

PREFACE

This book is an introduction to the basics of title insurance law and title insurance coverage.

This book will provide the real estate lawyer with a broad overview of what title insurance does and does not do, and what the real estate lawyer can ask for. This book is written in a user-friendly manner that provides a basic treatment of title insurance, examples, and practice pointers clearly shown throughout the text.

The objectives of this book include a general background of title insurance, the variations and common features of title insurance in the United States, the common types of coverage and issues that the real estate lawyer needs to be aware of, and the standard requests that the real estate lawyer should consider.

The material is intended to provide a unique approach that offers a practical guide and series of checklists for the real estate lawyer.

DEFINITION OF TITLE INSURANCE

Title insurance does each of the following things:

- Title insurance protects the insured, who is a lender or an owner of the land, against actual monetary loss.
- Title insurance protects against third-party rights or claims to the land, such as ownership or a lien, unless it excepts to those rights.
- Title insurance protects against third-party rights or claims that may or may not be recorded in the local land records.
- Title insurance primarily insures against third-party rights or claims that exist before the title insurance policy is issued.
- Title insurance agrees to hire a lawyer to protect the insured if a third-party claims a right or claim to the land.

Title insurance is sometimes defined as an examination of title and insurance of correctness of searches.

Title insurance is an indemnity against monetary loss because of defects, liens, or encumbrances on the title to the land.

Title insurance is a type of insurance against financial loss to the owner because of a defect in title, such as a claim to own the land or a lien (which is a right to have the land sold to pay a debt). Title insurance also insures the lender against a claim that the lender's mortgage is not valid or enforceable.

RESOURCES FOR READERS

- *Law of Title Insurance* by Barlow Burke
- *Title Insurance Law* by Joyce Palomar
- *Texas Title Insurance* by Billie Ellis and Charles Jacobus
- *Title Insurance: A Comprehensive Overview* by James Gosdin
- *Title and Escrow Claims Guide* by J. Bushnell Nielsen
- *California Title Insurance Practice* (with a particularly good chart of the California Land Title Association's (CLTA) endorsements at § 8A.36)

INTENT

This book is a helpful introduction to the basics of title insurance law and title insurance forms.

RATIONALE

This book was written to provide lawyers and laypeople with a general understanding of what title insurance is, what the laws say, and what the title insurance forms do.

INTENDED AUDIENCE

This book is written for lawyers who are continuing to develop expertise in real estate law.

OBJECTIVES

- To provide examples of the law.
- To provide examples of the forms and what the forms mean.
- To provide examples of what title insurance coverage the lawyer should request.

WHY READ THIS BOOK?

This book is a practical guide that can be used to learn the basics of title insurance and to develop the general requirements for protecting clients. The book can be used by regulators and other professionals to develop a broad understanding of how title insurance is used and what title insurance means.

Any persons reading this book should consult with their own lawyer for legal advice. Any material in this book is not intended to provide legal advice. This book and any forms and agreements herein are intended for educational and informational purposes only.