

## **WHAT IS A TITLE?**

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Buying a new home is one of life's most gratifying experiences. As you approach the big day of closing, however, all the details can be a little overwhelming. You might easily overlook the single most important step in the entire process - the purchase of title insurance on that wonderful new home of yours.

### **WHAT IS A TITLE?**

A title is the evidence, of right, that a person has to the ownership and possession of land. It is possible that someone other than the owner has a legal right to the property. If that right can be established, this person can claim the property outright or make demands on the owner as to its use.

### **WHAT CAN MAKE A TITLE DEFECTIVE?**

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 indeed because you may not learn of them for many months or years. Yet they could force you to spend substantial sums on a legal defense, and still result in the loss of your property.

When you purchase a title insurance policy from Old Republic Title, we provide complete protection from these and a host of other hidden defects:

- Creditor claims
- Deeds executed under false or expired powers of attorney
- Mistaken interpretation of wills and trusts
- Incorrect representation of marital status
- Undisclosed heirs
- Mistakes in recording legal documents
- Incorrect legal descriptions
- Forged deeds, releases, etc.
- Federal, state inheritance and gift tax liens
- Errors in tax records
- Federal condemnation without notice filing
- Capacity of foreign fiduciaries
- Duress in execution of documents
- Want of jurisdiction over persons in judicial proceedings
- Deeds from minors or non-existent entities
- Discovery of later will after probate of first will
- Easements by prescription not discovered by a survey
- Deeds delivered after death of grantor or grantee, or without consent of grantor

### **TWO TYPES OF TITLE INSURANCE**

Your lender likely will require that you purchase a Lender's Policy. This policy only insures that the financial institution has a valid, enforceable lien on the property. It does not protect you.

An Owner's Policy on the other hand is designed to protect you from title defects that existed prior to the issue date of your policy. It also 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 complete coverage for as long as you or your heirs own the property.

## **WHEN SHOULD I LOOK INTO IT?**

Call Old Republic Title as soon as you and the seller sign the earnest money contract. With a brief summary of the details, our team of title experts will begin a search of the public records and issue a title commitment. Because there are a number of steps we must take to make certain that we know all we can about the title, it is wise to get the ball rolling as soon as possible.

You have just settled into your wonderful new home. It was difficult making the \$35,000 down payment, and you had to dip into your savings to remodel the kitchen. Two months later, your new kitchen is complete. Suddenly you learn that a child born after the date of the seller's will is claiming his interest in your property. After an exhausting, expensive legal contest, the child's claim is found to be valid. You lose your home, your down payment, and all the money you invested in the remodeling.

Unfortunately, nightmares like this can and do happen. But there is a way to protect yourself from such calamities. Owner's title insurance not only protects you, but your heirs for as long as they own the property, from financial loss caused by title problems. Your title insurer even agrees to bear the full cost of defending you against any such claims.

A one-time premium provides all this coverage on the single largest investment you may ever make. Nothing else guarantees a home buyer's peace of mind quite like title insurance.

## **WHY OLD REPUBLIC TITLE?**

Your title insurance policy provides both peace of mind and wonderful financial protection. But that protection is only as strong as the issuing company itself. Since 1907, Old Republic Title has been insuring American households and weathering every storm, providing complete protection through good times and bad. In fact, we consistently earn the highest ratings in the title industry for financial strength and prudent management.