

TWO Types of Title Insurance



There are two basic types of title insurance policies. A lender's policy, usually based on the dollar amount of the loan, protects only the lender's interests in the property should a problem with the title arise. Similarly, an owner's policy, usually based on the home's total purchase price, protects only the homebuyer's interests in the property should a problem with the title arise. An owner's policy will provide protection against ownership challenges, errors or omissions in deeds, mistakes in examining records, missed liens, forgery and undisclosed heirs, among other things.

Unlike most other types of insurance, you pay a one-time premium at the time of your home purchase for coverage that continues as long as you or your heirs own the property. Depending on where you live, the cost of an owner's

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policy is marginal when a lender's policy is also being issued. This “simultaneous issue” discount means you do not pay full premium for owner's and lender's policies. You may even split settlement costs with the seller for the lender or owner's policy. Depending on the state, rates are set by the state's Department of Insurance or by the companies themselves. Consumers should ask their local title company how rates are determined and what services are included in the rate for where they live.

For more information about title insurance go to www.ortc.com or www.homeclosing101.org

Since 1907, Old Republic Title has weathered challenging economic times, meeting obligations to policy holders no matter what the conditions. With underwriting expertise, exceptional products and services, and a commitment to doing business with integrity, Old Republic Title is a name you can trust.