

Why Do I Need Owners Title Insurance?

Title Insurance protects real estate purchasers and/or lenders from losses that arise **after closing that are a result of** unknown liens, encumbrances or other defects on the title that existed **prior** to settlement. Some examples include:

- Mistakes by the courthouse when recording of legal documents
- Liens for unpaid taxes
- Errors or omissions in deeds
- Undisclosed heirs
- Encroachments

What Type of Owners Title Insurance Policy Do I Need?

There are two types of title insurance policies—a **Lender’s policy** and an **Owner’s policy**.

A Lender’s policy will be **required** by a lender whenever you are financing a home purchase. It covers the lender up to the full amount of the loan. **If your lender requires a title insurance policy to protect their investment, why wouldn’t you?**

Lawsuits involving real estate can be lengthy and attorney fees can easily surpass the cost of an Owner’s Policy with just one claim. Our underwriter’s legal counsel will defend you against any and all legal claims. The Owner’s policy premium is an **optional**, one time fee at settlement based on the purchase price of the property and remains in effect for the life of the ownership of the property.

For purchasers buying a principal residence, we offer an option of a Standard or Enhanced policy.

The additional costs for the Owner’s Enhanced policy is a 20% increase from the Standard policy.

*Subject to a deductible and maximum indemnity liability which may be less than the policy amount

**Standard Policy is a reference to ALTA Residential title Insurance Policy

***Enhanced Policy is a reference to ALTA Homeowner’s Policy of title insurance

COMPARE THE COVERAGE

| | Standard Policy** | Enhanced Policy |
|--|-------------------|-----------------|
| Someone else owns an interest in your life | ✓ | ✓ |
| Someone else has an easement on your land | ✓ | ✓ |
| Improperly executed, delivered or recorded documents | ✓ | ✓ |
| Forgery, fraud, duress, incompetence, incapacity or impersonation | ✓ | ✓ |
| Defective recording of document | ✓ | ✓ |
| Restrictive covenants limiting use of land | ✓ | ✓ |
| A lien on your title because of a deed of trust, judgement, tax lien, special assessment or homeowner’s association charge | ✓ | ✓ |
| Unmarketable title | ✓ | ✓ |
| Mechanics liens | ✓ | ✓ |
| Plain language | ✓ | ✓ |
| Coverage continues indefinitely | ✓ | ✓ |
| Right under leases, contracts or options | ✓ | ✓ |
| Inability to use land for single-family dwelling due to zoning ordinance violation | ✓ | ✓ |
| Pays rental costs for a substitute residence | ✓ | ✓ |
| Discriminatory covenants | | ✓ |
| Forced correction/removal of any structures due to restrictive covenant violations | | ✓ |
| Unrecorded easements | | ✓ |
| Supplemental taxes | | ✓ |
| Survey coverage without a survey for certain Covered Risks | | ✓ |
| Reversion or forfeiture of title due to restrictive covenant violations | | ✓ |
| Actual vehicular and pedestrian access based on legal right | | ✓ |
| Damage to existing improvements, including landscaping, due to exercise of existing mineral rights | | ✓ |
| Pays costs to relocate personal property and damage to personal property during move | | ✓ |
| Damage to existing structures due to maintenance or use of any easement affecting your property | | ✓ |
| Subdivision law violations of previous owner* | | ✓ |
| Forced removal of any structure that violates an existing zoning law* | | ✓ |
| Enhanced marketability coverage (including subdivision law violation*) | | ✓ |
| Failure to obtain building permit by previous owner* | | ✓ |
| Forced removal of any structure including boundary walls and fences which encroach onto your neighbors property, onto an easement or over a building setback line* | | ✓ |
| Post Policy inflation coverage up to 150% of the original policy | | ✓ |
| Post Policy coverage for adverse possession | | ✓ |
| Post Policy coverage for prescriptive easement(s) | | ✓ |
| Post Policy coverage for forgery or impersonation | | ✓ |
| Post Policy coverage extends to Living Trust beneficiaries and trustees | | ✓ |
| Post Policy Coverage for defective title | | ✓ |
| Post Policy coverage for a neighbors encroachment, other than boundary wall or fence onto your property. | | ✓ |

EAGLE | TITLE