

Benefits of Title Insurance - Q & A

A title insurance policy from Commonwealth protects your real estate investment, backing up your property's title with the strength and assets of our Corporation.

Q. What is title insurance?

A. A title Insurance policy protects your legal rights over the property, occupancy, use, control, and disposition of the property.

Q. Why is it different to transfer title to property than to transfer different kinds of items such as a car?

A. The transfer of property can be complicated, due to the fact that the land is permanent but the use given and the rights to use it can change over the years.

Q. What is a title search?

A. Before issuing a policy, the title insurance company will perform an extensive search of relevant public and historic records related to the property. The search may be performed by title company personnel using either public records or more likely, information gathered, reorganized and indexed in the company's title "plant".

Q. Why do you need title insurance?

A. There are two different types of title insurance: the policy for the lender is needed to cover the amount of the mortgage and protect their investment. The policy issued for you, the owner of the property, will protect against any loss arising from a valid claim. The insurance company will pay for any legal fees involved in defense of your rights, but upon a loss, it will reimburse you for any loss in the value of the property.

Q. Is title insurance as important as homeowners insurance?

A. Generally speaking, homeowner's insurance protects against theft or damage. If fire destroys your home, you will be able to rebuild or to buy a new house. But if your property title has defects, you could lose any rights over the house and the property on which it has been built.

Q. How much does title insurance cost?

A. Title insurance rates vary in different counties. You pay only a one-time premium and there are no monthly payments.

Q. How long does title insurance coverage last?

A. The policy for the lender will last until the mortgage is paid in full. The policy for the owner will last as long as you or your heirs have an interest in the property.

Q. Where can I purchase a title insurance policy?

A. You can purchase a title insurance policy through any title insurance company or through any of the agents that operate in your state. You can find a local Commonwealth agent with the experience and knowledge that you need.

