

THE PROCESS FOR OBTAINING TITLE INSURANCE

(Information provided by The First American Title Insurance Company)

1. The client or his attorney requests title insurance by sending a completed application form and a copy of the contract of sale, if applicable. These may be faxed or emailed.
2. The title insurance company sends the client an engagement letter which:
 - a. Defines the obligations of the title insurance company;
 - b. Defines the obligations of the client;
 - c. Names the local attorney, whom you choose from the approved attorney list, who will prepare the title report required by the title insurance company, handle the documentation or coordination necessary to transfer title and record the documents, all to be paid for by the client; and
 - d. Delineates the deposit required by the title insurance company to begin the title work.
3. Immediately upon receipt of the deposit specified in the engagement letter, the title insurance company will begin to work on the client's file.
4. The client's local attorney will prepare a title report in the format specified by the title insurance company, and send it to the company. The title report must include:
 - a. The attorney's opinion of the title;
 - b. A copy of the documents in the chain of title;
 - c. A certificate as to payment of property taxes;
 - d. A recent certificate from the appropriate registrar stating that the land is free of liens and certifying ownership thereof; and
 - e. Any other applicable information and/or documentation.

All of the above items can and should be obtained and delivered to the title insurance company prior to the sale of the property to the client.

5. The title insurance company will review the title report from the attorney and prepare a title commitment, usually within 24-72 hours after receipt of the title report. This commitment will list the requirements to be satisfied so that the title insurance company can issue a policy.

OBTAINING TITLE INSURANCE continued

Standard requirements that are usually satisfied either at the time of or after the sale to the client:

- a. A surveyor's affidavit;
- b. A seller's affidavit;
- c. A copy of the registered deed of transfer or certificate of title to the client;
- d. Title insurance deposits and/or premium payment to the title insurance company;
- e. Payment to the seller; and
- f. A survey of the land.

Examples of some extraordinary requirements that are also usually satisfied either at the time of or after the sale to the client:

- a. A discharge of liens or mortgages;
 - b. Assignment of a new property number;
 - c. Evidence of governmentally approved subdivision;
 - d. Copy of catastral plan; and
 - e. Evidence of the granting of access easements.
6. At the time the commitment is issued, there may be an additional premium payment due. At least one half of the premium is due at the time of the commitment. The engagement letter will clearly define when payments are due.
 7. Final payment, if any, is due prior to the issuance of the policy. The engagement letter will state the amount due prior to the issuance of the policy of title insurance.
 8. After all the requirements of the title commitment are satisfied, the company will issue the policy.