

Why Not an Attorney's Title Opinion?

Make Sure the Home You Buy Is Really Yours

An Attorney's Title Opinion letter provides no protection for "hidden" title defects. The Attorney is only responsible if you can prove he or she was negligent. Therefore, the Attorney is not responsible for errors made by public employees in maintaining public land and tax records, nor for errors by the abstractor in searching the records. The Attorney's Title Opinion provides no protection against any problem arising after the "effective date" of the Opinion, which is usually several months before your deed is recorded to transfer title to you. It also does not protect you against unrecorded, but fully enforceable mechanic lien claims by anyone making recent improvements to the property. The Attorney's Title Opinion offers no assurance that you can drive to your property from a public street, nor that your house or your neighbors' house, does not straddle your boundary line.

An Owner's Policy of Title Insurance from Gibraltar Title protects you against all of these hazards, and more. Plus, you get Inflation Protection with your owner's policy, at no extra cost. Your coverage increases as the value of your property increases, up to 150% of the amount of the original policy over the first five years.

What if a problem arises with your title and your Attorney has retired or passed away? Where would you submit your claim?

Gibraltar Title is underwritten by Stewart Title Guaranty Company, one of the strongest underwriters in the industry. The Owner's Policy you purchase from Gibraltar Title today is the most comprehensive owner's title insurance policy available in Minnesota. With our policy, you can rest assured that title to your home, possibly your most valuable asset, is protected today, tomorrow and on into the future for as long as you or your heirs need that protection.



But Don't Take Our Word For It...

Consult your attorney. We also suggest you read the section regarding Title Insurance in "Buying Your Home" published by the U.S. Department of Housing and Urban Development or available on their website, www.HUD.gov.

After all, if your lender insists on a title insurance policy to protect its investment, can you afford less? Remember - you can rely on Gibraltar Title.



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Why Title Insurance?

Real estate has always been considered man's most valuable possession, so there are many special laws to safeguard its ownership. These laws protect your interest in the property, but at the same time protect the rights of others who may have an interest in the property, as well. There are mortgage and leasehold rights, unpaid taxes, lien claims of those to whom the owner owes money, rights of family members or heirs of previous owners, rights of others to use certain portions of the property, and many others. Therefore it is vital for you to make sure that you are acquiring good title and that there are no outstanding claims against it that could threaten your financial investment, or hinder your use and resale of the property.

How Am I Protected?

An important part of what we do at Gibraltar Title is risk elimination. Our first step in preparing to issue title insurance is a search of the public land records by a licensed abstractor. The abstractor's findings are reviewed by a title examiner to determine insurability, and the status of title. Among the common issues disclosed by the title exam are:

- outstanding mortgages against the property
- unpaid taxes or assessments
- deeds, wills, trusts, divorce decrees or probate decrees containing errors
- easements that allow others to use part of the land
- interest of an ex-spouse of a prior owner

The search and exam process will often detect potential problems so that they can be corrected before closing. However, even the most thorough search and exam cannot detect all hazards. Title insurance protects you against all claims against your title, as insured, including "hidden" title risks, such as:

- mistakes in the public records
- liens for recent improvements ordered by the seller but not paid
- a forged signature on a deed, which means title does not transfer to you

- an undisclosed spouse of a previous owner
- a lien placed against the property after the search but before your deed is recorded

Title insurance pays any covered loss sustained from such a defect in your title; and in addition it provides for defense of your title in court, if necessary, without charge to you, and all for the one premium you pay at closing.

"I Thought I was Already Getting Title Insurance."

Since the lending institution providing your mortgage has a vested interest in your property, they have requested Mortgage Title Insurance to protect their financial interest.

There is an equally important type of title insurance policy for you. An Owner's Policy. This protects you up to the full value of your property (not just the amount of the mortgage). The owner's policy further guards you against certain adverse claims which may not affect the lender's interest in your property, but could definitely hurt your enjoyment and the resale of your property.

One of the major advantages of purchasing an Owner's Title Insurance Policy at the same time as the Mortgage Policy is that the additional cost is so low. The basic search and examination work has been done, so most of the Mortgage Policy cost is credited to your Owner's Policy. The exact cost of your Owner's Policy will vary according to the amount of your purchase price and mortgage. We will be glad to provide you with the exact amount, or you can use the calculator on our website, www.GibraltarTitle.com. Remember, unlike other forms of insurance, there are no annual payments to keep the policy in force. The original premium is your only cost as long as you or your heirs own the property, and in some circumstances, even after you sell.