



Title Insurance for Home Buyers – Strata

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 which provides protection to home buyers and existing home owners of residential strata property against certain unknown and hidden risks which may exist at the time of purchase.

Covered Risks

Cover is provided for a broad range of risks including*:

Unapproved Alterations: alterations to the Strata Unit without the required Council and/or Body Corporate approvals of which you are unaware at the time of purchasing the Strata Unit.

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 Strata Unit.

Planning & Title Defects: loss due to non compliance with zoning and development laws, unregistered easements & covenants, lack of legal access, defects in title to the Strata Unit of which you are unaware at the time of purchasing the property.

Outstanding Rates, Taxes and Strata Levies: outstanding rates, taxes and strata levies (including special levies) on the property which you are now liable for as the current owner of the Strata Unit.

* Like all insurance policies a Residential Strata Purchaser Policy excludes certain risks from cover. For full details on cover and exclusions from cover, refer to a sample policy available on our website or upon request.

A Different Kind of Insurance

One time premium provides protection forever (premiums start from only \$249 exclusive of GST and stamp duty).

No excess payable on claims.

No fault claims process means you don't have to prove fault or negligence - you only need to prove that you have suffered actual loss based on cover that the policy provides.

No cap on cover apart from the policy amount.

200% 'inflation' allowance for increases in the value of the property over time.

If I have a Solicitor or Conveyancer, why do I still need 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.

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

To order a Residential Strata Purchaser Policy, contact your conveyancer or solicitor or contact Stewart Title directly.

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.

Claims Scenarios

Unapproved Alterations

You purchase a strata unit. Following settlement, you discover that the previous owners carried out renovations to the bathroom and kitchen which involved modifications to the 'common property' walls without obtaining the approval of the Body Corporate or Council. This was not disclosed by the vendor when you purchased the property.

You are ordered to reinstate the common property walls and pay any damages or costs incurred by the Body Corporate, even though you were not responsible for the unapproved works.

In this scenario, Stewart Title would pay for the costs associated with complying with the order, including any loss in market value of the property.

Special Levies

Prior to settlement of your purchase, the Body Corporate strikes a special levy of \$5,000 for each lot owner to carry out major works to the strata building. This special levy is not disclosed to you prior to settlement.

After settlement, you become liable to pay the \$5,000 special levy even though it was not disclosed to you when you purchased the property.

In this scenario, Stewart Title would compensate you for the \$5,000 special levy for which you are now liable.

Registration Gap

After settlement but before your title documents are registered at the land title registry, somebody else lodges a caveat or writ on the title and claims an interest in your Strata Unit.

Your interest in the Strata Unit is unable to be registered until the caveat or writ is removed. You face significant legal costs and a potential dispute with the third parties who lodged the caveat or writ.

In this scenario, Stewart Title would defend your title, including paying all legal costs and expenses associated with the commencement of legal proceedings necessary to rectify the title and obtain registration of your interest at the land title registry.

About Stewart Title

Stewart Title is wholly owned by Stewart Title Guaranty Company the primary underwriter for Stewart Information Services Corporation (Stewart). The Stewart group of companies traces its origins back over 100 years in the USA and currently offers its products and services worldwide in more than 70 international markets.

For more information visit our website: www.stewartau.com

[Risk Management Solutions for Property Transactions](#)

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. Premiums are subject to change without notice. AU0110

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