



Home Title Insurance: What Is It And What Do You Need To Know About It?

Have you been searching the housing market for the right home?

Are you looking for a house on a piece of farm land for sale?

Or perhaps, you are already in the process of purchasing your dream home?

Whether you are getting ready to move into your new home, or you are still looking, you may be questioning if you need home title insurance.

[San Benito Realty](#) knows that making choices like this while purchasing real estate can be difficult. We want to help make things more clear by going over what title insurance is and what you should know about it!

Read on to learn more about title insurance...

What Is Home Title Insurance?

A title for property shows the rights held by the owner of the property for equitable and legal interest.

In other words, the title shows who the owner is now, what that ownership entails, and when done well a chain of titles will show the history of who has owned the property.

Having a title that is clear and without deficits is necessary for a seamless transaction.

According to [Investopedia](#), title insurance is a form of indemnity insurance that gives protection to the homebuyers and lenders in case of issues with the title that leads to financial loss.

Types of Title Insurance

There are two common types of title insurance, lenders' title insurance, and owners' title insurance.

Lender title insurance is often required by the lender for the homebuyer to get a mortgage. The person who is requesting the loan to purchase the property will pay for the lender's title insurance.

This type of insurance will protect the lender in case of any financial loss caused by an issue with the title.

Owner title insurance is either bought by the seller or the buyer to protect the home buyer from any financial loss that could occur from issues with the title or failure of past owners to pay taxes.

This will provide protection for the homeowner and bring peace of mind during and after the transaction.

What Does Title Insurance Typically Cover?

Before deciding if owner title insurance is a good choice for you, you need to know what it covers.

[Rocket Mortgage](#) says that most title insurance policies cover common claims that can be filed against a title. These claims include back taxes, outstanding liens, and wills that are conflicting.

These common claims against a title can all ruin your legal ownership of the property and cost you a lot of money.

Buying this type of insurance can save you a lot of money, time, and worry if there are problems with your title, such as back taxes.

How Much On Average Does Title Insurance Cost?

The prices on this type of insurance can range anywhere from \$500 to \$4000. There are a few different factors that will go into how expensive your title insurance will be.

One thing to consider is what state you live in, some states have cheaper properties and cheaper insurance policies, while others have very high rates.

You should also be aware that if the seller is purchasing the policy then the price of the policy may be added to the price of the property.

Another factor that impacts the price is what insurance company you go to for a policy, and what policy you choose. Not all policies are of the same value, so make sure you do your research or talk to a financial advisor.

What If You Are Looking For Farm Land For Sale?

Have you been searching for the perfect farm land for sale in California?

If you are dreaming of owning a ranch or starting a small farm, you may be wondering if you'll need title insurance.

The same idea applies to farm land and homes in rural areas as it would your average property. You risk the chance of losing the land, money, and time you put into it if you don't buy good title insurance.

[Farm land](#) can be a great real estate investment where you can make a lot of money while living your dreams. Don't let an outstanding lien, back taxes, or a conflict stop you from starting your farm.

Do You Need Home Title Insurance?

A lender's title insurance policy is almost always required. Although owner title insurance is not typically a requirement, it is a very wise decision. The potential loss that a title with issues could bring is not worth the risk.

You can work with your broker, the bank, and an insurance provider to determine the right title insurance policy for you.

Do you want to work with a professional broker who has years of experience? Click here to [contact San Benito Realty](#).



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