
Consumer Corner[®]

When Buying Land, Title Searches Important

(NAPSA)—Surprising to many homebuyers is the need to purchase title insurance even when buying land only. A title search can miss things such as undisclosed heirs and wills not probated. Owner's title insurance can protect you when this happens. It can also reveal other potential problems.

For example, a title search may fail to identify that the two acres of land you want to purchase were once part of a five-acre tract. A prior deed to the five acres restricted the use of the property to "a single-family dwelling." The other three acres from the original tract already contained a single-family dwelling, which creates doubt about the ability to build a home on the two acres.

Owner's title insurance can provide protection and assistance in obtaining releases from the appropriate parties to remove the problem and allow your house to be built.

Since its inception, owner's title insurance has offered protection that is significantly different from other lines of insurance. Typically, other types assume a particular risk and provide financial indemnity in the event the risk occurs. Title insurance, on the other hand, emphasizes loss prevention by eliminating risks caused by title problems arising from past events.

To learn more about the importance of title insurance, visit the American Land Title Association Web site at www.alta.org.