



The University of Texas School of Law  
52<sup>nd</sup> Annual William M. Gibson, Jr.

**MORTGAGE LENDING AND SERVICING INSTITUTE**

# ALTA FORMS

*James L. (Jim) Gosdin*

Stewart Title Guaranty Company  
jgosdin@stewart.com



## **TEXAS OWNER'S & LOAN POLICIES VERSUS 2006 ALTA OWNER'S & LOAN POLICIES**

- Substantially the same: Covered Risks, Exclusions, Conditions, & Schedules
- Texas insures good and indefeasible title, instead of marketable title  
[TX Owner's & Loan Policy—Covered Risk 3]
- Texas insures against mechanic's liens having an inception on or before the Date of Policy [TX Loan Policy—Covered Risk 11(a) & TX Owner's Policy—Covered Risk 2(d)]
- Texas requires the title insurer to take specific action if it is notified of a claim  
[TX Owner's & Loan Policy—Condition 3]
- Texas Arbitration Clause is modified version of the ALTA provision  
[TX Loan Policy—Condition 13 & TX Owner's Policy—Condition 14]



## **COVERED RISK 2 DEFECTS, LIENS, AND ENCUMBRANCES**

- List is **NOT EXCLUSIVE**
- Coverage includes Electronic Transactions and Remote Online Notarization
- Covered Risk 2(c) covers survey matters affecting title, if they would have been disclosed by an accurate and complete Land Title Survey
- Express Insurance regarding defects



## **ENDORSEMENTS AND COVERAGE CONCERNING COVERED RISK 2**

- **Area and Boundary Coverage**
- **T-19** (Restrictions, Encroachments, Minerals Endorsement)
- **T-19.1** (Restrictions, Encroachments, Minerals Endorsement—Owner's Policy)
- **T-25** (Contiguity Endorsement)
- **T-25.1** (Contiguity Endorsement)
- **Express Insurance**



## COVERED RISK 3

### INSURES AGAINST LACK OF GOOD AND INDEFEASIBLE TITLE

- **NOT** the same as insurable title
- **NOT** the same as marketable title
- May be less than defects



## COVERED RISK 4

### INSURES AGAINST LACK OF RIGHT OF ACCESS

- This insures a legal right of access
- This does **NOT** insure the physical condition of the access
- **T-23 (Access Endorsement)** insures actual vehicular and pedestrian access and that street is physically open  
[similar to ALTA 17[-06] Access and Entry]

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: ALTA Forms

Also available as part of the eCourse

[2018 William W. Gibson, Jr. Mortgage Lending and Servicing eConference](#)

First appeared as part of the conference materials for the  
52<sup>nd</sup> Annual William W. Gibson, Jr. Mortgage Lending and Servicing Institute session  
"ALTA Forms"