



## CHICAGO TITLE INSURANCE COMPANY

<b>TOPIC:</b>	<b><u>Water, Sewer, Paving, Sidewalk and other Assessments</u></b>
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### TITLE SEARCH & CLOSING RULES:

1. City and County water, sewer, paving, sidewalk and other assessments are **super-liens**. They become highest priority, subject only to property taxes, as soon as confirmed, even taking priority over previously recorded instruments.
2. Assessment liens are enforceable from the date of confirmation of the assessment by the appropriate governmental authority and expire 10 years from the due date of the earliest installment. G.S. 160A-233. *See* 160A-216 (assessments); 160A-193 (garbage and health nuisances). However, pending assessments may have already been estimated by the city or county, which may accept a payment deposit. The closing attorney must assure that either:
  - a. The seller pays the full cost or deposit at closing (if the improvements are already in place); or
  - b. The purchaser has agreed in writing to assume the liability and the purchaser's lender has agreed in writing to allow the lien to become a prior lien when confirmed.
3. **Water and sewer bills** are liens of the assessing authority pursuant to G.S. 162A-6.
4. **Assessments for paving, sidewalks** and other improvements for the public benefit are enforceable only by foreclosure on the property, without personal liability of owners, pursuant to G.S. 160A-228 and 233(c).
5. **County Assessment liens** for the above services or improvements are similarly enforceable under G.S. 153-185 and -195.
6. **Ambulance Bills** are enforceable liens pursuant to G.S. 44-51.1, if filed within 90 days of the date the service is rendered, for a period of 10 years from the date of service or 3 years after date of death, whichever first occurs. Release is obtainable under G.S. 44-51.3. Specific counties for which the ambulance bills are relevant are itemized and authorized by G.S. 44-51.8.

7. Many cities and counties have fire or other assessments. *The title searcher must be very careful to check all applicable jurisdictions and all applicable potential lien holders.*

**TITLE INSURANCE REQUIREMENTS, EXCEPTIONS AND COVERAGE:**

When the Preliminary Opinion on Title reflects any of the above assessments outstanding, the Commitment will contain a requirement that they be paid in full. If not, an Exception will be taken in the final loan and owner's policies.