

Upgrades for Your Residential Owner's Title Insurance

Available Upgrades for Residential Owner Coverage

A Residential Owner's Policy of Title Insurance (Residential Owner's Policy) helps protect your ownership of what for most people is the largest financial asset you will ever own – your home. While a basic Residential Owner's Policy covers the standard items the Texas Department of Insurance requires, there are additional coverages you can purchase to give you even better protection and greater peace of mind.

Here are the coverage upgrades available for you to purchase:

1. Amendment of Standard Policy Exception to Area, Boundaries, Etc.

Your Residential Owner's Policy contains a standard exception to coverage for "(A)ny discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements."

This means your policy will not protect you from a loss of title due to the unknown encroachment of a neighbor's improvement onto your property, the unknown protrusion of an improvement on your property onto a neighbor's property or over a setback line, or some other unknown condition described by the language in this standard exception to coverage.

For a cost of 5% of the base premium for your Residential Owner's Policy (but not less than \$20), all of the items noted above in the standard exception to coverage, other than "shortages in area" will be deleted.

By obtaining this upgrade to your coverage you can protect yourself from a title loss due to a discrepancy or a conflict in a boundary line, an encroachment, a protrusion, or an overlapping of improvements that is not shown on your survey or is otherwise unknown at the time of closing.

2. Restrictions, Encroachments, Minerals Endorsement (T-19.1 Endorsement).

The T-19.1 endorsement is additional coverage available for purchase to provide protection from, among other things, the following (see a copy of the T-19.1 endorsement form for a complete list of potential protections):

- Violation(s) of enforceable covenants and restrictions that exist on the date of your Residential Owner's Policy but for some reason were undiscovered and unknown.
- Forced removal of an improvement because of an unknown violation of a recorded or platted building setback line.
- Damage to an improvement due to the exercise of mineral extraction rights or mineral development rights.

If purchased by itself, the charge for the T-19.1 Endorsement is 10% of the base premium for your Residential Owner's Policy (but not less than \$50). However, if it is purchased in connection with the Amendment of Standard Policy Exception to Area, Boundaries, Etc. described above, then the cost of the T-19.1 Endorsement is reduced to 5% of the base premium for your Residential Owner's Policy.

So, if you purchase both coverages, you essentially get two additional upgraded protections for what the T-19.1 Endorsement would cost by itself!

Important Considerations to Note

The charges for the upgraded coverages described above are one-time charges that are paid at closing.

If purchased, your upgraded coverage will protect the property for as long as you or your heirs own it – no matter how long that is.

A survey of the property approved by Fidelity National Title is required to be eligible to purchase each extra coverage described above.

These upgraded coverages do not protect you from matters shown on the survey or otherwise known at the time your Residential Owner's Policy is issued.