



Flathead Premier
Title Company

WHAT IS TITLE INSURANCE?

Unlike property and casualty insurance, such as auto or homeowner's insurance, which protects against potential future events, title insurance protects the owner of real property from events and matters in the past which might result in loss or damage. Title Insurance assures the owners of real property that their title is free and clear of anything that would affect its marketability (the ability of the owner to sell or borrow against the property). The charge for title insurance is a one-time premium. The insurance coverage lasts as long as the insured owner, and his or her subsequent heirs, remains the owner of the property.

THE TITLE SEARCH

Because real estate is such a valuable possession and investment, it is important to have the assurance that you are receiving title to property that is free from defect. Hidden or unknown defects in title can create substantial losses, up to and including the loss of the property itself. The process of insuring a real estate transaction begins with a search and examination of public records to determine who owns the property; discovery of all liens and encumbrances against the property or its owner; disclosure of easements and restrictions; and disclosure of all other recorded interests in the property.

A thorough examination of public records brings to light matters which affect the title to real property. These include:

- Unpaid taxes and mortgages
- Judgments against the current or previous owners
- Easements
- Other interests in the property

Notwithstanding the most thorough title search, there are occasions when unknown or hidden matters surface calling into question the integrity of title. Here are just a few examples:

- Forged documents
- Recorded documents signed by people without the legal authority
- Undisclosed heirs
- Misinterpretation of instruments such as wills and deeds
- Judgments against previous owners
- Unpaid debts

Title companies research and report all defects in the title to the subject property in order that such matters are corrected and cleared up before the transaction is closed.

PROTECTING YOU AGAINST HIDDEN RISKS:

If a claim is made against the title to your home and you have a title insurance policy, Flathead Premier Title Company, through their underwriter, will protect you:

1. Providing legal support in analyzing the claim.
2. Defending your claim, including in court, at their expense.
3. Bearing the cost of settling a claim, if it proves valid, in order to perfect your title and keep you in possession of your property.

IN SUMMARY

What Does Buying a Title Policy from Flathead Premier Title Company Mean To You?

Title insurance is the assurance that the title to the property you are purchasing is free of defects, and is clear and marketable. It is a further assurance that all matters of record which could adversely affect the title to your property have been disclosed and/or resolved. Title insurance also insures against potential claims should an undisclosed event or matter threaten your ownership and/or enjoyment of the property in question.

Having the peace of mind that someone is watching out for and protecting your ownership interest is a logical choice, and Flathead Premier Title Company is grateful to help you.

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