



TITLE INSURANCE

Courtesy of The Security Guarantee Corporation of Baltimore

What is title insurance?

Title insurance is an insurance policy that protects the insured against loss of his/her interest in the property due to legal defects in title, which problems were present prior to you taking title to the property.

Why is title insurance important?

The purchase of a home or other real estate is generally a significant investment. Having title insurance can save you money, time, trouble and even your home, if a problem arises in your title.

What types of coverage are offered?

There are two types of coverage offered. The first is a Lender's Title Policy – this type of policy protects the Lender involved in the transaction (the Mortgage Company) to the extent of its loan. It does not protect the homeowners' interest. This policy is generally a condition of your mortgage. The second type of coverage is the Owner's Title Policy. This policy is optional, and it offers the homeowners protection against loss of their interest in the property due to a title problem arising, subject to the terms of the policy.

What is a title search?

A title search is a review of the land, court and municipal records pertaining to the property. In conducting a title search, the settlement agent/attorney will confirm that you are purchasing the property from the legal owner, that after settlement all prior liens will be satisfied, that the property will pass free of legal attachments, that the title to the property will be marketable, and that there are no burdens or restrictions affecting the property.

If a title search is conducted, why is title insurance still important?

Although a title search is conducted, the search could still fail to detect some problems that may affect your interest in the property. Some examples of these types of problems are:

- 1) Incorrect information in the public records,
- 2) Unsatisfied liens against the property,
- 3) Claims to ownership from an undisclosed interest (i.e.: missing heirs, marital interests,
- 4) Invalid deeds and/or transfers,
- 5) Fraud or forgeries.



The Premier Policy

Security Title is pleased to offer homeowners the advantages of added title protection with our Premier Policy. This policy looks into the future to safeguard your home with enhanced coverages that, in various geographical regions, were previously unavailable. If the region in which the property is located demands it, a small additional premium may apply. Regardless, you'll appreciate the enhanced protection the Premier Policy offers homeowners.

You'll never know what the future holds, but with Security Title's Premier Policy you're protected from many situations that could lead to financial loss. Unlike traditional title insurance products that insure back in time, this policy provides comprehensive coverage for specific occurrences that take place in the future. Just look below and see for yourself:

Insurance for increased value caused by inflation, improvements and neighborhood development (10% increase in the original amount, per year, for five years)

Insurance against violations of building restrictions by existing structures which lead to forced removal

Insurance against actual loss arising from the prohibition of the premises being used as a single family dwelling due to zoning laws.

Insurance against subsequently arising mechanic's liens on work performed prior to the date of policy



MOSES & AIKEN LLC

COMPARISON OF COVERAGES / OWNER POLICIES

ALTA STANDARD POLICY vs. THE EAGLE POLICY

Courtesy of First American Title Insurance Company

COVERAGE	ALTA	EAGLE
Someone else owns an interest in your title	<input type="radio"/>	<input type="radio"/>
Improperly executed documents	<input type="radio"/>	<input type="radio"/>
Pre-policy forgery, fraud and duress	<input type="radio"/>	<input type="radio"/>
Defective recording of any document	<input type="radio"/>	<input type="radio"/>
Undisclosed restrictive covenants	<input type="radio"/>	<input type="radio"/>
A lien on your title because of a security deed, judgment, tax or special assessment, or a charge by a homeowner's association	<input type="radio"/>	<input type="radio"/>
Unmarketable title	<input type="radio"/>	<input type="radio"/>
Mechanics' liens		<input type="radio"/>
Forced removal of a structure which encroaches onto another property or an easement		<input type="radio"/>
Forced removal of structure which violates existing zoning law*		<input type="radio"/>
Forced removal of a structure because of a violation of a restriction in Schedule B		<input type="radio"/>
Inability to use land for single-family dwelling because of a violation of a zoning ordinance or restriction in Schedule B		<input type="radio"/>
Pays rent for substitute land or facilities		<input type="radio"/>
Rights under unrecorded leases		<input type="radio"/>
Plain language		<input type="radio"/>
Unrecorded easements		<input type="radio"/>
Building permit violations *		<input type="radio"/>
Compliance with Subdivision Map Act, if any *		<input type="radio"/>
Restrictive covenant violations		<input type="radio"/>
Map, if any, not consistent with legal description		<input type="radio"/>
Covenant violation resulting in reversion		<input type="radio"/>
Enhanced marketability		<input type="radio"/>
Violations of building setbacks		<input type="radio"/>
Discriminatory covenants		<input type="radio"/>
Actual vehicular and pedestrian access based on a legal right		<input type="radio"/>
Boundary walls and fence encroachment *		<input type="radio"/>
Post-policy forgery		<input type="radio"/>
Post-policy encroachment		<input type="radio"/>
Post-policy damage from minerals or water extraction		<input type="radio"/>
Post-policy Living Trust coverage for trustee		<input type="radio"/>
Post-policy Living Trust coverage for beneficiary		<input type="radio"/>
Post-policy automatic increase in value up to 150%		<input type="radio"/>
Post-policy adverse possession		<input type="radio"/>
Post-policy cloud on title		<input type="radio"/>
Post-policy prescriptive easement		<input type="radio"/>
Insurance coverage forever		<input type="radio"/>