

Limited vs. Enhanced: Compare policies

A homebuyer may choose between a limited title insurance policy and an enhanced title insurance policy, also known as an "Eagle" policy. While in most cases a limited policy will suffice, the Eagle policy covers a host of "post-policy" issues that a limited policy does not, such as forgery, building permit violations and living trust coverage.

In addition, enhanced coverage protects you from pre-purchase problems such as a deck addition that was erected without a proper building permit. It will also allow you to pass your home down to your heirs without purchasing a new owner's title policy.

Should a title claim arise down the road, an Eagle policy allows for reimbursement of up to 150% (10% annual increase for first five years of coverage) of the original coverage amount. For example, if you bought your home for \$100,000, you could be reimbursed up to \$150,000 for a claim on title.

To help you determine what policy best fits your needs, read on for a comparison of **title insurance coverage** for a residential **owner's title insurance policy**.

An Eagle policy costs 20% more than a limited policy, and **rates** vary by state. However, enhanced coverage isn't for everybody. Review the chart below to understand the differences between limited and enhanced coverage, and **contact** us if you have questions.

Coverage	Limited	Enhanced
A third party claims interest in title	X	X
Improperly executed document	X	X
Pre-policy forgery, fraud or duress	X	X
Defective recording of documents	X	X
Undisclosed restrictive covenants	X	X
A lien on your title because:		
a. a security deed		
b. judgement, tax, special assessment or	X	X
c. a charge by a home owner's association		
Unmarketable title	X	X
Mechanics' liens		X

Forced removal of structure because:			
a. it encroaches onto another property or an easement		X	
b. it violates an existing zoning law*			
c. of violations of a restriction in Schedule B			
Land cannot be used for a Single Family Dwelling (SFD) because use violates a restriction in Schedule B or a zoning ordinance.		X	
Unrecorded easements		X	
Pays rent for substitute land or facilities		X	
Rights under unrecorded leases		X	
Plain language		X	
Building permit violations*		X	
Compliance with Subdivision Map Act, if any*		X	
Restrictive covenant violations		X	
Discriminatory covenants		X	
Covenant violation resulting in reversion		X	
Violations of building setbacks		X	
Enhanced marketability		X	
Access - Enhanced vehicular and pedestrian access		X	
Map, if any, not consistent with legal description		X	
<i>Post-policy</i> forgery		X	
<i>Post-policy</i> encroachment		X	
<i>Post-policy</i> damage from minerals or water extraction		X	
<i>Post-policy</i> living Trust Coverage for Trustee		X	
<i>Post-policy</i> living Trust Coverage for Beneficiary		X	
<i>Post-policy</i> automatic increase in value up to 150%		X	
<i>Post-policy</i> adverse possession		X	
<i>Post-policy</i> cloud on title		X	
<i>Post-policy</i> prescriptive easement		X	

Boundary walls and fence encroachment*		X	
Insurance coverage forever		X	
