

FLORIDA HOMETOWN TITLE & ESCROW

THE IMPORTANCE OF AN OWNER'S TITLE INSURANCE POLICY

Why do I need an Owner's Title Insurance Policy?

An owner's title insurance policy will protect you from financial loss should problems arise with rights to ownership of your property. It's possible to have hidden title defects that even a comprehensive title search would not reveal. Besides financial loss coverage, title insurance would pay the costs of defending against any covered claim.

EXAMPLES OF TITLE INSURANCE COVERAGE INCLUDE:

- The improper execution of documents
- Mistakes in the recording or indexing of legal documents
- Fraud and forgeries
- Undisclosed or missing heirs
- Any unpaid taxes and assessments
- Unpaid judgments and liens
- Unreleased mortgages
- Any mental incompetence of grantors on the deed
- The impersonation of the true owners of the land by fraudulent persons
- A refusal of a potential purchaser to accept title based on condition of title

Things that can make the title to my home defective:

When you purchase your home, you take "title" to your property. Any number of problems that remain undisclosed after even the most meticulous search of public records can make a title defective. These hidden "defects" are dangerous because you may not learn of them for months or years. Yet they could force you to spend substantial money on legal defense and could still result in the loss of your property.

Won't the Lender's Title Insurance Policy protect me?

No, there are two types of Title Insurance. Your lender likely will require that you purchase a Lender's Title Insurance Policy. This policy only insures that the lender has a valid, enforceable lien on the property. Most lenders require this type of insurance, and typically require the borrower to pay for it.

An Owner's Title Insurance Policy, on the other hand, is designed to protect you from title defects that existed prior to the issue date of your policy. Title troubles, such as improper estate proceedings or pending legal action, could put your equity at serious risk. If a valid claim is filed, in addition to financial loss up to the face amount of the policy, your Owner's Title Insurance Policy covers the full cost of any legal defense of your title.

How much does Title Insurance cost?

The one-time premium is directly related to the value of your home. Typically, it is less expensive than your annual auto insurance. It is a one-time only expense, paid when you purchase your home. Yet it continues to provide comprehensive coverage for as long as you or your heirs own the property.

ADDITIONAL QUESTIONS? PLEASE CONTACT US: WWW.FLHOMETOWNTITLE.COM

