

6 Things To Understand About Title Insurance

1. It protects your ownership right to your home both from fraudulent claims against your ownership and from mistakes made in earlier sales, such as mistake in the spelling of a person's name or an inaccurate description of the property.
2. It's a one-time cost usually based on the price of the property.
3. It's usually paid for by the buyer.
4. There are both lender title policies, which protect the lender, and owners policies, which protect you. The lender will probably require a lender policy.
5. Discounts on premiums are sometimes available if the home has been bought within only a few years since not as much work is required to check the title. Find out if the seller can provide a copy of their original policy.
6. Your title company that is handling settlement will coordinate issuing a new owners title policy and provide the costs details of the new policy.