



# ABSTRACT OF JUDGMENT

An Abstract of Judgment is a court issued document that may allow a claimant (creditor) to place a lien on Real Property owned by another (debtor). The lien attaches to any Real Property presently owned, and subsequently acquired by the debtor in the county when the Abstract is recorded.

The challenge to the Title Industry is the fact that an Abstract of Judgment does not list the property affected by the lien. The document will show the name of the debtor, the amount of the lien and the date it was entered with the court. In addition, other information may be included, if known to the creditor. This can include the driver's license, social security number, date of birth and last known address. From that information, California Title Company will have to determine if the judgment debtor is the same person as the property owner. In cases where the owner has a common name, there may be a large number of Abstracts of Judgment recorded with the same or similar names. So the challenge is to sort through the various recorded judgments and attempt to determine if any affect the Real Property in question.

The tool that the California Title Company uses to eliminate such matters from their reports and policies is a "Statement of Information" also commonly referred to as an "SI". This is a very important form the principals need to complete early in the transaction. In it, the parties give certain personal information about themselves. That information can then be compared to the recorded Abstract of Judgments.

The Statement of Information should be delivered to the California Title Company well before close of Escrow. One reason is to allow sufficient time to review the liens. Perhaps more important is to allow enough time to obtain payoff information or take other steps should the liens turn out to be against one of the principals.

*A Statement of Information form is available for download at [www.CalTitle.com](http://www.CalTitle.com).*

