

7 Reasons You Need Title Insurance

“Talking Title” With Homebuyers

Buying a home is an exciting and emotional time for many people. To help you buy your home with more confidence, make sure you get owner's title insurance. Here's why it's so important for you:

1. Protects Your Largest Investment

A home is probably the single largest investment you will make in your life. You insure everything else that's valuable to you—your life, car, health, pets, etc., so why not your largest investment? For a one-time fee, owner's title insurance protects your property rights for as long as you own your home.

2. Reduces Your Risk

If you're buying a home, there are many hidden issues that may pop up only after you purchase your home. Getting an owner's title insurance policy is the best way to protect yourself from unforeseen legal and financial title discrepancies. Don't think it will happen to you? Think again.

Unexpected title claims include:

- outstanding mortgages and judgments, or a lien against the property because the seller has not paid his taxes
- pending legal action against the property that could affect you
- an unknown heir of a previous owner who is claiming ownership of the property

3. You Can't Beat The Value

Owner's title insurance is a one-time fee that's very low relative to the value it provides. It typically costs around 0.5% of the home's purchase price.

4. Covers You

As long as you own your home, owner's title insurance protects your property rights.

5. Nothing Compares

Homeowners insurance and warranties protect only the structure and belongings of your home. Getting owner's title insurance ensures your family's property rights stay protected.

6. 8 in 10 Homebuyers Agree

Each year, more than 80% of America's home buyers choose to get owner's title insurance.

7. Peace of Mind

If you're buying a home, owner's title insurance lets you rest assured, knowing that you're protected from inheriting most existing debts or legal problems, once you've closed on your new home.

Buying a home is an exciting and emotional time for homebuyers. As an important advisor to your clients, you are in a position to educate homebuyers on the value of owner's title insurance. Here are some helpful tips:

Who Do I Need To Communicate With?

The American Land Title Association (ALTA) created the Homeowner Outreach Program (HOP) to help ALTA members easily communicate the benefits of owner's title insurance with homebuyers, Realtors® and others.

In the journey of purchasing a home, homebuyers are confronted with overwhelming amounts of detail and new, complex processes. Keep it simple when explaining the value of title insurance. Remember, you sweat the details, so your home buyers don't have to.

Where Can I Find The Tools I Need?

ALTA is providing you with all the tools you need to help you effectively communicate the value of title insurance to your customers—from real estate professionals to homebuyers. Make sure you take advantage of all of the ALTA Homebuyer Guide tools, so you can continue to provide homebuyers with peace of mind.

What Do I Need To Say?

“As long as you own your home, owner's title insurance protects your property rights. Now that's peace of mind every homebuyer deserves. Getting owner's title insurance is one of the smartest and easiest decisions you'll make as a homeowner. It's a one-time purchase that protects your property rights for as long as you own your home.”

Why Is This Important?

Homebuyers, builders, real estate professionals and lenders are all looking to you for the most effective and accurate information about owner's title insurance.

Educating homebuyers early in the home buying process has a quantifiable positive impact on their understanding, favorability and purchase of owner's title insurance.

When Should I Reach Out?

ALTA research shows that homebuyers want information about the title search process and title insurance as soon as they begin the process of buying a home.

In a recent ALTA study, the majority of homebuyers said they would prefer to receive this information when they start working with a lender.