

WHY TITLE INSURANCE?

TWO TYPES OF TITLE INSURANCE

There are two basic types of title insurance:

- Loan Title Policy
- Owner's Title Policy

Most financial lenders require a Loan Title Policy as security for their investment in your property, just as they require homeowners or other types of coverage for their protection. Title insurance gives the lender assurance that there are no other claims to the property and that their lien is secure.

An Owner's Title policy lets the new home owner feel safe and confident there are no other claims as to the ownership of the insured property. Among other matters, it insures access to the property, gives the homeowner the right to occupy the property, and provides good and indefeasible title which shows there are no specific liens against the property. The policy is purchased at closing and lasts as long as you have an interest in the insured property.



WHAT DOES YOUR PREMIUM COVER?

Title insuring begins with a search of public land records affecting the real estate concerned. An examination is conducted by the title agent on behalf of its underwriter to determine whether the property is insurable. We have a highly qualified team of abstractors and examiners that review your property to be sure you have clean and clear title to your new home. What are some of the items reviewed?

- They review prior owner's wills and deeds to be sure the wording and names are correct.
- They look to make sure all outstanding mortgages and/or judgments are released or will be released at closing.
- They check on liens against the property because the seller has not paid his/her taxes.
- They search to be sure there are no lawsuits or legal action that would affect the property.
- They examine the records and make note of any easements and utility lines that will cause any issues.

PROTECTING YOUR INVESTMENT

Title insurance is not as commonly understood as other types of insurance. However, it is just as important. When you purchase a home, in addition to purchasing the actual land or building structure, you are purchasing the title to that property as well as the right to occupy and use the property. Having an Owner's Title Policy insures and protects against claims asserted by others on your property. Other types of insurance that protect your home may focus on possible future events and charge an annual premium. An Owner's Title Policy is a one-time purchase and, following a careful examination and research of past ownership of your property, it protects you against claims or issues to your property prior to your ownership.

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