



What does Title Insurance do for you?

Q. What is title insurance?

A. It is the application of the principles of insurance to risks which are present in all real estate transactions.

Q. What are some of those risks?

A. They are divided into two main categories—hidden hazards which cannot be detected in the examination of the title and human errors which will always be with us.

Q. What are some examples of hidden hazards?

A. Forgery, incompetency of grantor or mortgagor, unknown heirs, fraud, impersonation, etc.

Q. How is title insurance different from other types of insurance?

A. It protects against future losses arising out of events that have happened in the past.

Q. How do you figure the annual premium?

A. There are no annual premiums. One premium, based on the amount of the sale or mortgage, is paid when the policy is issued and is good for the life of the policy.

Q. What do you mean by the life of the policy?

A. A mortgagee policy stays in effect until the loan is paid off. An owner's policy is good forever. Even if you sell your property, it continues to protect you and your heirs on your warranties.

Q. If I have an attorney examine the title, can't he or she assure me that my title is good?

A. Every attorney knows that there are hazards in real estate titles which cannot possibly be discovered through even the most diligent search of the public records. For instance, the attorney cannot be sure that the marital rights of all previous owners have been properly relinquished; that all mortgages, judgments, etc., affecting the property have been properly indexed in the record room; that all signatures on all recorded documents are genuine; that there is no unknown heir of a former owner who can appear to assert a claim. These are but a few of the matters that crop up to defeat real estate titles. Among others are such things as fraud, duress, infancy, insanity, false personations, etc.

Q. How does title insurance help protect my home investment?

A. It places the assets of a corporation behind the title to your home. If attacked, the title will be defended without cost to you and if the title, or any part of it, should be other than as insured, you will be reimbursed, up to the face amount of your policy, for any financial loss incurred.