



A Real Estate Glossary for the Layperson –
Part Three

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When reading and understanding the issues set forth in a title report it is important to know the meanings of the terms used and the effect they have on title. As a continuation of last month's article, listed below are additional terms the layperson should be familiar with, as well as those in the real estate industry. As stated before, familiarity with the title "language" can be of immense benefit to those who deal with the industry, either on a regular or occasional basis:

Though not considered to be within the realm of title, municipal searches obtained for the subject property are provided "for information only" in the title report. These searches are obtained in the county and/or municipality where the property is located and are not insured. If there are open violations, we as a title agent, cannot hold any escrow funds, nor try to dispose of these items as they are not liens on the property, and therefore are not considered title issues. A few of the municipal searches are defined as follows:

Certificate of Occupancy: This search is usually performed in the Building Department where the property is located and gives information as to the approved legal usage of the property. It also provides the information as to when the Certificate was issued, any alterations that were completed or open alterations that were not signed off.

Housing and Building Search: This search gives information as to any violations of record (for example, unsafe building violations such as asbestos found, lead paint, vermin and pestilence). If the building has an elevator, then elevator violations will be reported. Environmental violations will also be reported on this search and may contain a monetary amount.

Fuel Oil Search: This search will give information as to any violations or defects found by the Fire Department upon inspection of a building's fuel oil burner.

Fire Department Search: This search will provide information as to any violations or breach of fire codes found by the Fire Department upon inspection of the building.