

# THE DIFFERENCES BETWEEN ALTA AND CLTA

Title insurance is a major expense in a home sale. So it pays to understand your options and what you are getting for your money.



## What is CLTA and ALTA?

California Land Title Association offers basic insurance to buyers and lenders. These policies offer less protection but are significantly less expensive than the ALTA policies. The American Land Title Association also has policies to protect buyer's and lender's interests in a property. This policy offers more protection than the basic CLTA. Here are some of the differences you will receive in coverage.

### CLTA Standard Coverage Policy

- CLTA title insurance coverage remains active until the property is sold, transferred, or refinanced.
- In Southern California, the fee for a CLTA homeowners policy is customarily paid by the seller. Who pays for the policy differs across California, so check with your title company for more information.
- CLTA standard coverage policies cover matters affecting title that occurred in the past and are not specifically excluded from the policy terms.
- CLTA policies typically cover the following: ownership of the property, Access to the property, marketability, liens or encumbrances, and various title defects that have been made of public record.

### ALTA Homeowners policy

- ALTA homeowners policies remain active until the property is sold, transferred, or refinanced.
- An ALTA policy typically covers what a CLTA policy covers plus some matters that are not "of public record".
- An ALTA policy also covers the following: encumbrances, taxes and assessments, encroachments, unrecorded easements, and matters that may be disclosed by a survey.
- Most lenders across the country will likely want an ALTA policy.

Contact me to learn more about the  
insurance policies we have to offer at  
Consumer's Title Company

