



# Title Insurance for Home Buyers

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When buying a property there are many inherent risks which may cause you loss or affect your ownership. Title insurance is a specialised type of insurance that provides home buyers with protection against certain unknown and hidden risks which may exist at the time of purchase.

## **Cover is Provided for a Broad Range of Risks\***

### *Illegal Building Work*

Enforcement action by a Local Authority in relation to illegal structures which have been built without the required Council permits or which do not comply with those permits of which you are unaware at the time of purchasing the property. For rural properties this cover only applies to the primary residence including sheds, carports and garages used for residential purposes, and any swimming pool, and not to other structures on the property.

### *Survey/Boundary Defects*

Any adverse matters that would have been revealed in an up-to-date survey report.

### *Registration Gap*

Someone else lodges a dealing which prevents your interest from being registered or recorded.

### *Fraud, Forgery & Identity Theft*

Loss due to fraud, forgery or identity theft which results in you being deprived of your ownership of the land.

### *Planning & Title Defects*

Loss due to non-compliance with existing planning and zoning laws, unregistered easements and covenants, access orders, access rights or a right of way, lack of legal access or defects in title to the land of which you are unaware at the time of purchasing the property.

### *Outstanding Rates & Taxes*

Outstanding rates and taxes on the property which you are now liable for as the current owner of the property.

## **A Different Kind of Insurance**

- ▶ One-time premium provides protection forever (premium schedules are available on [stewartau.com](http://stewartau.com))
- ▶ No excess payable on claims
- ▶ No-fault claims process means you do not have to prove fault or negligence - you need only prove that you have suffered actual loss based on cover that the policy provides
- ▶ 200% 'inflation' allowance for increases in the value of the property over time

Read More 

## Known Risk Coverage

If you discover a defect or risk during the conveyancing transaction, please contact us as we may be able to provide cover over a known defect or risk for no additional premium.

## Real-Life Claims

Here are just a few real-life stories where title insurance provided protection to home buyers.

### Illegal Building Work – Extension

Our insured purchased a home in Sydney. During the purchase, our insured elected not to obtain a Building Certificate. After settlement, our insured approached the local Council with plans to construct a new pergola. Council informed our insured that an extension that already existed on the house was not approved. After further investigation, Council issued a Demolition Order for this extension because it was built without development consent in circumstances where development consent was required, and without adequate structural foundations. A previous owner had built the extension on a thin layer of 'pebblecrete'. A pre-purchase building inspection report had failed to uncover any defects.

#### *The Resolution*

Stewart Title indemnified the insured in relation to complying with the Council Order and paid more than \$110,000 to demolish the extension and reconstruct it in accordance with building code standards.

### Outstanding Rates – Error by Council

Following settlement, the insured received notification from Council that there were outstanding water/sewerage rates in relation to the insured property. An error had been made by the Council with respect to the amount of rates payable as at the date of settlement.

#### *The Resolution*

Stewart Title paid the outstanding rates plus interest that had accrued thereon.

### Planning & Title Defect - *Unsatisfied Condition of a Development Consent*

After settlement, our insured discovered that a condition of a development consent relating to the property had never been complied with by the previous owner (the developer) to the satisfaction of the electricity authority.

Our insured was required to comply with the outstanding condition and install underground electricity mains to the insured property.

#### *The Resolution*

Stewart Title compensated the insured for the costs of the installation of the underground electricity mains.

### Solicitor's or Conveyancer's Advice Combined With Title Insurance

Title insurance does not replace the role of a conveyancer or solicitor. The combination of title insurance with your conveyancer's or solicitor's professional advice will provide the most comprehensive protection against risks which may affect your legal ownership of your home.

### Additional Consumer Resources

To ensure that our customers understand the coverage they are receiving, Stewart Title provides a number of resources including Sample Policies, Policy Consumer Guides and Key Facts Sheets. These resources were designed to assist you with understanding policy coverage, as well as the exclusions, provisions, conditions or limits that may apply. Our consumer resource library, along with our videos and claims stories, can be found on our website.

If you already own your home, you can obtain the protection that title insurance provides by applying for a Residential Existing Owner Policy.

*Please note that any policy application will be assessed by Stewart Title on a case-by-case basis and will be subject to Stewart Title underwriting guidelines. You will need to rely on the policy documentation issued by Stewart Title for confirmation of the specific coverage that is available for your property. Sample policies are available on our website or upon request.*

**Contact us for more information.**

**Stewart Title Limited**  
GPO Box 527  
Sydney NSW 2001  
1800 300 440

stewartau.com

\*Please note that coverage under the policy for unapproved building work is capped at \$160,000 and coverage for boundary and survey risks will not apply to land where the land area size exceeds 50 acres.

This material is intended to provide information of a general nature. Please refer to the policy for full details, including the specific terms and conditions. Sample policies are available on our website or upon request.

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