

Notice of Availability of Owner's Title Insurance (as required by Virginia Code §38.2-4616)

You may wish to obtain title insurance coverage, including affirmative coverage for mechanic's liens. Title insurance will insure you against loss or damage, resulting from defects in the title and pay defense costs in the event of a challenge to your title. "Defects in title" include; but are not limited to:

- Liens (or claims) asserted by others (including creditors of prior owners).
- Physical or legal encroachments on your property.
- Ownership interests vested in others (such as missing or unknown heirs of prior owners).
- Mechanic's liens—liens which are filed by contractors and suppliers who have furnished labor and materials for your property. These liens may be filed AFTER closing.

Please be advised that the value of subsequent improvements to the property may not be covered.

Unless you should request otherwise, an owner's policy with enhanced coverages will be issued whenever possible. *See the chart attached comparing the standard and enhanced owner's policy coverages.

- Owner's title insurance protection accepted. The premium for enhanced coverage is \$_____.
- I/we do not want the owner's policy with enhanced coverages and want the standard owner's policy. The premium for standard coverage is \$_____.
- Owner's title insurance protection declined.

I/We acknowledge that I/we have been notified that I/we may wish to obtain owner's title insurance coverage including affirmative mechanics' lien coverage, if available, and that I/we have been notified of the general nature of such coverage, and that I/we have chosen the insurance coverage option as indicated above.

***NOTE: FOR AN ENHANCED OWNERS POLICY TO BE ISSUED, THE PROPERTY MUST MEET THE FOLLOWING CRITERIA:**

- The property to be insured must be a completed one-to-four family residential dwelling or condominium unit. **Note:** The Enhanced Owners Policy is not available for unimproved property, commercial property, or residential property on which there is ongoing construction.
- If the property to be insured involves newly constructed improvements, a final Certificate of Occupancy must be provided.
- The property to be insured must be platted (and the plat must be recorded), contain 25 acres or less, and have a valid street address.
- An additional 20% premium must be collected.
- The property must have vehicular and pedestrian access based upon a legal right.
- If the property does not comply with the above criteria, certain coverages in the ALTA Homeowners Policy (2003) may be deleted, or an ALTA Standard Owners Policy (1992) may be issued in lieu of the ALTA Homeowners Policy.

ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

Title Insurance for the Future

There are few things more important than protecting your home. Owner's Title Insurance has been offered by Stewart Title Guaranty Company for over 100 years, because even the best title search and examination cannot protect your equity and home from matters not appearing in the public record.

The standard policy covers you for defects and liens in the history of your title through the date and time your Deed is recorded in the public records. The ALTA Homeowner's Policy of Title Insurance provides coverage for many additional risks, including some which might occur after the deed is recorded. As a result of the expansion of coverage this policy has a 20% higher premium.

Below is a coverage comparison that will help you decide which policy is the best for you to protect your ownership in your home.

COVERAGE COMPARISON:

BOTH POLICIES INCLUDE:	Standard Policy	New Policy
<ul style="list-style-type: none"> • Mechanic's Lien Coverage • Third Party claims an interest in the title • Improperly executed documents • Pre-Policy forgery, fraud or duress • Non-recorded restrictive covenants • Defective recording of documents • Prior recorded liens not disclosed in the policy • Unmarketability of the title • Policy insures anyone who inherits the property from you 	<ul style="list-style-type: none"> Yes Yes Yes Yes Yes Yes Yes Yes Yes 	<ul style="list-style-type: none"> Yes Yes Yes Yes Yes Yes Yes Yes Yes
ADDITIONAL COVERAGES IN NEW POLICY:		
<ul style="list-style-type: none"> • Policy insures the Trustee of your estate planning trust • Policy insures the beneficiaries of your trust upon your death • Automatic increase in coverage up to 150% (not based on inflation) • Post Policy Forgery • Post Policy encroachment onto insured land • Legal right to ACTUAL vehicular and pedestrian access • Up to \$25,000 coverage for certain losses due to Building Permit violations (subject to a deductible*) • Up to \$25,000 coverage for certain losses due to zoning law violations (subject to a deductible*) • Up to \$10,000 coverage for certain losses due to existing violation of subdivision law (subject to a deductible**) • Post policy structural damage from third party easement for mineral extraction • Violation of restrictive covenants identified in the Policy: <ul style="list-style-type: none"> • Resulting in loss from correction or removal • Resulting in loss of title • Resulting in loss of use where single family dwelling prohibited • Forced removal of existing structures that: <ul style="list-style-type: none"> • Encroach onto an easement identified in the Policy • Violate a building restriction line identified in the Policy • Encroach onto neighbor's land (subject to a deductible** and maximum*** if boundary wall or fence) • Land cannot be used for single family dwelling under zoning ordinance 	<ul style="list-style-type: none"> No No No No No No No No No No No No No No No No No No No 	<ul style="list-style-type: none"> Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes

* deductible of 1% of Policy Amount or \$5,000.00 (whichever is less)
 ** deductible of 1% of Policy Amount or \$2,500.00 (whichever is less)
 *** maximum of \$5,000.00

Both policies contain conditions and stipulations as set out by Stewart Title Guaranty Company and the American Land Title Association.

If you have questions regarding your legal rights under the various policies we suggest that you contact your attorney.