

WHAT IS "SURVEY DELETION" COVERAGE?

(In the Texas Owner's Policy of Title Insurance)

Did you know that the Owner's Policy contains a standard survey exception and does not provide coverage for "any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements"? This promulgated exception appears in Item 2 of Schedule B of both the Commitment for Title Insurance and the Owner's Policy of Title Insurance.

There is an option for expanded coverage that allows the insured under the Owner's Policy to request the standard survey exception to be amended, only excepting to and not providing coverage for "Shortages in area". The result is that the Owner's Policy then provides coverage, subject to the Terms and Conditions of the Policy, for discrepancies, conflicts, boundary lines and any encroachments or protrusions or overlapping of improvements. This expanded coverage is commonly referred to as the "Survey Deletion."

The remaining exception as to "Shortages in area" cannot be deleted under any circumstance. This expanded coverage requires payment of an additional fee addressed below. Subject to the Terms and Conditions of the Policy, *example benefits of this expanded coverage may include:*

- Payment of loss arising out of the damage to improvements located across boundary lines.
- Payment of loss arising out of the forced removal of driveway encroaching onto adjoining property.
- Payment of loss arising out of the forced removal of improvements encroaching into easements or building set back lines.

Note that if you purchase "Survey Deletion" coverage, the title agent and/or its underwriter may still list special exceptions in the commitment for title insurance based on matters disclosed by an acceptable property survey. These special exceptions allow the title agent and/or its underwriter to carve out coverage for specific matters disclosed and which they are not willing to insure. The title agent and/or its underwriter may make additional requirements prior to providing the requested "Survey Deletion" coverage.

Generally, the "Survey Deletion" coverage requires the following in an acceptable form to the title agent and/or its underwriter:

- An existing property survey; and
- An executed T-47 Survey Affidavit indicating no changes since the date of the survey; or
- A new property survey.

Pricing:

The price for the "Survey Deletion" coverage is based on policy type, as follows:

- 5% (of the basic title premium) for Residential Policies.
- 15% (of the basic title premium) for Non-Residential Policies.

Example: The "Survey Deletion" coverage on Residential Property having a sales price of \$350,000.00, would cost approximately \$107.00