



Midland, Bay City, Clare, Gladwin  
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# Understanding Standard Exceptions



Midwest Agency

**STRENGTH.EXPERTISE.SERVICE.**

There are generally 3 types of title policies that are issued to insure ownership of your home.

ALTA Standards Owners Policy

ALTA Standards Owners Policy without Exceptions

ALTA Homeowners Policy

The definition of “EXTENDED COVERAGE”  
is related to the removal of the  
Standard Exceptions from a policy.

ALTA Standards Owners Policy without Exceptions

The Standard Exceptions are:

- A. Rights or claims of parties in possession not shown by the Public Records.
- B. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete survey of the Land.
- C. Easements or claims of easements not shown by the Public Records and existing water, mineral, oil and exploration rights.
- D. Any lien, or right to a lien, for services, labor, or material, heretofore or hereafter furnished, imposed by law and not shown by Public Records.
- E. Any and all oil, gas, mineral, mining rights and/or reservations thereof.
- F. Taxes or special assessments which are not shown as existing liens by the Public Records.

The Standard Exceptions are:

- G. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
- H. Taxes and assessments which become due and payable or which become a lien against the property subsequent to the interest insured and deferred and/or installment payments of said taxes and assessments. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land usage or loss of any principal residence exemption status for the insured premises.
- I. Rights of the public and of any governmental unit in any part of the land taken, used or deeded for street, road or highway purposes.
- J. Any provisions contained in any instruments of record which provisions pertain to the transfer of divisions under Section 109(3) of the Subdivision Control Act of 1967, as amended.

With Removal of the Standard Exceptions...

They can only be deleted if the conditions are met and satisfied !

Owner's Affidavit Completed –  
Questions Answered by All the Owners

and

An Acceptable Survey

## The waiver of a Survey if:

Residential Owner's Policies, including 1998 Homeowner's Policies (Defined as, and to be issued only when at time of insuring land *is, improved* with a 1-4 family residence)

- A. No survey initially required.
- B. Owner's affidavit required in lieu of survey.
- C. If Affidavit reveals new/pending construction, a mortgage/location survey or similar product is required.
- D. If Affidavit/title examination reveals property abuts body of water, appropriate accretion/riparian rights exception(s) should be taken in policy.

Note: If you are aware of an area that may have bad survey problems, e.g.. some Assessor's and/or Supervisor's Plats, description overlaps, etc., then you would require that a survey be submitted in order to give survey coverage, or contact Lawyers Title of Monroe to discuss.

## Note the following “standard” exceptions are never removed:

- H. Taxes and assessments which become due and payable or which become a lien against the property subsequent to the interest insured and deferred and/or installment payments of said taxes and assessments. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land usage or loss of any principal residence exemption status for the insured premises.
- I. Rights of the public and of any governmental unit in any part of the land taken, used or deeded for street, road or highway purposes.

*If metes and bounds property – do not remove:*

- J. Any provisions contained in any instruments of record which provisions pertain to the transfer of divisions under Section 109(3) of the Subdivision Control Act of 1967, as amended.