

**A NUMBER OF IMPORTANT REASONS WHY YOU SHOULD
PURCHASE OWNER'S TITLE INSURANCE TODAY**

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Owner's Title Insurance will not only protect you against these hidden risks that would not be disclosed by even the most meticulous search of public records by the bank attorney, but also will pay for the legal fees attendant to the defense of your title as insured. It is a one-time charge and will probably not be available for such a small fee at any future date. Some of the hidden risks that may be protected against are:

1. forgery
2. fraud (misrepresentation) in connection with the execution of documents
3. undue influence (under pressure) on grantor (seller) or executor (of a will)
4. false impersonation by those purporting to owners of the property
5. incorrect representation of marital status of a grantor (seller)
6. in some cases, disclosed or missing heirs
7. in some cases, wills not properly probated
8. in some cases mistaken interpretation of wills and trusts
9. mental incompetence of a minor
10. conveyance of a minor
11. in some cases, birth of heirs subsequent to the date of a will
12. in some cases, inadequate surveys
13. in some cases, incorrect legal descriptions
14. non-delivery of deeds
15. unsatisfied claims not shown on the record
16. deeds executed under false powers of attorney
17. in some cases, confusion due to similar or identical names
18. in some cases, dower or courtesy rights of ex-spouses of former owners
19. incorrect indexing at Registries of Deeds
20. clerical errors in recording legal documents
21. delivery of deeds after death of a grantor

If you purchase an owner's title policy, our office will issue you an extended coverage policy unless you request otherwise. An extended coverage policy will cover the above listed items and in addition may cover the issues described on the following page.

Extended Owner's Title Insurance Policy

1. Continued Coverage. For most people, buying a house is the biggest financial investment they will ever make and the largest asset they will ever own, as such it needs to be insured. It is not just a home, it is an investment for your family!

2. Post Policy Protection.

a. **Post policy forgery.** In some cases, the homeowner may be covered if someone forges the owner's signature to a deed or a mortgage in an effort to sell or impose a lien or restriction on their home.

b. **Post policy encroachment.** In some cases, the Policy may protect the homeowner, if, after the purchase, someone builds a structure which encroaches on their land.

c. **Post policy assessment of municipal charges (a common problem).** In some cases, the Policy may provide coverage for real estate taxes and sewer betterments assessed after the date of the policy if they applied prior to the policy.

3. Actual Access. In some cases, the Policy may insure that the homeowner has actual pedestrian and vehicular access to and from the property.

4. Building Permit and Zoning Violations. In some cases, the Policy may cover a homeowner who is forced to remove or correct existing structures that were built without a permit or that violate an existing zoning law or zoning regulation.

5. Subdivision Violation. In some cases, the homeowner may be covered where subdivision laws have been violated prior to the homeowner's purchase, and as a result, the homeowner is unable to obtain a building permit, is forced to correct or remove the violation, or is unable to complete a sale or loan.

6. Increase in coverage. With some policies, the one-time premium charge may include an increase in coverage by 10% a year for the first 5 years the policy is in effect.

7. You can close. Most of the time the homeowner doesn't find out there is a title issue until a few days before closing. This proves to be an issue because many sellers schedule back to back closings on another piece of property and need to close to get the proceeds to purchase the new house. The closing needs to happen as scheduled. Without an Extended Owner's Policy this very well may not happen. If the homeowner is insured with an Extended Owner's Policy then the Title Company may issue a letter to the closing agent to move forward with the closing and will undertake resolve the issue.

8. A Lender's Policy protects the Lender, not the Borrower. Some borrowers are under the mistaken impression that since they have to pay for the lender's policy it will cover them if there is a title issue. However, the Lender's coverage often does not arise unless there is a foreclosure.

9. More Cost Effective. The premium for the Owner's policy is equal to a retainer for a few hours of billable time you have to hire an attorney if an issue arises.

The examples above describe some of what may be covered under a general Extended Owner's Policy, but coverage may vary depending upon the specific title insurer selected for you at closing. Some of the above covered claims may also have deductibles and limits on coverage and you should not rely on this flyer as a commitment for coverage. Feel free to contact our office for more detailed coverage information for the specific title insurance company that will be providing your Extended Owner's Policy at closing.