

# 21 REASONS WHY YOU NEED TITLE INSURANCE

With home ownership comes the need to protect the property against the past, as well as the future. Each successive owner brings the possibility of title challenges to the property. Title insurance protects a policyholder against challenges to rightful ownership of real property, challenges that arise from circumstances of past ownerships.

- 1 A fire destroys only the house and improvements. The ground is left. A defective title may take away not only the house but also the land on which it stands. Title insurance protects you (as specified in the policy) against such loss.
- 2 A deed or mortgage in the chain of title may be a forgery.
- 3 A deed or a mortgage may have been signed by an underage person.
- 4 A deed or a mortgage may have been made by an incapacitated person or one otherwise incompetent person.
- 5 A deed or a mortgage may have been made under a power of attorney after its termination and would, therefore, be void.
- 6 Someone with the same name as the owner may have made a deed or a mortgage.
- 7 The testator of a will might have had a child born after the execution of the will, a fact that would entitle the child to claim his or her share of the property.
- 8 A deed or mortgage may have been procured by fraud or duress.
- 9 Title transferred by an heir may be subject to a federal estate tax lien.
- 10 An heir or other person presumed dead may appear and recover the property or an interest therein.
- 11 A judgment or levy upon which the title is dependent may be void or voidable on account of some defect in the proceeding.
- 12 Title insurance covers attorneys' fees and court costs.
- 13 Title insurance helps speed negotiations when you're ready to sell or obtain a loan.
- 14 A deed or mortgage may be voidable because it was signed while the grantor was in bankruptcy.
- 15 There may be a defect in the recording of a document upon which your title is dependent.
- 16 Claims regularly arise due to marital status and the validity of divorces. Only title insurance protects against claims made by non-existent or divorced wives or husbands.
- 17 Many lawyers, when giving an opinion on a title, protect their clients as well as themselves, by procuring title insurance.
- 18 By insuring the title, you can eliminate delays and technicalities when passing your title on to someone else.
- 19 Title insurance reimburses you for the amount of your covered losses.
- 20 Each title insurance policy we write is paid up, in full, by the first premium for as long as you or your heirs own the property.
- 21 Over the last 24 years, claims have risen dramatically.