

STUDY OUTLINE AND GUIDE FOR C.C.L.C. EXAMINATION

The following is a list of items that may appear on the CCLC examination. The answers to many of these questions can be found in the following resources: ***Basic Title Insurance Handbook*** and chapters 1, 2, 3, 6, 7, 10, 11, and the Glossary from ***Florida Land Titles*** by H.D. Booth (called "the supplement") either of which may be purchased from the Florida Land Title Association, Inc. Other important sources are **Rule 69O-186** of the Florida Administrative Code; IRS Section 1445; and FS 626.841-626.8473 F.S.; It is also suggested that you review *Cooperman v. West Coast Title Co., 75So.2d 818 (1954)* and *The Florida Bar v. James A. McPhee & Protective Abstract & Title Co, 195 So.2D 522 (1967)*.

NOTE: Summaries of said cases can also be found in Chapter 10 of the supplement. Additionally, you are encouraged to dig into your Underwriter's Guides, as well as other materials supplied by your respective Underwriters for additional information on the topics noted below.

- I. Governmental Regulations: Case Law
 - A. Cooperman and McPhee
 - B. Promulgated Rules/Administrative Code
 - C. IRS 1099 Reporting
 - D. FIRPTA (IRS Code Section 1445)
 - E. Being a Notary Public
 - 1. Acknowledgements v. Jurats
 - 2. Responsibilities and Duties F.S. Chapter 117

- II. Title Insurance:
 - A. Florida Administrative Code 69O-186
 - B. Commitment/Binder
 - 1. Compliance
 - 2. Marked up
 - 3. Pro Forma Policy
 - C. High Liability Approval (HI-LI)
 - 1. Requirements
 - 2. Unusual Risks
 - D. Promulgated Rates F.S. 627.7825
 - 1. Simultaneous
 - 2. Reissue Rates
 - 3. Calculating
 - E. Substitution Rates
 - 1. Requirements
 - 2. Calculating
 - F. Attorney Objection Letters
 - 1. Purpose
 - 2. Procedures
 - 3. Compliance
 - G. Requirements of Insurability
 - 1. F.S. 627.7845
 - 2. Requirements
 - 3. Exceptions
 - H. Types of Title Insurance Policies-
 - 1. Owner's Title Insurance Policies
 - 2. Loan Title Insurance Policies
 - 3. Other types of Title Insurance Policies
 - I. Types of Endorsements
 - 1. ALTA Approved Endorsements
 - 2. Florida Permitted Endorsements
 - J. Deletions of Title Exceptions (Schedule B-2)
 - 1. On Title Insurance Commitments
 - 2. On Title Insurance Policies
 - K. Construction Loan Policies-
 - 1. Pending Disbursement Clause
 - 2. Notice of Commencement
 - L. Mechanic's Lien Law
 - 1. F.S. Chapter 713

- III Types of Liens:
 - A. Tax Liens
 - B. Judgments
 - C. Bankruptcy

- IV Types of Ownership:
 - A. Fee Simple
 - B. Leasehold

- V Contracts and Addendums:
 - A. Effectiveness
 - B. A Valid Contract
 - C. An Escrow

- VI Documents of Instruction:
 - A. Contracts, Assignments, Addendums
 - B. Escrow Instructions
 - C. Lender's Closing Instructions/Packages
 - 1. Preparing
 - 2. Explaining

- VII Types of Closings:
 - A. Construction Loan
 - B. SBA Loans
 - C. Hard Money
 - D. Modification
 - E. Spreaders
 - F. Bridge Loan
 - G. Mezzanine

- VIII Types of Real Property:
 - A. Commercial
 - B. Residential
 - C. Condominiums
 - D. Mobile Home Parks F.S. 723.071
 - E. Income/Rental Property
 - F. Non-Profits/Churches
 - G. Medical Facilities

- IX Preparing for Closings:
 - A. Document Preparation
 - 1. Deeds/Conveyances
 - a. Various Types of Deeds
 - b. Requirements of a Valid Deed
 - c. Corporations – F.S. 692.01 – 692.04
 - d. Foreign Entity - F.S. 692.201 – 692.205
 - 2. Affidavit of No Liens
 - 3. Mortgages and Notes
 - a. F.S. 95.281
 - b. Assignment of Rents & Leases
 - c. UCC-1
 - Article 9 of UCC Code
 - d. Adjustable Rate/Negative Amortization
 - e. Personal Guaranty
 - 4. Modification of Mortgages
 - a. Novation
 - b. Future Advances
 - 5. Surveys – ALTA/NSPS
 - a. Closer's Responsibilities - Underwriting Approval
 - b. Flood Certifications/Elevation Certificates
 - c. Contiguous Lands
 - d. Legal Descriptions
 - e. Encroachments, Overlaps, and Boundary Line Disputes

- f. Proper Certification
- 6. All Types of Prorations
 - a. Leases/Rents Deposits
 - b. Property Taxes
 - c. Homeowners/Commercial Associations
- 7. Vocabulary/Terminology Used in a Closing
 - a. Further focused on Commercial Transactions
- 8. Estoppel Letters
 - a. Payoff Letters
 - b. UCC-1 Payoffs
 - UCC-3
 - c. Pace Payoffs
 - d. Leases
- 9. Corporations, Limited Liability Companies, Partnerships, Churches
 - a. Title VI, Chapter 48 F.S.
 - b. F.S. 607.1502
 - c. Authority Documents
 - d. Foreign Entities
- 10. 1031 Exchanges Section 1031 of the U.S. Internal Revenue Code
- B. Conduct of a Closer/Escrow Officer
 - 1. Responsibilities of a Closer
 - 2. Limitations of a Closer
 - 3. Handling Disagreements at a Closing

X Disbursements:

- A. Responsibilities and Duties upon receipt of Funds
- B. Various Types of Funds/Checks we can receive
- C. Canceled Transactions - Disbursement of Escrowed Funds
- D. Reconciliation of the Closing/Settlement Statement

XI. Ethics

- A. License or Appointment of Title Agent
 - 1. What are grounds for denial, suspension, revocation or refusal to renew license/appointment? 626.8437, F.S.
 - 2. What are grounds for discretionary refusal, suspension, or revocation of license/appointment? 626.844, F.S.
 - 3. What is the effect of suspension or revocation upon other licensees, appointees? 626.8447, F.S.
- B. Escrow; trust fund
 - 1. When can a Title Agent hold escrow funds and what are the requirements and procedures for holding them? F.S. 626.8473
 - 2. When can a Title Agent disburse escrow funds and what are the requirements for preparing a settlement statement. 69B-186-008 F.A.C.
- C. Unfair or Deceptive Acts or Practices
 - 1. Define unfair methods of competition and unfair or deceptive acts or practices. 626.9541 F.S.
 - 2. Be familiar with activities which constitute unlawful inducements related to title transactions. 69B-186-010 F.A.C.
 - 3. List penalties for violating unfair methods of competition and unfair or deceptive acts or practices. 626.9521, F.S.
 - 4. Define practices which would constitute "Favored Agent or insurer; coercion of debtors". 626.9551, F.S.

It will be necessary for you to prepare a Closing Statement manually, using only a calculator for your computations. It is recommended that you practice this if you have not done it recently (or ever) as it is a critical element to passing this test.

On Test Day –

BRING –ONLY your knowledge of everything title! Seriously...all testing materials will be provided to you. These items will include pens, pencils, lined paper for essay questions, a scale ruler (for CCLS applicants) and a surprise or two to make the experience a little more.

Do NOT bring – ALL cell phones brought into the testing site will be held by Exam Administrators. Please do not bring bags, backpacks, or satchels into the testing site.

The outline above is only an overview of some of the items which will be covered by the CCLC Examination.

Prepared By: The Governing Council of the Certified Land Title Institute of the Florida Land Title Association, Inc.