



**82 Columbia Street
Bangor, ME 04401**

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Consumer Title

82 Columbia Street
Bangor, ME 04401

Tel: (207) 973-1700

Fax: (207) 973-1711

June 2011 –Summer in Maine - is the reward for making it through mud season.

Contact me at sestes@ctmaine.com to be removed or added to this newsletter list.

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Web site!!
www.ctmaine.com**

**See the True Title
Story Below**

**Send your orders for title services, closings,
deed prep, etc. to Consumer Title
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Call: 207-973-1700 or Fax: 207-973-1711**

Title Claims in Maine

In the last 12 months:

Approximately 55% of Maine's claims relate to Eagle Policy coverage, not agent error (such as boundary disputes, encroachments, etc.)

Approximately 15% arise from the failure to have an insured mortgage signed by both parties on title

Approximately 10% arise from missed items in the Registry of Deeds (such as mortgages, attachments, liens, easements, etc.)

Approximately 10% arise from legal description errors

Approximately 5% arise from failure to ensure the closure of HELOC's

Approximately 5% arise from other matters

*Information Provided by: Michele A. Green, Esq.,
New England Regional Claims Counsel*

*Let me know
if you have a
picture you
would like
me to
feature...
Thanks to
Our
Amy Smith*



Do You own all your property?

RE: They bought a portion of the neighbors land to square up and include ALL of their driveway (part of a mortgaged parcel which later went into foreclosure.) The attorneys who handled the subdivision and conveyance out of the mortgaged parcel overlooked getting a release from the mortgagee.

What were they thinking!

In this case the foreclosure process has just begun and the transaction is a short sale. If the short sale goes through and our new buyer is fully aware of the outsale, I see no problem. On the other hand if the short sale does not go through and the property does go to foreclosure, and if the foreclosing attorney does their job correctly and gives notice to the outsale owner, they would have to go and outbid the lender at the sale in order to preserve their ownership in the parcel they acquired without having gotten a release from the mortgage lender.

I'll bet that'll be a big surprise.

There's no sense telling the neighbor to go for a release now. I can't see any motivation for the mortgage lender to consider it when the property is in foreclosure.

Remember folks, if you buy a piece of property, even is it's just a sliver from a neighbor, you had better insist upon full title examination and title insurance, by a competent provider. In this case, the consumer relied upon attorneys who took shortcuts. It is possible that they advised their clients of the risk of buying without a title examination, or perhaps not.

Be a smart consumer.

WATCH FOR NEXT MONTHS REPORT:

**Could Voided foreclosures affect your
ownership in your purchased foreclosure?**

True Title Story –

Encroachment / Survey Issues

Bill and Joyce went to sell their property, a survey revealed that the garage and shed encroached onto a municipal right of way. The new buyers requisitioned that the garage and shed be relocated, or alternatively, that an encroachment agreement be put in place with the municipality.

Action: Title Insurance paid the legal fees and expenses required to obtain the encroachment agreement.