

[SETTLEMENT AGENT/ATTORNEY LETTERHEAD]

Buyer(s): _____

Property: _____

_____ Virginia

Your lender probably requires a title insurance policy (“loan policy”) covering its loan but that policy will not protect you against loss due to title problems. Even if the loan policy covers any loss to your lender, you could suffer title-related loss if you do not obtain owner’s title insurance protecting you.

You may want to obtain owner’s title insurance coverage for your purchase of residential property, including affirmative mechanic’s lien coverage if available. A standard Owner’s Title Insurance Policy would protect you against financial loss resulting from title defects, financial claims against the property (including claims for unpaid work performed or materials provided for repair or construction of improvements to the property), or other matters affecting your ownership of the property, including loss resulting from lack of a right of access to your property.

An enhanced coverage Homeowner’s Title Insurance Policy also may be available and would provide coverage to protect you against even more risks to your ownership. For 20% additional premium the enhanced coverage policy would protect you against loss resulting from encroachments, violations of your subdivision or condominium restrictions or local land use regulations, identity theft affecting your ownership, and other matters not covered by standard owner’s title insurance. The amount of coverage increases by 10% annually under the enhanced coverage policy up to 150% of the original amount, just as your home may increase in value¹.

As your [settlement agent/attorney], we would be happy to provide additional information [or advice] about owner’s title insurance². Please indicate whether you want owner’s title insurance coverage.

_____ I/We DO want owner’s title insurance

_____ Standard coverage Owner’s Title Insurance Policy

_____ Enhanced coverage Homeowner’s Title Insurance Policy

_____ I/We DO NOT want owner’s title insurance

Buyer: _____

Buyer: _____

Date: _____ / _____ /20

¹ Neither standard nor enhanced coverage owner’s title insurance would cover the value of subsequent improvements to your property and you may want to increase your coverage after making any home improvements.

² This written statement is required by Virginia law to give you notice of the availability of owner’s title insurance and the general nature of that coverage. You should consult your agent or attorney and the terms of a title insurance policy for a more complete description of the risks covered by owner’s title insurance; any limitations, conditions, or exceptions to that coverage; and its cost compared to the cost of just the required loan policy.