

33 Covered Risks for the 2021 ALTA Homeowner's Policy of Title Insurance



1. Someone else owns an interest in Your Title.
2. Someone else has a right affecting Your Title because of a lease, contract, or option.
3. Someone else claims to have a right affecting Your Title because of forgery or impersonation.
4. Someone else has an Easement on the Land.
5. Any of Covered Risks 1 through 4 occurring after the Date of Policy.
6. Someone else has a right to enforce a Covenant to limit Your use of the Land.
7. Your Title is defective. Some examples of title defects are:
 - a. someone else's failure to have authorized a transfer or conveyance of Your Title.
 - b. a defective judicial or administrative proceeding.
 - c. a document, including an electronic document, on which Your Title is based:
 - i. was signed using a falsified, expired, or otherwise invalid power of attorney;
 - ii. was not properly authorized, executed, created, signed, witnessed, sealed, acknowledged, notarized (including by remote online notarization), or delivered; or
 - iii. was not properly filed, recorded, or indexed in the Public Records.
 - d. the repudiation of an electronic signature by a person that executed a document because the electronic signature on the document was not valid under applicable electronic transactions law.
8. Someone else has a lien on Your Title. Some examples of liens are:
 - a. a lien of real estate taxes or assessments imposed on Your Title by a governmental authority due or payable, but unpaid;
 - b. a Mortgage;
 - c. a judgment lien;
 - d. a State or federal tax lien;
 - e. a charge by a homeowner's or condominium association; or
 - f. a statutory lien, attaching before or after the Date of Policy, for service, labor, material, or equipment in connection with an improvement or work related to the Land and furnished before the Date of Policy.
9. Someone else has an encumbrance on Your Title.
10. Someone else claims to have a right affecting Your Title because of fraud, duress, incompetency, or incapacity.
11. You do not have actual vehicular and pedestrian access to and from the Land, based on a legal right.
12. You are forced to remove or remedy a violation, existing at the Date of Policy, of any Covenant, even if the Covenant is excepted in Schedule B. You are not covered for any violation of an obligation contained in a Covenant:
 - a. to perform maintenance or repair on the Land; or
 - b. relating to environmental protection of any kind, including hazardous or toxic conditions or substances;unless there is a notice of either of these violations recorded in the Public Records at the Date of Policy, and then, Our liability for Covered Risk 12 is limited to the extent of the violation described in that notice.

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- 13.** Your Title is lost or taken because of a violation, existing at the Date of Policy, of any Covenant, even if the Covenant is excepted in Schedule B.
- 14.** A violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning), but only to the extent of the violation or enforcement described by the enforcing governmental authority in an Enforcement Notice that identifies a restriction, regulation, or prohibition relating to:
 - a.** the occupancy, use, or enjoyment of the Land;
 - b.** the character, dimensions, or location of an improvement on the Land;
 - c.** the subdivision of the Land; or
 - d.** environmental remediation or protection on the Land.
- 15.** An enforcement of a governmental forfeiture, police, regulatory, or national security power, but only to the extent of the enforcement described by the enforcing governmental authority in an Enforcement Notice.
- 16.** Because of a violation existing at the Date of Policy of a State or Municipal subdivision law or State or Municipal subdivision regulation affecting the Land:
 - a.** You are unable to obtain a building permit from a Municipal authority;
 - b.** You are ordered by a State or Municipal authority to remove or remedy the violation; or
 - c.** someone else refuses to perform a contract to purchase the Land, lease the Land, or make a mortgage loan on the Land, based on that violation.The Amount of Insurance for Covered Risk 16 is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
- 17.** You lose Your Title to any portion of the Land to an enforcement authority because of an exercise of the power to take the Land by condemnation, but only to the extent:
 - a.** of the taking described in an Enforcement Notice; or
 - b.** the taking occurred before the Date of Policy and is binding on You, if You purchased the Land without Knowledge of the taking.
- 18.** You are ordered by a State or Municipal authority to remove or remedy any portion of Your existing structures—other than boundary walls or fences—because any portion of Your existing structures was built without obtaining a building permit from the proper Municipal authority. The Amount of Insurance for Covered Risk 18 is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
- 19.** You are ordered by a State or Municipal authority to remove or remedy any portion of Your existing structures, because they violate an existing State or Municipal zoning law or State or Municipal zoning regulation. The Amount of Insurance for Covered Risk 19 is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
- 20.** You are not able to use the Land because use as a single-family residence violates an existing State or Municipal zoning law or State or Municipal zoning regulation.
- 21.** You are forced to remove any portion of Your existing structures because they encroach onto Your neighbor's land. If the encroaching structures are boundary walls or fences, the Amount of Insurance for Covered Risk 21 is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
- 22.** Someone else exercises a legal right refusing to perform a contract to purchase, lease, or make a mortgage loan on the Land because Your neighbor's existing structures encroach onto the Land.
- 23.** You are forced to remove any portion of Your existing structures that encroach onto an Easement or over a building set-back line, even if the Easement or building set-back line is excepted in Schedule B.
- 24.** Your existing structures are damaged because of the exercise of the right to maintain or use any Easement affecting Your Title, even if the Easement is excepted in Schedule B.
- 25.** Your existing improvements (or a replacement or modification made to them after the Date of Policy), including lawns, shrubbery, or trees, are damaged because of the future exercise of the right to use the surface of the Land for the extraction or development of oil, gas, minerals, groundwater, or any other subsurface substance, even if those rights are excepted or reserved from the description of the Land or excepted in Schedule B.
- 26.** Someone else tries to enforce a Discriminatory Covenant that they claim affects Your Title.
- 27.** A State or Municipal taxing authority assesses supplemental real estate taxes not previously assessed against the Land for any period before the Date of Policy because of construction or change of ownership or use, that occurred before the Date of Policy.
- 28.** Your neighbor builds any structures after the Date of Policy—other than boundary walls or fences—that encroach onto the Land.
- 29.** Your Title is unmarketable, which allows someone else to refuse to perform a contract to purchase, lease, or make a mortgage loan on the Land.
- 30.** Someone else owns an interest in Your Title because a court order invalidates a prior transfer of the Title under federal bankruptcy, state insolvency, or similar state or federal creditors' rights law.
- 31.** The residence with the Property Address shown in Schedule A is not located on the Land at the Date of Policy.
- 32.** Any defect in or lien or encumbrance on the Title that has been created or attached or has been filed or recorded in the Public Records subsequent to the Date of Policy and prior to the recording of the deed or other instrument vesting the Title in the Public Records.
- 33.** The map, if any, attached to this policy does not show the correct location of the Land according to the Public Records.