

NOTICE OF RIGHT TO PURCHASE OWNER'S POLICY OF TITLE INSURANCE

RESIDENTIAL PROPERTY ONLY

TO _____

DATE _____

BUYER ADDRESS _____

PROPERTY TO BE PURCHASED _____

As part of your real estate transaction to purchase the property referred to above, a title insurance policy insuring your mortgage lender will be issued. Even though you are paying for the lender's policy, it does NOT insure your interest as the property owner. *Only an Owner's Policy of Title Insurance can provide that protection to you.*

An Owner's Policy of Title Insurance can insure you against the actual loss you suffer resulting from certain title risks covered by the policy, if those risks affect the property on the effective date of the policy and are not excluded or excepted from the policy. Some of those risks may include:

- Someone other than you (or a person listed in the policy) owning an interest in your property;
- Lack of legal access to and from the property;
- A claim against your ownership interest based on fraud, forgery, or incapacity in a transaction;
- An outstanding lien against your title for matters such as unpaid real estate taxes, a court judgement or a prior owner's mortgage;
- Someone enforcing rights to use your property due to an easement that is not listed in the policy;
- Someone limiting your right to use your property due to a restriction that is not listed in the policy.

An Owner's Policy of Title Insurance will provide insurance against unmarketable title. If a buyer can refuse to buy, or a lender can refuse to lend due to a covered matter, you may have a marketability claim.

In addition, an Owner's Policy will provide you with a defense to a claim against your ownership interest, including payment of attorney's fees and court costs or, in the alternative, payment to the person making the claim against the property title or, to you.

- The Lender's Policy (which is required to close this transaction) will cost you actual cost of Lender's Policy paid by borrower.
- An Owner's Policy to cover your interest of Sale Price Here will cost you additional cost differential between the Lender's Policy and Owner's Policy paid by borrower.

If you are uncertain about the purchase of an Owner's Policy of Title Insurance, we urge you to seek independent advice.

I/We DO wish to purchase an Owner's Policy of Title Insurance.

I/We understand the risk we are taking and DO NOT wish to purchase an Owner's Policy of Title Insurance.

SIGNATURE _____

DATE _____

SIGNATURE _____

DATE _____

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