



# PROTECT YOUR HOMEOWNERSHIP: WHY OWNER'S TITLE INSURANCE MATTERS

*Buying a home is a big milestone, and protecting your investment is essential. Few safeguards are as vital as owner's title insurance, which ensures your property rights remain secure.*

## **Doesn't lender's title insurance cover the buyer?**

No. Lender's title insurance only protects the mortgage lender's interest in the property. It does not cover the buyer's equity or ownership rights.

## **What does owner's title insurance entail?**

Owner's title insurance is a one-time purchase that protects the homeowner's legal right to their property and shields them from financial loss caused by title defects that existed before they purchased the property. In short, owner's title insurance provides peace of mind by transferring the risk of any unknown title problems from the homeowner to the insurer.

**PEACE OF MIND**  
FOR A ONE-TIME FEE



**Lawyers Title®**

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## What are the risks related to property ownership?

If a homeowner chooses not to purchase an owner's title insurance policy, they are exposed to several significant risks related to property ownership:

### 1. *Financial loss from hidden title defects* –

Title issues such as forged documents, undisclosed heirs, or unpaid taxes can surface long after closing. Without coverage, the current homeowner bears the full cost of resolving these problems, which can amount to thousands of dollars.

2. *Legal expenses* – If a lien or ownership dispute arises, the homeowner must pay for legal defense out of pocket. Owner's title insurance typically covers these costs, but without it, the homeowner is responsible for all attorney fees and court costs.

3. *Risk of losing the property* – In severe cases, unresolved title claims can lead to foreclosure or loss of ownership rights. Without title insurance, there is no reimbursement for the property's value if the homeowner loses the home due to a valid claim.

4. *No protection against past liens* – If a hidden lien from a previous owner is discovered, the homeowner must pay the debt or risk losing the property. Title insurance would normally settle such claims, but without it, the financial burden falls entirely on the homeowner.

## How much does owner's title insurance cost?

Costs vary by state and property value but typically range from 0.5% to 1% of the purchase price. It's a one-time premium, not a recurring expense—making it a small investment for long-term peace of mind.

## When should you buy it?

Owner's title insurance is purchased at closing, alongside the lender's policy. While optional in some states, most experts strongly recommend it because title issues often remain hidden until they become costly problems.

**Bottom line:** For a modest one-time fee, owner's title insurance provides lasting protection against unforeseen title disputes, ensuring your home truly belongs to you.

**Ask us about Owner's Title Insurance today!**

