



## What is Survey Coverage?

### Question: What is Survey Coverage?

Survey coverage is coverage that protects the purchaser against loss resulting from discrepancies, conflicts, boundary line issues, encroachments, protrusions and overlapping improvements that are not disclosed by a survey of the property.

As a general rule, the Owner's Policy of Title Insurance does not automatically provide for survey coverage when it contains the standard survey exception in Item 2 of Schedule B of an Owner's Title Commitment or Policy:

**“Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.”**

### Question: What is the benefit of purchasing Survey Coverage?

Benefits for purchasers may include coverage and payment of a loss arising out of the following examples:

- Dispute with an adjoining landowner over location of boundary lines
- Forced removal of improvements located across boundary lines
- Force removal of driveways encroaching onto adjoining property
- Encroachment of improvements into easements or building setback lines

This additional coverage can be especially important for a purchaser who does not obtain a new survey but is relying on a previous survey of the property.

### Question: How do you get Survey Coverage?

The Purchaser has to request the coverage by checking the “will be amended box” in Paragraph 6.(A)(8) of the TREC 1-4 Family Residential Contract.

The standard printed exception as to waters, tide lands, beaches, streams, and related matters.  
 (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:  
 (i) will not be amended or deleted from the title policy; or  
 (ii) will be amended to read, "shortages in area" at the expense of  Buyer  Seller.  
 (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

If the “will be amended box” is checked, then the purchaser is entitled to have amended the exception as to area and boundaries so that Item 2 of Schedule B will now read: **“shortages in area”**

The words “shortages in area” must remain because the Texas Department of Insurance, the entity that regulates the title insurance industry, does not allow title companies to insure acreage and square foot calculations.

If the purchaser did not get survey coverage under the contract, the purchaser can still request the additional coverage and pay the additional premium.

### Question: How much does survey coverage cost?

The additional premium for residential policies is 5% of the title premium and for non-residential or entity owners it is 15%. For example, on a \$500,000 home the coverage costs just \$147.00.

Packsaddle Title Co. recommends purchasing survey coverage because we believe the regulated premium is reasonable for the added protection. If you have further questions about this coverage and its benefits, please contact us at 325-245-0200.