

TITLE CLAIMS

What Happens When Ownership Issues Surface

Title insurance protects your ownership rights by resolving hidden issues tied to the property's past—so you don't have to.

What Is a Title Insurance Claim?

If an issue arises that affects ownership, legal rights, or use of a property—and the issue existed before you purchased it—a title insurance claim allows the insurer to step in to fix the issue or cover the financial loss.

Common Reasons a Title Claim May Be Filed:

- Errors in the legal description of the property
- Undisclosed liens (tax, judgment, or contractor liens)
- Recording mistakes in prior deeds or mortgages
- Boundary or survey discrepancies
- Forgery or fraud in a prior transfer
- Unknown heirs claiming ownership
- Missing or improperly released mortgages
- Errors made during the closing or recording process

What Title Insurance Generally Does Not Cover

- Issues that arise after you purchase the property
- Known issues that were disclosed and accepted at closing
- Physical property conditions (these are covered by homeowners insurance)

What Happens After a Claim Is Filed

Once a claim is submitted, the title insurer will:

- Investigate the issue
- Defend your title if there's a legal challenge (including attorney fees)
- Correct the problem when possible (such as recording corrective documents)
- Pay covered losses if the issue cannot be resolved, up to the policy limit

Owner's vs. Lender's Title Insurance

- **Owner's Policy:** Protects the homeowner's ownership interest
- **Lender's Policy:** Protects the lender's lien priority

An Owner's Policy remains in effect for **as long as you own the property**.

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