



# WHAT CAN AN OWNER POLICY DO FOR ME?

## STANDARD OWNER'S COVERAGE PROVIDES:

1. That there are no claims or liens on title as of the moment that your Deed is recorded or filed;
2. That your Deed is properly recorded;
3. That there is legal access to the insured parcel; and
4. That CATIC® will defend against any claims against your ownership of the insured property.

## WHAT DO YOU MEAN BY "CLAIMS OR LIENS"?

"Claims or liens" can mean:

- Undischarged mortgages from previous owners
- Missing interests in your Deed
- Incorrect property descriptions in your Deed
- Defects in a foreclosure in the chain of title
- Unpaid municipal liens and charges



## I DON'T NEED THAT! THE LENDER'S POLICY COVERS ME!

**Well, no.** The Mortgagee Policy of insurance is for the benefit of the lender, not the owner of the real estate, and insures only that your mortgage:

- is valid in the state where the property is located and
- is properly recorded in the Land Records (or Registry of Deeds or Registry District of the Land Court as appropriate).



## THE CLOSING ATTORNEY CAN FIX THE PROBLEM.

Yes, that's right, but which costs more?

- An attorney's fee to clear a title problem that would be covered under an owner policy of title insurance?
- A one-time title insurance premium?

## STILL, IF I HAVE A PROBLEM, I'LL HIRE A LAWYER.

You can do that, but keep in mind that...

- An attorney's job is to provide you with legal counsel.
- An attorney cannot provide you with coverage for a loss due to an intentional bad act like:
  - a forged Deed,
  - a fraudulent Discharge of Mortgage, or
  - "stacked" mortgages

## OKAY, SO WHAT CAN OWNER'S TITLE INSURANCE DO?

### OWNER POLICIES IN A NUTSHELL:

#### Standard (6/17/2006)

- 1-4 family residences
- Vacant land
- Commercial property

#### Expanded (7/2005)

- 1-4 family residences



### A STANDARD OWNER POLICY INSURES:

- that you are the record owner as of the time and date that your deed is recorded
- that you have marketable title to the property
- that your title is free of defects
- that you have legal access to your property
- (CATIC's Homeowners Protection Clause automatically increases the coverage amount by 10% per year for the first five years of your ownership to keep pace with the increasing value of your property, too.)

#### This means that CATIC promises to:

- Continue coverage to a new buyer or lender so that your closing will proceed without a hitch!
- Pay to obtain corrective Mortgage Discharges or Deeds (at no cost to you) if necessary;
- Pay for missed bills for municipal charges (again, at no cost to you) if necessary;
- Pay to litigate the defense of your title (and did I mention that this is at no cost to you?) if necessary.

## OKAY, BUT WHAT IS "EXPANDED" TITLE INSURANCE?

#### In addition, an Expanded Owner Policy:

- Pays if you are forced to remove a building or improvement built without a permit before you took title, or if you can't use your property as a single-family home
- Pays if someone encroaches on your land (or if you encroach on someone else's land!)
- Pays if someone refuses to buy, lease, or take a mortgage on your property because of:
  - a subdivision or zoning violation
  - violation of a restriction on your land that occurred prior to your ownership

#### This means that CATIC also promises to:

- Defend your title in any court case for any claim arising under your CATIC Owner policy or CATIC Expanded Owner policy at no cost to you.

**I'M STILL NOT CONVINCED...****GIVE ME AN EXAMPLE OF WHEN AN OWNER POLICY MAKES A DIFFERENCE.****A CATIC OWNER POLICY CAN HELP:**

- When you find out that your title comes from a defective foreclosure (even if the defect happened years before you bought the property).
- Without an Owner policy, you'll need to take care of this on your own.

**An Owner Policy can also help if you find out that:**

- The last owner's mortgage wasn't discharged (or worse, wasn't paid off).
- Without an Owner policy, you'll need to take care of this on your own

**Or if you find out that**

- There are unpaid real estate taxes, water/sewer charges, or a special assessment on your title that should have been paid at your closing.
- Without an Owner policy, you'll need to take care of this on your own.

**Or you find out that**

- Part of your next-door neighbor's new swimming pool is in your back yard.
- Without an Owner policy, you'll need to take care of this on your own.

**SO THAT'S WHAT AN OWNER POLICY DOES FOR ME!****CATIC Headquarters**

101 Corporate Place, Rocky Hill, Connecticut 06067

T: (860) 529-8855 Toll Free: (800) 842-2216 F: (860) 563-4833

