

HOMEOWNER'S POLICY OF TITLE INSURANCE

There are a few things more important than protecting your home. Owner's Title Insurance is offered because the best title search and examination cannot protect your equity and home from matters not appearing in the public record.

The standard policy covers you for matters affecting your title up to and including the date of the recordation of your Deed. New premium policies underwritten by most national title insurance companies provides coverage for additional risks, many with future coverage. The policy does have deductibles and maximums for some of the coverages. As a result of the expansion of coverage this policy has a higher premium.

Below is a coverage comparison that will help you decide which policy is best for you to protect your ownership in your home.

COVERAGE COMPARISON:

	Standard Policy	Premium Policy
Both policies include:		
• Third Party claims an interest in the title	Yes	Yes
• Improperly executed documents	Yes	Yes
• Pre-Policy forgery, fraud or duress	Yes	Yes
• Non-recorded restrictive covenants	Yes	Yes
• Defective recording of documents	Yes	Yes
• Prior recorded liens not disclosed in the policy	Yes	Yes
• Unmarketability of title	Yes	Yes
Additional coverages in some new premium policies:		
• Mechanic's Lien Coverage	No	Yes
• Policy insures anyone who inherits the property from you	No	Yes
• Policy insures a Trustee you transfer the property to after Policy date	No	Yes
• Policy insures the beneficiaries of your trust upon your death	No	Yes
• Automatic increase in coverage up to 150% (not based on inflation)	No	Yes
• Post-Policy forgery	No	Yes
• Post-Policy encroachment onto insured land	No	Yes
• Legal right to ACTUAL vehicular and pedestrian access	No	Yes
• Up to \$25,000.00 coverage for certain losses due to Building Permit violations (subject to a deductible*)	No	Yes
• Up to \$10,000.00 coverage for certain losses due to existing violation of subdivision law (subject to a deductible**)	No	Yes
• Post-Policy structural damage from third party easement for mineral extraction	No	Yes
• Violation of restrictive covenants identified in the Policy:		
o Resulting in loss from correction or removal	No	Yes
o Resulting in loss of title	No	Yes
o Resulting in loss of use where single family dwelling prohibited	No	Yes
• Forced removal of existing structures that:		
o Encroach onto an easement identified in the Policy	No	Yes
o Violate a building restriction line identified in the Policy	No	Yes
o Encroach onto neighbor's land (subject to a deductible** and a maximum*** if boundary wall or fence)	No	Yes
• Land cannot be used for single family dwelling under zoning ordinance	No	Yes

We recommend you consult your attorney if you have questions about title insurance and whether or not to elect to obtain coverage under an owner's policy.