

PATHWAY REALTY GROUP

Guiding You Home

TITLE INSURANCE

What is it?

Title insurance is protection against loss arising from problems connected to the title of your property. Before you purchased your home and land, it has gone through many ownership changes, There may be a weak link. Someone along the way may have forged a signature in transferring title. Or there may be unpaid real estate taxes or other liens. Title insurance covers you for any claims and legal fees that arise out of such problems.

Prior to closing, public records are "searched" to determine the previous ownership of the property, as well as prior dealings related to it. At closing the buyer expects property that is free and clear of such claims, so typically they must be cleared up before closing.

Occasionally problems regarding title are not discovered or remedied before closing. Such defects can make the property less marketable when the buyer subsequently sells and, depending on the nature of the problem, can also cost money to remedy. For example, the survey might have failed to show that an addition to the property was built without permission. The buyer of the property could be out-of-pocket if he is later required to remove the addition.