

WHY TITLE INSURANCE?



Your HOME is likely to be the
BIGGEST INVESTMENT YOU WILL MAKE.
TITLE INSURANCE IS HOW YOU PROTECT IT.



PROTECT YOUR INVESTMENT

Title insurance is your protection against defects, which could remain hidden, despite the most thorough search of the public land records.

- Ensuring your right to the use and enjoyment of property.
- Protection against liabilities that can survive your ownership interest in the property.

Examples of Hidden Defects:

- Long-Lost Heirs
- Misapplied Tax Payments
- Clerical Errors in Recorder's Office
- Forged Documents
- Deeds Executed Under Duress



YOUR DEFENSE

You don't want an event that occurred before you bought the property to deprive you of your ownership or your right to use or sell the property.

In the event of a claim or lawsuit challenging ownership, Owners Title Insurance covers you for:

- Legal Defense of ownership interest
- Claim Settlement if it proves valid

Owner's Title Insurance can be home buyer's primary defense.



MBH HAS YOU COVERED

MBH is a licensed agent for the nation's largest and most trusted title insurance underwriters. Delivering the best protection against unknown risks, MBH has you covered!

WHAT'S THE DIFFERENCE?

Lenders vs. Owners

- **Lender's Title Insurance**, which covers your mortgage lender, is typically required by the lender, protects the lender's interest, and paid for by the homebuyer.
- **Owner's Title Insurance** is purchased by the home buyer. It is the best way to protect your property rights, as well as your inheritors, beneficiaries, and trustees.



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703-277-6800



WHAT DOES TITLE INSURANCE COVER?

- The **Standard Owner's Policy** protects against defects such as document and unreleased lien issues, third party's interests, fraud committed prior to the policy date, and unidentified heirs, death or divorce of prior owners, which may complicate the chain of title.
- The **Enhanced Owner's Policy** typically costs 120% of the Standard Owner's Policy and includes all the protections of the standard policy. **Additionally**, it provides coverage for issues such as forgery after the policy date, building permit violations up to \$25,000, encroachments from neighboring properties, restricted access to & from the property, and inflation protection that increases coverage over the first five years, up to 150% of the original purchase price.



Scan for a comparison of the two policies.



WHY DO I NEED A TITLE COMPANY TO ISSUE THE TITLE INSURANCE?

A professional title search and title insurance policy offer comprehensive protection for current and future owners, saving you from costly and time-consuming litigation.

**Without Owner's Title Insurance
In the Case of a Title Dispute
You're on Your Own**

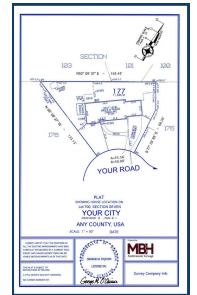


COMMON REASONS FOR TITLE DISPUTES

- Fraudulent Deeds
- Adverse Possession
- Inheritance Disputes
- Clerical or Filing Errors
- Missing Heirs
- Encroachments
- Undiscovered Will
- Unreleased Prior Owner Liens
- Tax Liens
- Mechanics Liens
- Boundary Disputes
- Unknown Easements

WHAT IS A SURVEY?

- A survey illustrates the exact boundaries of your property.
- It includes details such as:
 - Property Size
 - Structures & Fences
 - Encroachments onto or from Neighboring Properties
 - Easements (rights to use part of the property for specific purposes)



DO I NEED A SURVEY?

- Even if not required, getting a survey is highly recommended as it can reveal major issues that the seller must address prior to closing or restrictions on property development.
- Knowing these issues before you buy is critical.
- A survey can impact your title insurance policy by including exceptions for any problems found.



FROM CONTRACT TO KEYS, MBH HAS YOU COVERED!

Standard & Enhanced Owner's Policy Comparison

	Standard ALTA Residential	Enhanced ALTA Homeowner's
COVERED RISKS		
Third party claims an interest in the title	X	X
Prior forgery, fraud, or duress affecting the title	X	X
Liens (e.g. prior owner deed of trust, tax lien, condo or homeowner's association lien)	X	X
Improperly executed documents	X	X
Unmarketability of the title	X	X
Lack of right to legal access to and from the land	X	X
Restrictive covenants limiting your use of the land	X	X
Gap coverage (coverage from the closing to the recording of the deed)	X	X
DURATION		
Coverage continues as long as you own the property	X	X
Insures heirs, estate trustees, and trust beneficiaries upon your death	X	X
EXTENDED COVERAGE		
Undisclosed parties in possession of property (e.g., tenants or adverse possessors)	*	X
Unrecorded easements affecting the property	*	X
Encroachments and boundary disputes that would be disclosed by a survey	*	X
Mechanic's liens (a lien against the property due to non-payment for work)	*	X
Taxes or special assessments that are not shown as liens by the public records	*	X
ADDITIONAL COVERAGES		
Actual vehicular and pedestrian access, based upon a legal right		X
Correction or removal of an existing violation of certain covenants, conditions, or restrictions		X
Loss of your title resulting from a prior violation of a covenant, condition or restriction		X
Up to \$10,000 if you are unable to obtain a building permit due to an existing violation of a subdivision law or regulation or you must correct an existing violation (subject to deductible)		X
Up to \$25,000 if you must remedy or remove an existing structure because it was built without a proper building permit (subject to deductible)		X
Up to \$25,000 if you must remedy or remove an existing structure due to an existing violation of a zoning law or zoning regulation (subject to deductible)		X
Up to \$5,000 if you must remove your existing structure due to them encroaching into your neighbor's land (subject to a deductible)		X
You cannot use the land as a single-family residence because such use violates an existing zoning law or zoning regulation		X
You are forced to remove existing structures because they encroach into an easement affecting the land		X
Damage to existing structures due to an exercise of an existing right to use any easement affecting the land		X
Damage to existing improvements due to an exercise of an existing right to use the surface of the land for the extrication or development of minerals, water, or any other substance		X
Attempt enforcement of a discriminatory covenant		X
Supplemental taxes because of a prior construction or change of ownership or use		X
Damages if the residence is not located at the address stated in the policy		X
Pay substitute rent and relocation expenses , if you cannot use your home because of a claim covered by the policy		X
Automatic increase in policy amount up to 150% of policy amount over 5 years		X
POST POLICY COVERAGES		
Forgery affecting the title		X
Unauthorized leases, contracts or options		X
Ownership claims		X
Easements or restrictions affecting your use of the land		X
Encroachment of neighbor's buildings onto your land		X

* Not automatically included in the basic policy, but may be available by extended coverage.