**NOTICE OF AVAILABILITY OF OWNER TITLE INSURANCE**

Pursuant to Insurance Article §22-102, Annotated Code of Maryland, as amended

Date:

To:

Buying property identified as:

Commitment Number:

Notice is hereby given that, in connection with the referenced real estate transaction, which involves a purchase money mortgage or deed of trust:

( i ) A loan policy of title insurance will be issued providing protection ONLY FOR YOUR LENDER,

 \_\_\_\_\_\_\_ who will be named as the insured.

 ( ii ) The face amount of the loan policy will be $ \_\_\_\_\_\_\_.

1. You have the RIGHT and OPPORTUNITY to obtain simultaneous title insurance in your favor.
2. An additional premium of $ \_\_\_\_\_\_\_\_\_\_\_\_\_is required for the purchase of simultaneous title insurance in your favor providing coverage equal to the purchase price of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

( v ) Your title insurance protection would be subject only to the contingencies and conditions contained in the Commitment and title policy.

1. You have the right to review a sample of the form of policy in which the contingencies and conditions will be inserted.
2. Your title insurance protection would become effective upon issuance of an owner’s policy after the following contingencies have been met: (1) satisfaction of all requirements shown in the Commitment and (2) payment of the additional premium set forth in Item (iv) above.
3. The Commitment plus the sample form policy 1) does constitute a statement of the terms and conditions on which the title insurer is willing to issue its policy if the title insurer accepts a premium for the policy, 2) is not a representation as to the state of title, and 3) does not constitute an abstract of title.

# STATEMENT OF RECEIPT OF NOTICE

We acknowledge receipt of the foregoing Statutory Notice on \_\_\_\_\_\_\_\_ , prior to the disbursement of any funds, and DO DO NOT want owner's title insurance.

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Date:

 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?**

The cost for an Owner Policy is shown on the first page of this form. Please note that title insurance premiums are paid only once when the policy is issued.

**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 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.