

FLORIDA BULLETIN 01-08

TO: ALL AGENTS AND TITLE PLANT OPERATIONS
FROM: UNDERWRITING DEPARTMENT
DATE: DECEMBER 18, 2001
RE: FRAUDULENT PRACTICES

We are often asked the question "May we insure a quit-claim deed?" While some underwriters give a resounding "No!" we would rather work with you and your client. Our answer to the question depends on a number of factors. Certainly we will insure such a title so long as there is a clean chain of title into the current owner and we are being asked to insure the purchaser from the current owner. We must also be assured that the transaction is *bona fide*, arms-length and for a good and valuable consideration. This is not always the case, as we have seen.

When you have several quitclaim deeds in the chain of title or multiple owners deeding back and forth by quitclaim deed, you must obtain approval from your Old Republic underwriting department before insuring the title. Each situation will be a little different, and it is difficult to set forth a clear road map to insuring a title encumbered by a quitclaim deed or deeds.

There are several factors that will assist us in determining whether we wish to insure such a title.

1. How long has the quitclaim deed been of record?
2. Was full consideration paid for the land? What do the documentary stamp taxes show?
3. In whose name is the property assessed? Are taxes current?
4. Does it appear that the quitclaim deeds were used to correct a prior deed? Given as a gift between family members? Given as a part of a divorce proceeding or probate proceeding?

Except in the most straightforward title chains, you must receive our approval before insuring a title based upon recent quitclaim deeds.

As always, your Old Republic Underwriting Department is available to answer any questions you may have about these or any other issues.

**This Bulletin is to become a permanent part of your Bulletin Manual,
and you are to comply with the requirements contained herein.**