

The Owner's Title Policy

The owner's policy assures a purchaser that the title to the property is vested in that purchaser and that it is free from all defects, liens and encumbrances except those listed as exceptions in the policy or are excluded from the scope of the policy's coverage. It also covers losses and damages suffered if the title is unmarketable. The policy also provides coverage for loss if there is no right of access to the land.

To help protect you, it is recommended that you obtain an Owner's Policy of Title Insurance to insure you against the most unforeseen problems.

Owner's Title Insurance, called an Owner's Policy, is usually issued in the amount of the real estate purchase.

It is purchased for a one-time fee at closing and lasts for as long as you or your heirs have an interest in the property.

Only an Owner's Policy fully protects the buyer should a covered title problem arise with the title that was not found during the title search, and dating back to Patent of the property. Possible hidden title problems can include:

- Errors or omissions in deeds
- Improper execution of documents
- Mistakes in examining records
- Mistakes in recording or indexing documents
- Forgery and Fraud
- Undisclosed or missing heirs who could claim property rights
- Unreleased mortgages
- Unpaid property taxes and assessments
- Unpaid judgments and liens
- Mental incompetence of grantors
- Impersonation of the true owners by fraudulent persons
- Missed easements or rights of way that could limit the use of your property

An Owner's Policy provides assurance that your title company will stand behind you — monetarily and with legal defense if needed — if a covered title problem arises after you buy your home. The bottom line is that your title company will be there to help pay valid claims and cover the costs of defending an attack on your title.

Receiving an Owner's Policy isn't always an automatic part of the closing process, and is paid for by different people in different parts of the country. In North Dakota, typically it is paid by the Buyer. Be sure you request an Owner's Policy and ask how it is paid for where you live.

No matter who pays for the Owner's Policy, the fee is a one-time fee paid at closing.

The Owner's Policy protects you for as long as you or your heirs have an interest in the property.

Williams County Abstract Company ~ 123 East Broadway, PO Drawer F ~ Williston, ND 58801
701-572-3381 ~ www.WilliamsAbstract.com ~ Abstract@WilliamsAbstract.com