



**Fidelity National Title**

# Understanding Title Insurance

## Why Is Title Insurance So Important?

**Title insurance is critical to protect one of the most important investments you'll ever make: The investment in your home!**

Your title insurance policy will pay to defend the property owner against any lawsuit questioning title as the insured owner. It will either clear up title problems or incur the cost of settling the case, if it proves valid, in order to protect your title and maintain your possession of your property.

### **How can there be a title defect if the title has been searched?**

Title insurance is issued after a careful examination of copies of the public records. However, even the most thorough search cannot absolutely assure that there are not hidden title hazards or fraudulent claims present, despite the knowledge and experience of professional title examiners.

**In addition to matters shown by public records, other title problems may exist that cannot be disclosed in a search. Just a few examples include:**

- False impersonation of the true owner of the property
- Forged deed, releases or wills
- Instruments executed under invalid or expired power of attorney
- Undisclosed or missing heirs
- Mistakes in recording legal documents
- Misinterpretations of wills or deeds by persons of unsound mind
- Judgments
- Mechanic liens
- Deeds by minors
- Deeds by persons supposedly single, but in fact married
- Fraud on the part of the Sellers
- Liens for unpaid estate, inheritance, income or gift taxes
- Undisclosed Easements

### **What does this mean to you?**

Your Owner's Title Insurance Policy offers the **peace of mind** in knowing that the investment you've made in your home is sound. Over the last 24 years, claims have risen dramatically. Do not take the risk of your home becoming a statistic. Protect your American Dream! For a one-time premium, an owner's title insurance policy remains in effect as long as you, or your heirs, retain interest in the property.

### **Title Insurance Success Story: Title Policy Covered a Mechanic Lien Claim**

*Jan loved her new home. She was especially thankful for the fact that the seller had replaced the roof so she would not have to spend money for the unexpected surprise of a leaking roof. Much to her surprise, it turned out the seller never paid the roofing contractor. Surprise turned to frustration when the roofing contractor insisted he had a "mechanic's lien" (also known as a "construction lien") against the property which he could use to foreclose on Jan's new home.*

*Fortunately, Jan had a comprehensive ALTA Residential Policy that provided coverage for such liens. Her insurer contacted the roofing contractor and, after negotiations, the lien claim was settled and resolved. In the end, Jan was secure under her new roof and she never had to worry about the contractor's mechanic's lien claim.*

**Choose the Title Company you can trust.  
Always choose Fidelity National Title.  
For more information, contact us today.**

Trusted everywhere,  
every day.