

WHY DO I NEED TITLE INSURANCE?

All information is cited from www.tdi.texas.gov

1 WHAT IS TITLE INSURANCE?

Title insurance protects people from losses that happen after they buy real estate. These losses might be unknown liens, defects, or encumbrances on the property that existed before the purchase. Title Insurance protects the right of access to the property.

2 WHAT DOES TITLE INSURANCE PROTECT AGAINST?

- unpaid property taxes
- fraud or forgery of a previous deed
- a spouse or unknown heir who makes a claim against the property

3 WHAT TYPES OF POLICIES ARE AVAILABLE?

Owner's Policy: Protects you from the covered risks listed in the policy. An owner's policy only covers you up to the value of the property at the time you bought the policy. It doesn't cover any increase in your property's value, unless you buy an increased value endorsement.

Loan Policy: Protects the lender's interest. A loan policy covers up to the amount of the principal on your loan.

4 HOW MUCH DOES IT COST?

All title agents charge the same premium for property of the same value. Rates are based on the property's sale value. Texas Department of Insurance (TDI) sets title insurance premium rates.

Title agents add charges for tax certificates, escrow fees, recording fees, and delivery expenses. These charges vary between title agents. Call us for a list of charges and review the charges carefully.



5 HOW DO I CHOOSE MY TITLE INSURANCE COMPANY?

You can use any title agent you want. You don't have to use the company your real estate agent or lender recommends.

Texas Excel Title is family-owned, licensed, and dedicated to handling all your title insurance and closing needs.

6 MAJOR BENEFITS TO HAVING TITLE INSURANCE:

- When you buy an owner's policy and a loan policy at the same time, the loan policy is issued at a discounted price of \$100.
- You pay for title insurance only once, when you buy the policy, unless you decide later to add more coverage.
- You get a discount on the loan policy if you refinance within 7 years.
- Peace of mind knowing that your property is free and clear of any liens.

