



## OHIO

### I. Search Standards

#### Preamble:

These Search Standards are the minimum required for agents of WFG National Title Insurance Company when issuing a title insurance product. Agents may elect to use a longer search period based upon their experience, local custom, the sales contract or upon the request of the proposed insured.

#### A. 1-4 Family Residential Shortened Search Standards

##### 1. Definitions:

- a. Recognized Transfer: a general or limited warranty deed or simultaneously recorded warranty deeds transferring 100% of the fee simple title to an Arms-Length Buyer for Value where said buyer financed the purchase with a mortgage from an Institutional Lender.
- b. Arms-Length Buyer: a bona fide purchaser who is not related to the seller. Examples of purchasers related to the seller include: relatives, business associates, lienholders, a fiduciary for the seller (Trustee, Guardian, Attorney-in-Fact, etc.), or any person who meets the definition of "Affiliate" or "Insider" as defined in ORC 1336.01 (Ohio Uniform Fraudulent Transfer Act).
- c. Value: means the purchase price paid for the real estate being examined as indicated by the County Auditor's Transfer Fee Stamp located on the deed. The price paid must be indicative of the fair market value for the property being conveyed.
- d. Institutional Lender: a bank, credit union, mortgage broker, mortgage banker or other "corporate" lender who is not an "Affiliate" or "Insider" as defined in ORC 1336.01 (Ohio Uniform Fraudulent Transfer Act) of the Arms-Length Buyer.

##### 2. Sales

- a. Vesting and Liens: The root of your search for vesting and liens will be a deed which is two Recognized Transfers prior to the Recognized Transfer placing the seller in title. Examples:

1. The chain of title is as follows:

- i. Deed from A to Seller (If this deed/deeds constitute a Recognized Transfer, it does not count as one of the two required Recognized Transfers.)
  - ii. General Warranty Deed for Value from B to A. A did not finance this purchase with a mortgage from an Institutional Lender. (Not a Recognized Transfer since there was no Institutional Mortgage financing the purchase.)
  - iii. Limited Warranty Deed for Value from C to B with a mortgage being granted by B to "Equity Trust, Custodian of B's IRA Account Number 2291". (Not a Recognized Transfer as mortgage was granted to an "Insider" of the buyer.)
  - iv. Fiduciary Deed for Value from D, Executor of E's Estate to C with a mortgage granted by C to Wells Fargo (Not a Recognized Transfer since the deed is not a General or Limited Warranty Deed.)
  - v. General Warranty Deed for Value from F to E with a mortgage to Wright-Patt Credit Union. (First Recognized Transfer)
  - vi. General Warranty Deed for no Value from G to F. (Not a Recognized Transfer due to the lack of Value paid)
  - vii. Limited Warranty Deed for Value from H to G with a mortgage granted by G to JP Morgan Chase. (Second Recognized Transfer. Show all liens which have not been released or expired from the date of this deed forward.)
- a. Easements, Conditions, Restrictions, Etc.

Your search for easements, conditions, restrictions, etc. must be sufficient to identify these matters affecting the property being examined.

For platted lots in a subdivision and condominiums, search back to the filing of the original plat or the declaration of the condominium.

For metes and bounds descriptions, the Ohio Marketable Title Act (ORC 5301.47, et. seq.) should be followed and all easements, conditions, restrictions, etc. falling within the "Record Marketable Title" (ORC 5301.49) must be shown as Exceptions.

### **3. Refinance**

- a. For vesting and liens, search back to at least one Recognized Transfer. Remember that the deed or deeds vesting title in the borrower do not count as a Recognized Transfer.
- b. For Easements, Conditions, Restrictions, etc., you may use an Exception "Easements, Conditions and Restrictions of Record", in lieu of an examination and specific exceptions for these matters unless the proposed insured requires otherwise.

### **4. Foreclosure Commitment and PJR/FJR**

- a. Foreclosure Commitments: use Sale Standard above.
- b. PJR/FJR: use Sale Standard for vesting/liens, but use the general exception, "Easements, Conditions and Restrictions of Record".
- c. The use of a loan policy where the plaintiff in the foreclosure is the Insured as back title is strongly discouraged. This practice all too often leads to significant delays when the property is re-sold post-foreclosure because unreleased, prior owner liens are typically discovered in the more extensive "Sale" search conducted when the property is re-sold.

B. Commercial, Agricultural and Multi-Family Residential (5 or more units)

1. Sale/Refinance/Foreclosure Commitment/PJR

- a. Search in accordance with the Marketable Title Act for vesting, liens, easements, conditions, restrictions, etc.

C. Special Matters: Quiet Title Actions, Partitions, Railroads, Canal Lands and Mineral Searches

1. For Quiet Title Actions and Partitions, search in accordance with the Marketable Title Act and the Dormant Mineral Act (ORC 5301.56).
2. Searches of current or former Railroad land, current or former Canal lands, and Mineral Searches constitute extra-hazardous risks and require specialized knowledge of these matters. Contact the Company for direction.

II. Attachments

A. ORC 5301.47 through ORC 5301.56