

Understanding Statements of Information



Q. What is a Statement of Information?

- A. A Statement of information is a form routinely requested from the buyer, seller and borrower in a transaction where title insurance is sought. The completed form provides the title company with information needed to adequately examine documents so as to disregard matters which do not affect the property to be insured, matters which actually apply to some other person

Q. What does a Statement of Information do?

- A. Every day documents affecting real property -- liens, court decrees, bankruptcies, etc. -- are recorded.

Whenever a title company uncovers a recorded document in which the name is the same or similar to that of the buyer, seller or borrower in a title transaction, the title company must ask, "Does this document affect the parties we are insuring?" Because, if it does, it affects title to the property and would, therefore, be listed as an exception from coverage under the title policy.

A properly completed Statement of Information will allow the title company to differentiate between parties with the same or similar names when searching documents recorded by name. This protects all parties involved and allows the title company to competently carry out its duties without unnecessary delay.

Q. What types of information are requested in a Statement of Information?

- A. The information requested is personal in nature, but not unnecessarily so. The information requested is essential to avoid delays in closing the transaction.

You, and if applicable, your spouse or registered domestic partner, will be asked to provide full name, social security number, year of birth, birthplace, and information on citizenship. If applicable, you will be asked the date and place of your marriage or registered domestic partnership.

Residence and employment information will also be requested, as will information regarding previous marriages or registered domestic partnerships.

Q. Will the information I supply be kept confidential?

- A. The information you supply is completely confidential and only for the title company use in completing the search of records necessary before a policy of title insurance can be issued.

Q. What happens if a buyer, seller, or borrower fails to provide the requested Statement of Information?

- A. Per the California Association of Realtors contract, sellers are required to provide the Statement of to their Escrow Holder within 7 days of acceptance of the contract. Without a Statement of Information, it would be necessary for the title company to list as exceptions from coverage; judgements, liens or other matters which may affect the property to be insured. Such exceptions would be unacceptable to most lenders - whose interest must also be insured, and will prohibit the close of escrow.

Please check with your state or local land title association for applicable laws.



"Your Success Our Business"

Specify
Dennis Wilson
for **TITLE** each time you Open Escrow!
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