



Extra Survey Coverage Protection in Title Policies

TREC 1-4 Residential Contract (Resale) Form includes the option to obtain valuable title policy “Survey Coverage.” This is an option to amend or delete the general survey exception in the Owner’s Title Policy.

Survey Coverage gives additional protection against title defects that would be shown by an accurate survey by removing policy exceptions that limit coverage. When the buyer gets Survey Coverage, the title policy gives the buyer more protection because the survey exception is removed from the policy (except for “shortages in area” because the title company does not calculate the number of square feet in the property.)

Without Survey Coverage, title policies contain a standard “survey exception” so that the policy does not protect against title defects that would be shown by an accurate survey, such as:

- *Improvements that encroach into an easement or protrude over a boundary or setback line*
- *Fences that are not on the boundary line*
- *Surveyor errors in locating boundary lines or improvement*
- *An adjoining landowner’s improvements that encroach into the buyer’s property*

How much does Survey Coverage Cost?

In the typical residential sale, the additional coverage costs **5% of the basic premium** payable for the owner policy. For example, if a title policy costs \$1,000, then the survey coverage will cost 5% of that, or \$50.00.

What is required to obtain Survey Coverage?

An accurate and complete survey is needed for review.

Why is the phrase “Shortages in Area” not deleted from the general exception?

The only exception that is never removed is “shortages in area,” which means the policy does not insure the number of square feet of land contained in the property. The title company insures the location of boundary lines, but does not calculate or insure the amount of area within the boundaries. That calculation is obtained from the surveyor.