

THE FAQ'S OF TITLE INSURANCE FOR HOMEBUYERS

Q: WHAT IS TITLE?

Title is your right to own or use your property.

Q: WHAT IS A TITLE SEARCH?

A title search reviews the history of the property title and reveals issues that could limit your rights to the property.

Q: WHAT IS TITLE INSURANCE?

Title Insurance is a policy that protects your investment and property rights. There are two different types of title insurance:

OWNER POLICY

Protects your property rights for as long as you or your heirs own the property.

LOAN POLICY

Usually required by the lender and protects only the lender's financial interests.

Q: HOW MUCH DOES IT COST?

The one-time payment for owner's title insurance is low compared to the home value. A typical owner's title insurance policy costs about \$1,430 for a home valued at \$200,000 and increases or decreases with sales price.

Q: WHY SHOULD I PURCHASE OWNER'S TITLE INSURANCE?

Owner's title insurance protects your investment in the property from certain future legal claims regarding ownership of your property such as:

- Outstanding mortgages and judgments, or a lien against the property because of prior unpaid taxes
- Pending legal action against the property that could affect you
- Unknown heir of a previous owner who is claiming ownership of the property
- Forgery, fraud or clerical errors

Q: HOW LONG AM I COVERED?

Your owner's title insurance policy lasts as long as you or your heirs own the property.

Q: WHAT HAPPENS AT CLOSING?

Closing is the final step in finalizing the homebuying transaction. It is the process where documents are executed and recorded and funding is completed.