

Title Insurance Information

There are two types of title insurance: Lender's and Owner's Title Insurance. If you have a commercial lender, lender's insurance will be required to cover their interest in the property, which is the loan amount provided to the borrower to purchase the property. This one time premium payment will be set out on the settlement statement as part of the closing costs.

Greenbrier Settlements, LLC is a licensed agent for Stewart Title Guaranty Company, a company that has been providing title insurance for over 100 years. If you need to seek loss protection from Stewart Title Guaranty Company, they have the knowledge and financial strength to defend your claim and to cover your loss.

Owner's title insurance is an indemnity which covers policy holders for a loss incurred as a result of title defects. Even the best title search and examination can not always protect your equity and home from matters not appearing in the public record. In the event of a lawsuit challenging your ownership in the property, the title company provides legal defense for the policy-holder. If a claimant succeeds in taking title to property for which you paid value, the title company will pay all valid claims or losses up to the amount of the policy. A forgery that surfaces after years; a missing signature; an error by the clerk in the land records office, a third party claims an interest in the title, defective recording of documents, liens not disclosed in records, can all cause you to be subject to loss of your property, among many other problems. Title issues can also make it difficult to sell your home or to refinance.

Greenbrier Settlements, LLC works expeditiously to resolve any title issues that arise prior to settlement, so that the settlement takes place as scheduled. In some instances, further research and identification of the issues occurs. If title insurance had been bought by the Seller, the prior title insurer can provide a letter of indemnity that will often times allow the settlement to proceed. In that situation, you will be told of the issues concerning the title.

Owner's title insurance is a one-time optional coverage. However, the vast majority of buyers opt to purchase owner's title insurance. There are two classes of owner's title insurance. The standard American Land Title Association (ALTA) policy covers defects in the chain of title that occurred prior to the current owner's purchase and possession of the property. The ALTA Homeowners Extended Policy offers the same coverage as the standard ALTA policy with added coverage against problems that may not show up for months or years after the purchase, and occurred after the deed is recorded. In addition, the amount of coverage increases automatically by 10 percent per year for the first 5 years of the policy, up to 150% of the original policy. This provides coverage for an increase in property values.

The Extended ALTA Homeowner's policy-holder will be covered for "access" issues to insure the actual legal right for vehicular and pedestrian access to the property. Mechanic's lien coverage is provided for work done prior to the date of the policy unless

the owner agreed to the work. The policy will cover situations where land is improperly zoned for a residential 1-4 family home or condominium (subject to a deductible and liability limits). Additionally, if land is an improperly created subdivision, the property is covered (subject to a deductible and liability limits). Post policy structural damage from a third party easement for mineral extraction is covered.. Coverage is provided for the forced removal of existing structures that: encroach onto an easement identified in the policy; violate a building restriction line identified in the policy or encroach onto neighbor's land (subject to a deductible and liability limits if boundary wall or fence).

Note: The Extended ALTA policy is not available for unimproved property, commercial property, or residential property on which there is ongoing construction. The Homeowners Extended Policy is the policy which will be set out on the Settlement Statement as part of the closing costs unless otherwise requested.