**NOTICE OF AVAILABILITY OF OWNER TITLE INSURANCE**

**Notice of Availability of Owner’s Title Insurance (as required by Virginia Code §38.2-4616)**

If a Loan Policy of title insurance insuring the title to the property you are buying is being issued to your mortgage lender, *that policy does not provide title insurance coverage to you.*

You may obtain owner title insurance coverage, including affirmative coverage for mechanic’s liens. Title insurance will insure you against loss or damage, resulting from defects in the title and pay defense costs in the event of a challenge to your title. Such defects in title include but are not limited to:

• liens (or claims) asserted by others (including creditors of prior owners).

• physical or legal encroachments on your property.

• ownership interests vested in others (such as missing or unknown heirs of prior owners).

• mechanic's liens—liens which are filed by contractors and suppliers who have furnished labor and materials for your property. These liens may be filed AFTER closing.

Please be advised that the value of subsequent improvements to the property may not be covered.

Unless you request otherwise, the CATIC Expanded Protection Owner Policy (ALTA Homeowners Policy) will be issued, if available. Note: This enhanced coverage is not available for unimproved property, commercial property or residential property with ongoing construction. Further, the property must i) be shown on a recorded plat and be less than 25 acres and ii) have vehicular and pedestrian access based on a legal right for the enhanced coverage to be available.

More information concerning owner title insurance is available on the reverse side or next page of this Notice.

[ ]  I/We request an Expanded Protection Owner Policy of title insurance.

[ ]  I/We request a standard Owner Policy of title insurance.

☐ I/We do not request either a standard Owner Policy or an Expanded Protection Owner Policy of title insurance.

I/we acknowledge that l/we have been notified that l/we may wish to obtain owner’s title insurance coverage including affirmative mechanics’ lien coverage, if available, and that l/we have been notified of the general nature of such coverage, and that l/we have chosen the insurance coverage option as indicated above.

Buyer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Buyer: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**INFORMATION CONCERNING OWNER TITLE INSURANCE**

**What is title insurance?**

Title means the sum of all the facts on which ownership of property is founded or proved. Title insurance provides protection against financial loss which could result from defects in the title to real property, or from errors made in searching that title. Title insurance is not fire or casualty insurance.

**Who can be insured?**

You, as an owner of real property, can purchase insurance, which protects you from financial loss caused by circumstances which adversely affect or restrict the title to your property. The type of policy which protects you the owner is simply called the Owner Policy.

**How expensive is the Owner Policy?**

Please note that title insurance premiums are paid only once when the policy is issued. The costs have been provided on a settlement statement provided by your agent.

**What types of risks are covered by the Owner**

**Policy?**

Before any of our title insurance policies can be issued, there must be a careful examination of the title to your property. If that examination discloses any defects, these matters must be either eliminated or otherwise resolved to the satisfaction of the Company before a policy can be issued. Even after carefully searching the title and reviewing the closing documents, however, some risks still remain. Examples of these remaining risks, which can be covered by the standard Owner Policy are:

- lost or forged deeds

- undisclosed heirs

- transfers by incapable persons

- incorrectly indexed deeds or liens

- no right of access to your property

Your Owner Policy can protect you from all of these "hidden" risks. In addition, your policy covers all legal expenses incurred in defending a claim against your title, even if that claim has no merit.

For residential property containing a one-to-four family dwelling, and for an additional 20% of the title premium for a standard Owner Policy, you may obtain an Expanded Protection Owner Policy (ALTA Homeowners Policy) which can provide additional coverage beyond that provided in the standard Owner Policy, including:

- coverage against loss due to forced removal of the existing residence because the residence:

- encroaches onto your neighbor's land

- encroaches into an easement

- violates an existing zoning law.

- coverage if you lose your property because of a violation of any covenant or restriction that occurred before you acquired the property.

- coverage against loss due to forced removal of the existing residence because any portion of it was built without a building permit.

- coverage against loss caused by the refusal of a buyer to purchase, or the refusal of a lender to make a loan, or inability to obtain a building permit for remodeling, because of a violation of existing subdivision law.

- coverage against loss resulting from future encroachments onto your property (other than boundary walls or fences).

- coverage against loss by reason of future forgery of an instrument by which someone else claims to own your land or have a mortgage or some other lien on it.

On Expanded Protection Owner Policies only

- survey coverage (coverage against loss resulting from adverse title matters that would have been disclosed by an accurate survey) may, in certain cases, be available without the need to obtain a survey.

You are urged to independently review both forms of Owner Policy coverage to decide whether you would like to purchase owner coverage, and, if so, which type of Owner Policy you would prefer. If you have not already done so, you should consult with an attorney of your choice to help you make the decision.

After reviewing these title insurance options, please indicate your choice on the first page of this form.