



# HINTS FOR HOMEBUYERS

## Title Insurance—The Great Protector?

(NAPSA)—Experts say one of the best ways new home buyers can protect their investment is with title insurance. That's because defects in the title of the property can cause loss of all or part of the investment in your home. Title insurance is the only protection against that risk.

The title is the key to the ownership of your property. Title is passed from owner to owner each time the property is sold. Over the course of the life of a property, any number of people could have laid claim to various rights in that land, which can create quite a complex trail to follow.

To ensure that your property is clear, a title search must be conducted prior to closing on the property. A title search includes pouring through the deeds, court records, property and name indexes and other legal documents, the purpose of which is to verify the seller's right to transfer ownership and to discover any claims, defects or rights in the property.

A title search can turn up a number of liens or restrictions on the property, including unpaid taxes, unpaid mortgages, etc. However, there are other hazards that a title search may not turn up.

For instance, previous owners may have incorrectly misstated marital status (leading to a claim by his/her legal spouse), or there could be unknown fraud, mental incompetence, or confusion due to similar names or clerical errors in the records.

Experts say these types of concerns have made title insurance a



**Title insurance can protect home owners from unexpected claims made on their property.**

necessity, both legally and for personal peace of mind. Title insurance is the only type of insurance that protects an owner against potential historical claims on their property. It means that you, as a homeowner, and/or your lender cannot be held liable for any of these liens or restrictions—found in the title search or hidden—against the property.

If a claim is made against your property, title insurance will provide an automatic defense for you and will pay court costs and related fees. And if the claim proves valid, the policy will, in accordance with its terms, reimburse the loss up to the face amount of the policy.

For additional information on real estate closings or title insurance, contact a Land America office by visiting [www.landam.com](http://www.landam.com).