Brassy Buyer, grantee, dated 6/30/2018 to be recorded in the Public Records of Orange County, Florida, which conveys the Land.
- The Title is vested in: Brassy Buyer
- The Land is described as follows: Lot 11, Block 2, TEQUILA, according to the Plat thereof, as recorded in Plat Book 92, Page 4, of the Public Records of Orange County, Florida.

**Old Republic National Title Insurance Company**  
1408 Westshore Blvd., Suite 900, Tampa, Florida, 33607, (813) 373-1111

<u>Marguerita Daniels, P.A.</u> ISSUING AGENT	<u>8999</u> AGENT NO.	<u>Marguerita Daniels</u> AGENT SIGNATURE
<u>315 Corona Way</u> MAILING ADDRESS	<u>Clearwater</u> , Florida, CITY	<u>34617</u> ZIP

Form 021 - Schedule A - ALTA Owner's Policy 2013 v. 01.00 (with Florida Modifications)  
07/01/2021 1 of 2

## Owner's Policy

Basic information

- Policy number
- Effective date
- Agent file reference

Insured


- Owner

Current status of property:

- Current owner
- Legal description

Agent signs

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**AMERICAN LAND TITLE ASSOCIATION  
OWNER'S POLICY  
(With Florida Modifications)**

*ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY*

Policy Number: 021-8065001

**SCHEDULE B  
EXCEPTIONS FROM COVERAGE**

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorney's fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

1. General or special taxes and assessments required to be paid in the year 2018 and subsequent years.
2. DELETED
3. Any encroachment, encumbrance, violation, variations or adverse circumstances, if any, actually shown on the survey prepared by J.R. Daniels, Surveyor, dated May 28, 2018, bearing Job #5708.
  - a. 6.5" encroachment of chain link fence on west and north side of property.
  - b. Concrete drive encroachment along north property line.
  - c. A/C pad encroachment along west property line.
4. DELETED
5. DELETED
6. Any adverse ownership claim by the State of Florida by right of sovereignty to any portion of the Land(s) insured hereunder, including submerged, filled and artificially exposed lands, and lands accreted to such lands.
7. Restrictions, conditions, reservations, easements, and other matters contained on the Plat of TEQUILA as recorded in Plat Book 92, Page 4, Public Records of Orange County, Florida.
8. DELETED
9. Covenants, conditions, rights, assessments, easements and restrictions recorded July 2, 2009, in O.R. 27891, Page 80, Public Records of Orange County, Florida (hereinafter "Declaration"). Such Declaration may establish and provide without limitation for easements, liens, charges, and/or assessments.
10. Easement in favor of Duke Energy, recorded September 10, 2009, in O.R. 27994, Page 99, Public Records of Orange County, Florida.
11. Mortgage in the sum of \$150,000.00 from Brassy Buyer to JP Morgan Chase Bank, N.A. dated 6/30/2018, to be recorded in the Public Records of Orange County, Florida, which encumbers the Land.

Form 021 - Schedule B ALTA Owner's Policy 2021 v. 1.00 (with Florida Modifications)  
6/16/2021

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**AMERICAN LAND TITLE ASSOCIATION**  
**LOAN POLICY OF TITLE INSURANCE**  
*(With Florida Modifications)*

*ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY*

This policy, when issued by the Company with a Policy Number and the Date of Policy, is valid even if this policy or any endorsement to this policy is issued electronically or lacks any signature.


Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Condition 16.

**COVERED RISKS**

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, Old Republic National Title Insurance Company, a Florida corporation (the "Company"), insures as of the Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after the Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. The Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. Covered Risk 2 includes, but is not limited to, insurance against loss from:
  - a. a defect in the Title caused by:
    - i. forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - ii. the failure of a person or Entity to have authorized a transfer or conveyance;
    - iii. a document affecting the Title not properly authorized, created, executed, witnessed, sealed, acknowledged, notarized (including by remote online notarization), or delivered;
    - iv. a failure to perform those acts necessary to create a document by electronic means authorized by law;
    - v. a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - vi. a document not properly filed, recorded, or indexed in the Public Records, including the failure to have performed those acts by electronic means authorized by law;
    - vii. a defective judicial or administrative proceeding; or
    - viii. the repudiation of an electronic signature by a person that executed a document because the electronic signature on the document was not valid under applicable electronic transactions law;

*continued on next page*



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY  
A Stock Company  
1600 South Westshore Blvd., Suite 900, Tampa, FL 33607  
(813) 571-1111

*By*  *President*


*Attest*  *Secretary*

SERIAL M21 -8050498

# Loan Policy

## Loan Policy Jacket

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Form M21 - ALTA Loan Policy of Title Insurance 2021 v. 01.00 (with Florida Modifications)  
07/01/2021

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## AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (With Florida Modifications)

ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

Transaction Identification Data, for which the Company assumes no liability as set forth in Condition 9.e.:

<b>Loan ID Number</b> 6789876 <b>Property Address:</b> 30 Clayco Lane, Orlando, FL 32819	<b>Issuing Office File Number</b> Sassy to Brassy <b>Issuing Office's ALTA® Registry ID:</b> 554217	<b>Issuing Agent</b> Marguerita Daniels <b>Issuing Office:</b> 8999
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**SCHEDULE A**

Name and Address of Title Insurance Company: Old Republic National Title Insurance Company  
1408 Westshore Blvd, Suite 900  
Tampa, Florida, 33607

Policy Number: M21-8050498  
Amount of Insurance: \$ 150,000.00  
Date of Policy: June 30, 2018 @ 12:00 AM

- The Insured is: JPMorgan Chase Bank, N.A.
- The estate or interest in the Land encumbered by the Insured Mortgage is: Fee Simple
- The Title encumbered by the Insured Mortgage is vested in: Brassy Buyer
- The Insured Mortgage and its assignments, if any, are described as follows: Mortgage in the sum of \$150,000.00 from Brassy Buyer, to JPMorgan Chase Bank, N.A., dated 6/30/2018, to be recorded in the Public Records of Orange County, Florida, which encumbers the Land.
- The Land is described as follows: Lot 11, Block 2, TEQUILA, according to the Plat thereof, as recorded in Plat Book 92, Page 4, of the Public Records of Orange County, Florida.
- This policy incorporates by reference the endorsements designated below, adopted by the American Land Title Association, with Florida modifications as indicated, as of the Date of Policy:
 

☐ ALTA 4.1 Condominium—Current Assessments endorsement (with Florida modifications)  
☒ ALTA 5.1-6 Planned Unit Development—Current Assessments endorsement (with Florida modifications)  
☒ ALTA 6 Variable Rate Mortgage endorsement  
☐ ALTA 6.2 Variable Rate Mortgage—Negative Authorization endorsement  
☒ ALTA 7-6 Manufactured Housing Unit endorsement  
☒ ALTA 8.1 Environmental Protection Lien endorsement (with Florida modifications)  
☒ ALTA 9-96 Easements, Encroachments, Easements (with Florida modifications)  
☐ ALTA 13.1-96 Leasehold Lien

*Old Republic National Title Insurance Company*  
1408 Westshore Blvd, Suite 900, Tampa, Florida, 33607, (813) 278-1111

_____ Marguerita Daniels, P.A. ISSUING AGENT	8999 AGENT NO.	_____ Marguerita Daniels, P.A. AGENT SIGNATURE
_____ 315 Corona Way MAILING ADDRESS	Clearwater CITY	_____, Florida, 34617 ZIP

# Loan Policy

## Basic information

- Policy number
- Effective date
- Agent file reference

## Insured

- Lender

## Current status of property:

- Current owner
- Legal description
- Endorsements

## Agent signs

Form M21 - Schedule A - ALTA Loan Policy 2018 v 01.00 (with Florida Modifications)  
07/01/2013

1 of 3

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<p style="text-align: center;"><b>AMERICAN LAND TITLE ASSOCIATION</b>  <b>LOAN POLICY</b>  <b>(With Florida Modifications)</b></p> <p style="text-align: center;"><i>ISSUED BY OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY</i></p> <p>Policy Number: M21-8050498</p> <p style="text-align: center;"><b>SCHEDULE B</b>  <b>EXCEPTIONS FROM COVERAGE</b></p> <p><b>Schedule B – Part I</b></p> <p>Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, republished, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.</p> <p>This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:</p> <ol style="list-style-type: none"> <li>1. General or special taxes and assessments required to be paid in the year 2018 and subsequent years.</li> <li>2. Restrictions, conditions, reservations, easements, and other matters contained on the Plat of TEQUILA as recorded in Plat Book 92, Page 4, Public Records of Orange County, Florida.</li> <li>3. DELETED</li> <li>4. Covenants, conditions, rights, assessments, easements and restrictions recorded July 2, 2009, in O.R. 27891, Page 80, Public Records of Orange County, Florida (hereinafter "Declaration"). Such Declaration may establish and provide without limitation for easements, liens, charges, and/or assessments.</li> <li>5. Easement in favor of Duke Energy, recorded September 10, 2009, in O.R. 27994, Page 99, Public Records of Orange County, Florida.</li> </ol> <p style="font-size: small;">Form M21 - Schedule B - F.A.L.T.A. Loan Policy 2021 v. 3.00 (with Florida Modifications)  4/19/2021</p>	<div> <div>Loan Policy</div> <div>Schedule B Exceptions</div> <ul style="list-style-type: none"> <li>Specific known issues not covered</li> <li>Kept, deleted, or modified as appropriate from Commitment</li> </ul> </div> <div> <div>30</div> <div>The Fund</div> </div>
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## Schedule B Part II

- May add coverage for specific known issues

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# Closing Protection Letter

- Protects lender from failure of Settlement Agent to comply with closing instructions or misuse of funds or documents
- Typically required by lenders

# END OF SECTION 2

## Regulations - Overview

- Florida Constitution and Statutes (Homestead)
- Federal (RESPA, FinCEN)
- Florida Administrative Code
- Florida Bar Rules and Regulations



## FL Constitution – Homestead

- **Art. VII, Sec. 6**

- Limitation on ad valorem property taxes
- What most people consider “homestead”
- Currently exempts 1<sup>st</sup> and 3<sup>d</sup> \$25k of assessed value

- **Art. X, Sec. 4(a)**

- Protection from forced sale by creditors

- **Art. X, Sec. 4(c)**

- Most important to title agents
- Cannot effectively devise homestead to anyone if survived by spouse or minor child
  - Exception: can devise to spouse if no minor child
- **Cannot alienate or encumber homestead property without spousal joinder**



## Florida's Got a New GTO\*

### Covered Transactions:

- Miami-Dade, Broward, Palm Beach, Hillsborough, Pasco, Pinellas, Manatee, Sarasota, Charlotte, Lee & Collier Counties
- Business entity purchaser
- 1-4 Residential property
- \$300,000 or more
- Title insurance purchased
- No institutional financing
- Part or all of purchase paid by currency, check (cashier's, certified, traveler's, personal, or business), money order, funds transfer, or virtual currency



- Closing dates covered:
  - See current GTO order in manual
- Use GTO Information Collection Form
- File Currency Transaction Report
- See Fund video “How to File a Currency Transaction Report”

## FIRPTA

Foreign Investment in Real Property Tax Act, Sec. 1445 Internal Revenue Code

- When US real property is sold and seller is a “foreign person,” withholding is required by purchaser on the amount realized
- Foreign person includes nonresident alien individuals, foreign corporation and US limited liability companies with foreign members
- Amount realized is generally the sales price, but could be greater if there is forgiveness of debt



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## FIRPTA (cont.)

- When amount realized (generally the sales price)
  - \$300,000 or less, AND property will be used by buyer as primary residence, withholding rate is 0%.
  - Exceeds \$300,000 but does not exceed \$1 million, AND property will be used by buyer as primary residence, withholding is 10%
  - Exceeds \$1 million, then withholding is 15%, regardless of use by buyer.
- Withholding agent is technically buyer or transferee, but duty extends to closing agent, and both may be liable
- Buyer has affirmative duty to determine if seller is a foreign person and if so, must withhold from sale proceeds
- Beware short sales & foreclosures. Withholding obligation applies to full indebtedness



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## 1099-S Reporting

- Proceeds from real estate transactions must be reported to I.R.S.
- Generally filed by **person responsible for closing the transaction**
- 1099-S required where
  - Sale or exchange for money;
  - Present or future ownership interest
  - Improved or unimproved land, permanent structures, condo unit, or cooperative housing
- Deadline for filing
  - Feb. 28<sup>th</sup> if filing manually, Mar. 31<sup>st</sup> if filing electronically
- See *Concept* articles in materials



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## 1099-S Exceptions

1. Sale of principal residence for
  - <\$250,000.00 single or
  - < \$500,000.00 jointly
2. Transferor is a corporation or governmental unit
3. Full or partial satisfaction of a debt secured by the property
4. *De Minimus* Transfer <\$600.00
5. Gifts or inheritance
6. Volume seller of real estate as stock in trade



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## What is property ownership?



## Types of Ownership

- Fee simple absolute
- Co-tenancies
  - Estate by the entirety (presumption for married couple)
  - Joint tenants with right of survivorship
  - Tenants in common (presumption for co-tenants not married to each other)
  - Life estate with remaindermen
    - Enhanced life estate retains power to sell, mortgage, assign beneficiaries
- Title in a trustee/trust or legal entity,
  - Ex) Corporation, LLC, Partnership



## Deeds – Statute of Frauds

### Sec. 689.01, F.S., How real estate conveyed

No estate or interest of freehold, or for a term of more than 1 year...in land... shall be created, made, granted, transferred or released in any other manner than by instrument in writing, signed in the presence of two subscribing witnesses...\*

\*Pending change to statute will exempt leases from witness requirement.

## Statutory Warranty Deed

Sec. 689.02, F.S., Form of warranty deed prescribed:

“...party of the first part does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever...”

- Language of conveyance, not title of instrument, determinative
- Warranty Deeds typically preferred for ordinary residential sales
- Special Warranty Deeds (“by, through, or under”) typically preferred for
  - New construction
  - Deeds from Personal Representatives, Trustees, or Guardians
- Quit-Claim Deeds (“whatever interest grantor may have”) typically preferred for
  - Intra-familial transfers
  - Transfers to revocable trust

Instrument# 114751702 : Page 1 of 2, Recorded 12/01/2017 at 06:22 PM  
Broward County Commission  
David West (Shamgar) : 82205-00

Prepared by and signed by:  
Michael A. Rothman

Notary Public, F.A.  
1000 Broward Boulevard Suite 140  
Fort Lauderdale, FL 33304  
(954) 571-1111  
Elin Dierker  
Notary Public

Parcel Identification No. 7009-21-06-2700  
(Open Here To View Full Recording Page)

**Warranty Deed**  
(REVISED 06/01/2017)

This Instrument was made this 30th day of November, 2017 between Michael A. Rothman and Maria A. Rothman, husband and wife whose present address is 1011 Leven Highway Lane, Unit 101, Coconut Creek, Florida, 33433, of the County of Orange, State of Florida, grantor, and Michael Rothman and Maria Rothman, husband and wife whose present address is 2714 Shalimar Drive, Fort Lauderdale, FL 33305, of the County of Broward, State of Florida, grantees.

Whereas said grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable considerations to said grantees in hand paid by said grantees, the receipt whereof is hereby acknowledged, has granted, conveyed and sold to the said grantees, the grantor's heirs and assigns forever, the following described land, situate, lying and being in Broward County Florida, to-wit:

Lot 11, Block D, Section 7 South-Parish A, B, C, D & E, according to the plat thereof, as recorded in Plat Book 11, Page 15, of the Public Records of Broward County, Florida.

This conveyance is subject to the following:

1. Taxes and assessments for the year 2015 and subsequent years;
2. Easements, encumbrances, servitudes, liens, mortgages, judgments and claims of record, if any, that this conveyance is subject to;
3. Any other encumbrances.

and said grantor does hereby fully warrant the title to said land, and will defend the same against lawful claims of all persons claiming in:

\* "Grantor" and "Grantors" as used hereafter in plural, is herein singular.

\*\*\*\*SIGNATURE PAGE TO FOLLOW\*\*\*\*

DocuSign



## Requirements for Recording

### **Sec. 695.26, F.S., Requirements for recording**

- Names of parties who execute and notary public legibly printed, typewritten or stamped
- Name and P.O. box of natural person who prepared the instrument
- 3-inch by 3-inch space on top right corner of first page and 3-inch by 1-inch space at top right corner of subsequent pages reserved for use by clerk

### **Also important**

- Each witness must legibly print name in addition to signing
- Grantee's address must be indicated
  - Will be shown on property appraiser's records and tax rolls – tax bills and all official notices will be sent to this address



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## Notaries Beware!

### **Sec. 117.107(10)-(12), F.S.**

- May not notarize a signature on a document if the document is incomplete or blank.
- May not notarize a signature on a document if the person whose signature is to be notarized is the spouse, son, daughter, mother, or father of the notary public.
- May not notarize a signature on a document if the notary public has a financial interest in or is a party to the underlying transaction.



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# New Member Training

## Basic Concepts

