******

***Questions and Answers About Title Insurance***

**Q: What is title insurance?**

A: An insurance policy--protecting against loss should the condition of title to land be other than as insured.

**Q: Why do I need title insurance?**

A: When you buy a home, or any property for that matter, you expect to enjoy certain benefits from ownership. For example, you expect to be able to occupy and use the property as you wish, to be free from debts or obligations not created or agreed to by you, and to be able to freely sell or pledge your property as security for a loan. Title insurance is designed to cover these rights you bargain for.

**Q: What if I have a problem? Do I have to lose my property to make a claim?**

A: Not at all. At the mere hint of a claim adverse to your title, you should contact your title insurer or the agent who issued your policy. Title insurance includes coverage for legal expenses which may be necessary to investigate, litigate or settle an adverse claim.

**Q: What does this cost?**

A: The cost varies, depending mainly on the value of your property. The important thing to remember is that you only pay once, then the coverage continues in effect for so long as you have an interest in covered property. If you should die, the coverage automatically continues for the benefit of your heirs. If you sell your property, giving warranties of title to your buyer, your coverage continues. Likewise, if a buyer gives you a mortgage to finance a purchase of covered property from you, your coverage continues to protect your security interest in the property.

**Q: If my lender gets title insurance for its mortgage, why do I need a separate policy for myself?**

A: The lender's policy covers only the amount of its loan, which is usually not the full property value. In the event of an adverse claim, the lender would ordinarily not be concerned unless its loan became non-performing and the claim threatened the lender's ability to foreclose and recover its principal and interest. And, in the event of a claim there is no provision for payment of legal expenses for an uninsured party. When a loan policy is being issued, the small additional expense of an owner's policy is a bargain.

### Title and Settlement Services

[**Title Insurance - Residential**
Provides homebuyers and lenders with vital protection against losses from certain title issues that are undiscoverable from public records, including forgery, fraud, and liens – problems that might limit a homeowner’s use and enjoyment of their property.](http://www.firstam.com/title/products/title-and-settlement-services/title-insurance-residential.html)

[**Title Insurance - Commercial**
Offers commercial property buyers, lenders and others protection against losses from certain title issues, provided through responsive title underwriting, closing and recording services on simple to the most complex commercial transactions.](http://www.firstam.com/title/products/title-and-settlement-services/title-insurance-commercial.html)

[**Escrow Settlement Services**
Escrow acts as a neutral third party that closes the transaction upon satisfaction of the conditions in the contract.](http://www.firstam.com/title/products/title-and-settlement-services/escrow-settlement-services.html)

[**Relocation Advantage**
A network of experienced relocation title and closing offices, agents and attorneys, enhanced by the latest technology.](http://www.firstam.com/title/products/title-and-settlement-services/relocation-advantage.html)

[**Residential Land Surveys**
With a First American escrow, the technology and ability to interact nationwide in a fast, efficient manner result in lower costs, accurate closings and customer satisfaction.](http://www.firstam.com/title/products/title-and-settlement-services/residential-land-surveys.html)

[**Signing Services**
Flexible document signing services.](http://www.firstam.com/title/products/title-and-settlement-services/signing-services.html)

Standard coverage handles such risks as:

* Forgery and impersonation;
* Lack of competency, capacity or legal authority of a party;
* Deed not joined in by a necessary party (co-owner, heir, spouse, corporate officer, or business partner);
* Undisclosed (but recorded) prior mortgage or lien;
* Undisclosed (but recorded) easement or use restriction;
* Erroneous or inadequate legal descriptions;
* Lack of a right of access; and
* Deed not properly recorded.

An extended coverage policy may be requested to protect against such additional defects as:

* Off-record matters, such as claims for adverse possession or prescriptive easement;
* Deed to land with buildings encroaching on land of another;
* Incorrect survey;
* Silent (off-record) liens (such as mechanics' or estate tax liens); and
* Pre-existing violations of subdivision laws, zoning ordinances or CC&R's.