

Typical Title Search

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Purpose:

Discover those individuals and institutions
that might have an interest in a given
parcel

Traditional Steps in U.S.

Step 1 - Construct a chain of title

Step 2 - Did any of the owners in the chain make an adverse conveyance

Lot 8, Block 3, Dog's Breath Subdivision

<u>Grantor</u>	<u>Grantee</u>	<u>Date</u>	
...?...	Bank of Boston	1940	
Bank of Boston	T. Ellis	1950	
• T. Ellis	Bangor Savings	1951	Mortgage
• Bangor Savings	T. Ellis	1958	Mtg. Satisfaction
T. Ellis	M. Smith	1960	
M. Smith	H. James	1964	
M. Smith	Joe Bell	1970	
Joe Bell	Harlan Onsrud	1980	

Step 3 - Thoroughly examine the full text of all documents

Step - 4 Attorney provides title opinion

Problems:

Even though instruments found, not necessarily valid or accurate

Some claims valid even though not recorded in the courthouse

TYPICAL PROBLEMS IN LOCAL COURTHOUSE

1. Storage of relevant documents in different locations
(Recorder's Office, Clerk of Courts, Clerk of Probate Court, County Clerk, County Auditor, Tax Assessor, Treasurer, etc.)
2. General absence of comprehensive indexes

3. Indexes by names of parties rather than by parcels affected
4. Paper documents inconvenient for retrieval and use

**THERE IS NO SUCH THING AS A PERFECT
TITLE RIGHT IN THE U.S.**

Mechanisms Developed to Respond to this
Shortcoming

1. Marketable Title Acts
 - Define reasonably secure title in land
 - Limit length of search required
2. Title Insurance Industry developed

Title Search Variations

- functions may be accomplished independently or by
single entity
 - real estate documents
 - abstractor
 - attorney
 - title insurance

Results of Typical U.S. Title Recording Arrangements

1. High government costs
2. High individual transaction costs
3. Risks of oversight and errors increase transaction costs

Question: Are the alternatives necessarily better?

STATUS OF CADASTRAL MAPPING IN THE U.S.

- Whether cadastral maps exist, largely driven by marketplace value of land
- Cadastral maps nonexistent in many jurisdictions
- If they exist, often are rudimentary and out of date

Typical Process to Create a Cadastral Map in the U.S.

1. Obtain list of currently taxed landowners
2. Gather deeds for these people
3. Gather any available surveys or maps

4. Using pencil, scale and protractor, cartographer takes “best guess” at plotting parcels
5. Once or twice a year, map is updated
6. These “tax maps” digitized as ownership base for developing geographic information systems

QUESTION 1

Does security in land ownership boundaries significantly contribute to a nation's economic development?

QUESTION 2

Does promoting *technical efficiency* in a land conveyancing system necessarily improve *economic advancement* for a jurisdiction in the long run?

QUESTION 3

Has central government's inability to uniformly know the location of land boundaries slowed down the economic growth and potential of the U.S.?

QUESTION 4

Will the lack of cadastral information by central government in the U.S. slow down economic growth in the future?

QUESTION 5

Is acquiring better cadastral information by central government in the U.S. critical to the implementation of effective growth management and environmental policies?