What exactly is Title Insurance, and why should I look to Commonwealth to provide it for me?

- **What is a title?**

  A title is the foundation of property ownership. It is the owner's right to possess and use his property.

- **Why is transferring the title to real estate different from transferring the title to other items, such as a car?**

  Because land is permanent and can have many owners over the years, various rights in land may have been acquired by others (such as mineral, air or utility rights) by the time you come into possession of it, even if the land has never before been built upon. So in order to transfer a clear title to a piece of land, it is first necessary to determine whether any rights are outstanding.

- **What is a title search?**

  A title search is a detailed examination of the historical records concerning a property. These records include deeds, court records, property and name indexes as well as many other documents. The purpose of the search is to verify the seller's right to transfer ownership, and to discover any claims, defects and other rights or burdens on the property.

- **What kinds of problems can a title search reveal?**

  A title search can show a number of title defects and liens, as well as other encumbrances and restrictions. Among these are unpaid taxes, unsatisfied mortgages, judgments against the seller and restrictions limiting the use of the land.

- **What is title insurance?**

  Title insurance is your policy of protection against loss if any of these problems—even a "hidden hazard"—results in a claim against your ownership.

- **Are there different types of title insurance policies?**

  Yes. Basically there are two different types of policies—a loan policy and an owner's policy. The loan policy protects the lender's interest in the property as security for the outstanding balance under the buyer's mortgage. The owner's policy safeguards the buyer's investment or equity in the property up to the face amount of the policy.

- **How much does title insurance cost?**

  Probably less than you think. Charges vary in different sections of the country, but generally the cost of title insurance (including the search, examination and related services) amounts to about one percent, or less, of the cost of the property. And unlike other insurance premiums, which must be paid annually, a title insurance premium is paid one time only, usually at settlement.
• **How long does my coverage last?**

For as long as you or your heirs retain an interest in the property and, in some cases, even beyond.

**To learn more about title insurance, contact your Commonwealth Title Officer or Sales Representative.**