

Helpful Definitions (in alphabetical order)

Below is a list of words and their definitions that may assist you in the tax lien process. These definitions were taken from the sources cited.

ANACONDA-DEER LODGE COUNTY CANNOT PROVIDE LEGAL ADVICE OR ASSISTANCE IN THIS PROCESS.

Assignee - A person to whom property is transferred by sale or gift, particularly real property. (www.law.com)

Assignment - The act of transferring an interest in property or some right (such as contract benefits) to another. It is used commonly by lawyers, accountants, business people, title companies and others dealing with property. (www.law.com)

Creditor – One to whom a debt is owed; one who gives credit for money or goods. A person or entity with a definite claim against another. (Black's Law Dictionary)

Default – The failure to perform a legal or contractual duty, especially the failure to pay a debt when due. (Black's Law Dictionary)

Lien – A legal right or interest that a creditor has in another's property, lasting usually until a debt or duty that is secured is satisfied. (Black's Law Dictionary)

Lienholder – A person having or owning a lien. (Black's Law Dictionary)

Quiet Title Action – A lawsuit to establish a party's title to real property against anyone and everyone, and thus "quiet" any challenges or claims to the title. Such a suit usually arises when there is some question about clear title, there exists some recorded problem (such as an old lease or failure to clear title after payment of a mortgage), an error in description which casts doubt on the amount of property owned, or an easement used for years without a recorded description. An action for quiet title requires description of the property to be "quieted," naming as defendants anyone who might have an interest (including descendants-known or unknown- of prior owners), and the factual and legal basis for the claim of title. Notice must be given to all potentially interested parties, including known and unknown, by publication. If the court is convinced title is in the plaintiff (the plaintiff owns the title), a quiet title judgment will be granted which can be recorded and thus provide legal "good title." Quiet title actions are a common example of "friendly" lawsuits in which often there is no opposition. (www.law.com)

Redemption – The act or an instance of reclaiming or regaining possession by paying a specific price. (Black's Law Dictionary)

Redemption (pertaining to Property) - The payment of a defaulted mortgage debt by a borrower who does not want to lose the property. (Black's Law Dictionary)

Statutory Redemption – The statutory right of a defaulting mortgagor to recover property, within a specified period after a foreclosure or tax sale, by paying the outstanding debt or charges. (Black's Law Dictionary)

Tax Redemption – A taxpayer's recovery of property taken for nonpayment of taxes, accomplished by paying the delinquent taxes and any interest, costs, and penalties. (Black's Law Dictionary)

Tax Sale - An auction sale of a taxpayer's property conducted by the federal government to collect unpaid taxes. (www.law.com)

Title Search - The examination of county records for the property's title history by a title company, an abstractor, attorney or escrow officer to determine the "chain of title" and the current status of title, including owner, legal description, easements, property taxes due, encumbrances (mortgages or deeds of trust), long-term leases, judgments or other liens. When a title search is completed, a "preliminary report" on title will be issued by the searcher. On the recording date of any new transfer or encumbrance (such as a new secured loan), an updated "final title report" will be issued which will make it possible to obtain title insurance guaranteeing against any problems with the title. Sometimes the title search will turn up some "cloud on the title" which reveals something is wrong, such as a break in the chain of title, inaccurate property description in a previous deed or some old secured loan which has not been released. Such clouds can be a reason to cancel a contract for purchase of the real property. (www.law.com)

Warranty Deed – A deed to real property which guarantees that the seller owns clear title which can be transferred (conveyed). A "grant deed" generally is a warranty deed, while a "quitclaim deed" is not. (www.law.com)