



File # _____

Notice of Availability of Owner's Title Insurance

Virginia law requires purchasers of residential real estate to designate in writing whether or not they wish to purchase Owner's Title Insurance. Title insurance protects against the hidden hazards of real estate ownership. Your mortgage lender will require a title policy insuring the amount of money they lend to you. This policy does NOT protect you. It protects the lender if you default on your loan and there are title issues when the lender needs to foreclose on the property.

Only an Owner's title insurance policy can protect you. Purchase of this insurance protects you from hidden liens, forgeries, and unreported tax bills along with many other hazards. This owner's policy will protect you against a claim from someone else saying they either own the property or have a right to use part of it, which has not been disclosed in your Owner's policy. Just as important, the Owner's policy covers the legal fees to defend your rights to the property.

In Virginia, mechanics' liens may be filed by any person or company which has performed work or provided materials to improve the property for which they have not been paid. This type of title problem is generally associated with new construction. However, if the seller has done work to prepare the house for sale, and has not paid for the materials or labor, a lien may be filed. The suppliers and/or contractors have up to 123 days after the work is done in which to file a lien against the real estate. This could occur after you have purchased the home and the seller has relocated in another area. If the seller has provided the affidavits and, in some cases, lien waivers or receipts, required in your title commitment, you would be protected from mechanic's lien claims.

A quote showing the cost of title insurance coverage follows. We have used the figures obtained from you, your Realtor, or mortgage lender in the preparation of this quote. Should this not be correct please let us know so we can amend the figures to more accurately reflect your transaction.

You are not required to purchase title insurance to protect yourself as a purchaser. Your lender does require title insurance to protect their collateral.

Reissue Credit: If, prior to settlement, you provide us with a copy of the current Owner's title policy (yours in a refinance, the Seller's in a purchase transaction) and the policy is not more than 10 years old, you will be entitled to a reissue credit, i.e, a reduced price for the title policy involved in this transaction.

See next page for cost breakdown.

File #: _____

Title Insurance Cost (choose one)

_____ Enhanced Owner's policy is available for 20% additional premium.	\$
Simultaneous standard Lender's policy (zero if no lender)	_____
Total	\$ _____

Or

_____ Standard Owner's policy with purchase price of \$_____	\$
Simultaneous lender's policy (zero if no lender)	_____
Total	\$ _____

Or

_____ Lender's policy only \$_____	\$
No Owner's coverage.***	

Or

_____ No lender. I do not want Owner's title insurance coverage.***

Reissue credit will be figured upon receipt, prior to settlement, of an Owner's policy insuring the current owner which is not more than 10 years old.

I have indicated the title insurance coverage I want

_____	_____
Signature	Date

_____	_____
Signature	Date

***IF DECLINING OWNER'S COVERAGE, PLEASE READ AND INITIAL:

I HAVE BEEN INFORMED ABOUT THE VALUE OF AN OWNER'S POLICY. I UNDERSTAND THAT BY WAIVING AN OWNER'S POLICY, IF A TITLE PROBLEM OCCURS, I WILL HAVE TO FIX IT AT MY OWN EXPENSE, WHICH MAY INCLUDE HIRING AN ATTORNEY.

_____	_____
Initials	Initial