

Client Alert: Batstone v. Chicago Title Ins. Co.

5 Nov 2020

Christopher A. Glaser

Earlier this week, the United States District Court for the District of Maryland issued a decision interpreting Covered Risk 5 (“someone else has a right to limit Your use of the Land”). Given the relative rarity of written decisions interpreting title policies, it is worth a review of this decision.

In *Batstone v. Chicago Title Ins. Co.*, Louise and Griffith Batstone were advised by their neighbors four days after purchasing their property that there existed a long-running dispute regarding improper grading and construction which led to significant water runoff onto the neighbors’ property. Unable to resolve the matter amicably, the neighbors brought suit against the Batstone alleging, *inter alia*, trespass and nuisance. After Chicago Title denied coverage, the Batstones filed their action challenging the decision.

The Batstones asserted that the relief sought against them would cause them to alter their property so as to abate the claimed nuisance and, in doing so, limit the use of their land. As such, the Batstones sought coverage within the meaning of Covered Risk 5.

The District Court disagreed and held that there was no covered risk within the terms of the policy. The District Court held that the neighbors were not alleging a right to limit the use of the Batstones’ property but, instead, were demanding that the Batstones stop trespassing onto the neighbor’s property. In short, being prohibited from encroaching onto a neighbor’s property is not a limitation on one’s use of their own property. Additionally, as the underlying claim was more correctly viewed as a trespass onto another’s property, Exclusion 6(a)—regarding land outside the area designated within the policy—would apply even if there was a covered risk. Chicago Title had neither a duty of indemnification nor a duty to defend the matter.

Jackson & Campbell, P.C. represents title insurers and insureds in Maryland, Virginia, and Washington, D.C. and we strive to keep our clients and other title professionals up to date on various developments in the law. Additionally, we present no cost in-house updates of the nation’s most noteworthy cases and national trends following the spring and fall American Land Title Association’s Title Counsel meetings.

If you have any questions about this case or laws impacting real estate in and around the Washington, D.C. region, feel free to contact us. Our [Real Estate Litigation and Transactions](#) Practice Group is ready to assist.

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CLIENT ALERT: BATSTONE V. CHICAGO TITLE INS. CO.

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