

MONARCH TITLE COMPANY

KNOWING THE DIFFERENCE BETWEEN ALTA AND CLTA COVERAGE



Investing in title insurance through Monarch Title Company gives you peace of mind that your property rights over your new home have the best protection on the market. You work with us for our thorough title insurance coverage, competitive rates and unmatched expertise researching the record. But knowing what your title insurance covers can be confusing. Hollywood Title is all about educating our clients about the ins and outs of title insurance. In the Southern California market, there are two predominant types of policies – CLTA and ALTA coverage.

The Cost

An ALTA (American Land Title Association) Owners Policy offers post-policy protection than the CLTA (California Land Title Association) Standard policy - but is more expensive, often paid by the seller at close of the transaction.

The Coverage

An ALTA Owners policy is generally viewed as “extended coverage,” while a CLTA policy is regarded as “standard coverage.” CLTA protects against title issues that can be found in public records, while an ALTA policy goes a step further and covers certain defects that can arise from unrecorded liens and easements.

CLTA takes into account six exceptions to its title coverage, while ALTA doesn't automatically exclude protecting the lender and homebuyer from certain sce-

Here are some circumstances not covered by a CLTA policy:

- Taxes and easements not shown as existing liens or restrictions in public records.
- Issues a land survey could reveal about a property, such as unrecorded interests or conflicting boundary lines.
- Water rights and unknown mining claims to the land.

Monarch Title will come alongside you to figure out what policy offers the best protection to your transaction!