



10 COMMON TITLE PROBLEMS

Have you ever wondered why you need title insurance? Your home may be new to you but every property has a history. A thorough title search can help uncover any title defects tied to your property. Subject to the terms of the policy, your title insurance provides protection for you from title problems that may become known after you close your transaction. Some of these common issues are:

1. **ERRORS IN PUBLIC RECORDS.** To err is human but when it affects your home ownership rights, those mistakes can be devastating. Clerical or filing errors could affect the deed or survey of your property and cause undue financial strain to resolve them.

2. **UNKNOWN LIENS.** Prior owners of your property may not have been meticulous bookkeepers or bill payers. Even though the former debt is not your own, banks or other financing companies can place liens on your property for unpaid debts even after you have closed on the sale. This can be even worse with distressed properties.

3. **ILLEGAL DEEDS.** While the chain of title on your property may appear perfectly sound, it is possible that a prior deed was made by an undocumented immigrant, a minor, a person of unsound mind or one who has reported as single but is really married. These instances may affect the enforceability of prior deeds, affecting prior (and possibly present) ownership.

4. **MISSING HEIRS.** When a person dies, the ownership of their home may go to their heirs or those named within their will. Sometimes the heirs are missing or unknown at the time of death. Also, family members could contest the will for their own property rights. This could happen long after you have purchased the property and may affect your rights to the property.

5. **FORGERIES.** Unfortunately, we do not live in a completely honest world. Sometimes forged or fabricated documents that affect property ownership are filed in public records, obscuring the rightful ownership of the property. Once these forgeries come to light, your rights to your home could be in jeopardy.

