

WHAT IS LIS PENDENS?

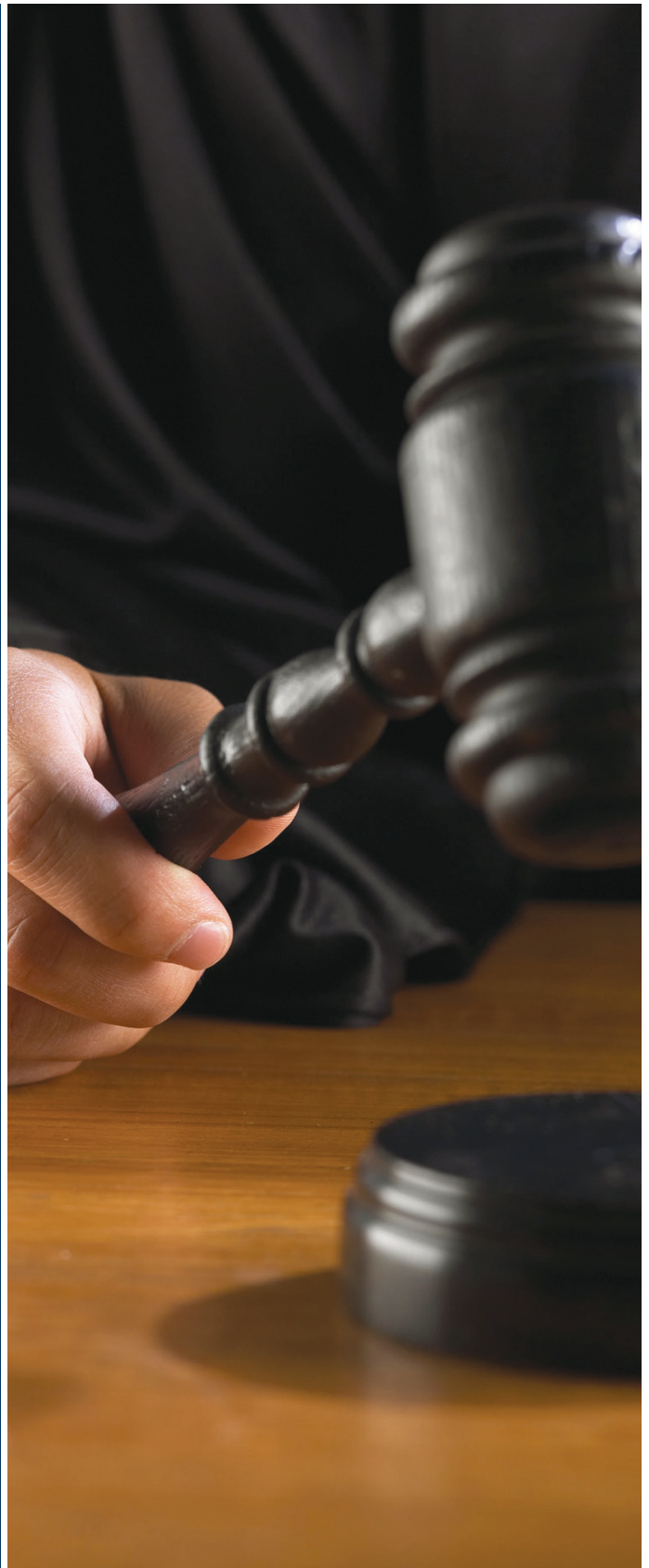
A lis pendens literally means that litigation is pending. It tells the public that a lawsuit affecting the property is in progress and that any judgment awarded in that legal action will have priority as of the date of the lis pendens. Some lawyers file a lis pendens automatically when they file a suit affecting title to real estate. The lis pendens creates a cloud on the title and can prevent a potential sale of the property from taking place. A property owner's first remedy, if a lis pendens is found, is to post a bond. If the court determines that the lis pendens was filed in bad faith, or that it does not affect title or possession to the property, then the court may expunge the lis pendens without the posting of a bond. You can take title subject to the lis pendens, but you would risk possible future judgments against the property. If a lis pendens exists it should be found in the preliminary report together with the liens and easements.

Read through the preliminary report carefully to determine which liens or items can stay on the property and which items must be paid or settled prior to closing. Once closed, the items not taken care of will remain on the property.

For additional questions concerning lis pendens, contact your representative at Lawyers Title.

Lawyers Title is now backed by Fidelity, the #1 leader in financial strength. Since Lawyers Title is part of the Fidelity family of companies, your real estate transactions with us are safe and secure. Our team is committed to providing custom closing solutions that are second to none.

©2009 Lawyers Title Insurance Corporation.



Lawyers Title