

It is said in the real estate industry that title insurance is the single most important thing you can purchase to protect your property and your financial future. The types and names of policies referred to in this report may vary. You don't want problems from prior ownership to interfere with your rights in court. A title insurance policy is your best protection against potential title defects, which can remain hidden despite the most thorough search of public records and the most careful escrow or closing. For a one-time premium, your title underwriter agrees to reimburse you for loss due to defects existing prior to the issue date of your policy, up to the policy amount. And, should it be needed, the policy also provides for the cost of legal defense of your title.

THE STANDARD COVERAGE POLICY PROTECTS YOU AGAINST SUCH POTENTIAL DEFECTS AS:

- 1 Forged deeds, mortgages, satisfactions or releases.
- 2 Deeds by person who is insane or mentally incompetent.
- 3 Deed by minor (may be disavowed).
- 4 Deed from corporation, unauthorized under corporate bylaws or given under falsified corporate resolution.
- 5 Deed from partnership, unauthorized under partnership agreement.
- 6 Deed from purported trustee, unauthorized under trust agreement.
- 7 Deed to or from a "corporation" before incorporation, or after loss of corporate charter.
- 8 Deed from a legal non-entity (styled, for example, as a church, charity or club).
- 9 Deed by person in a foreign country, vulnerable to challenge as incompetent, unauthorized or defective under foreign bylaws.
- 10 Claims resulting from use of "alias" or fictitious "name style" by a predecessor in title.
- 11 Deed challenged as being given under fraud, undue influence or duress.
- 12 Deed following non-judicial foreclosure, where required procedure was not followed.
- 13 Deed affecting land in judicial proceedings (bankruptcy, receivership, probate, conservatorship, and dissolution of marriage) unauthorized by court.
- 14 Deed following judicial proceedings, subject to appeal or further court order.
- 15 Deed following judicial proceedings, where all necessary parties were not joined.
- 16 Lack of jurisdiction over persons or property in judicial proceedings.
- 17 Deed signed by mistake (granter did not know what was signed).
- 18 Deed executed under falsified power of attorney.
- 19 Deed executed under expired power of attorney (death, disability or insanity of principal).
- 20 Deed apparently valid, but actually delivered after death of grantor or grantee, or without consent or grantor.
- 21 Deed affecting property purported to be separate property of grantor, which is in fact community or jointly-owned property.
- 22 Undisclosed divorce of one who conveys as sole heir of a deceased former spouse.
- 23 Deed affecting property of deceased person, not joining all heirs.
- 24 Deed following administration of estate of missing person, who later re-appears.
- 25 Conveyance by heir or survivor of a joint estate, who murdered the decedent.
- 26 Conveyances and proceedings affecting rights of service-member protected by the Soldiers and Sailors Civil Relief Act.
- 27 Conveyance void as in violation of public policy (payment of gambling debt, payment for contract to commit crime, or conveyance made in restraint of trade).
- 28 Deed to land including "wetlands" subject to public trust (vesting title in government to protect public interest in navigation, commerce, fishing and recreation).
- 29 Deed from government entity, vulnerable to challenge as unauthorized or unlawful.
- 30 Ineffective release of prior satisfied mortgage due to acquisition of note by bona fide purchaser (without notice of satisfaction).
- 31 Ineffective release of prior satisfied mortgage due to bankruptcy of creditor to recording of release (avoiding powers in bankruptcy).
- 32 Ineffective release or prior mortgage of lien as fraudulently obtained by predecessor in title.
- 33 Disputed release of prior mortgage or lien, as given under mistake or misunderstanding.
- 34 Ineffective subordination agreement, causing junior interest to be reinstated to priority.
- 35 Deed recorded, but not properly indexed so as to be located in the land records.
- 36 Undisclosed but recorded federal or state tax lien.
- 37 Undisclosed but recorded judgment or spousal/child support lien.
- 38 Undisclosed but recorded prior mortgage.
- 39 Undisclosed but recorded notice of pending lawsuit affecting land.
- 40 Undisclosed but recorded environmental lien.
- 41 Undisclosed but recorded option or right of first refusal, to purchase property.
- 42 Undisclosed but recorded covenants or restrictions, with (or without) rights of reverter.
- 43 Undisclosed but recorded easements (for access, utilities, drainage, air space, views) benefiting neighboring land.
- 44 Undisclosed but recorded boundary, party wall or setback agreements.
- 45 Errors in tax records (mailing tax bill to wrong party resulting in tax sale, or crediting payment to wrong property).
- 46 Erroneous release of tax or assessment liens, which are later reinstated to the tax rolls.
- 47 Erroneous reports furnished by tax officials (not binding local government).
- 48 Special assessments which become liens upon passage of law or ordinance, but before recorded notice or commencement of improvements for which assessment is made.
- 49 Adverse claim of vendor's lien.
- 50 Adverse claim of equitable lien.
- 51 Ambiguous covenants or restrictions in accident documents.
- 52 Misinterpretation of wills, deeds and other instruments.
- 53 Discovery of will of supposed intestate individual, after probate.
- 54 Discovery of later will after probate of first will.
- 55 Erroneous or inadequate legal descriptions.
- 56 Deed to land without a right of access to a public street or road.
- 57 Deed to land with legal access subject to undisclosed but recorded conditions or restrictions.
- 58 Right of access wiped out by foreclosure on neighboring land.
- 59 Patent defects in recorded instruments (for example, failure to attach notarial acknowledgment taken before commission or after expiration of commission).