



# **TITLE INSURANCE UPDATE**

The University of Texas School of Law  
54th Annual William W. Gibson, Jr. Mortgage Lending Institute  
September 17-18, 2020, LIVE WEBCAST

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September 1, 2019  
**NEW RATE RULES**

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## Rate Rule R-1 – Rate Chart

- Increase Minimum Premium from \$238 to \$327
- Increase Minimum Policy Threshold from \$10,000 to \$25,000
- Overall Premium decrease of 5%, for high liability policies, the premium reduction can be as high as 16%.
- New Rate Formulas for High Liability Transactions

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## Premium Examples

Policy Amount	Prior Rate	New Rate
\$10,000	\$238	\$327
\$25,000	\$345	\$327
\$100,000	\$875	\$832
\$500,000	\$3,091	\$2,940
\$1,000,000	\$5,861	\$5,575
\$5,000,000	\$24,101	\$22,895
\$15,000,000	\$61,701	\$58,595
\$25,000,000	\$88,401	\$83,995
\$50,000,000	\$128,401	\$121,995
\$100,000,000	\$208,401	\$190,995
\$250,000,000	\$448,401	\$376,996

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## Rate Rule R-8 – Simultaneous Issue

Premium for each Loan Policy is \$100, if:

- Simultaneous Issue of Owner's and Loan Policies
- Same Policy Date
- Each Loan Policy covers same land (or portion thereof) as OTP – No other land
- OTP contains a Schedule B exception for the Lien
- Aggregate sum of all Loan Policies does not exceed policy amount of OTP

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## Credit where Loan Policy Exceeds OTP

Loan Policy is at basic rate based upon aggregate of all Loan Policies being issued

MINUS

Premium paid for OTP at basic premium rate

PLUS

\$100 for each Loan Policy

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## Title search: Title Insurance Update

Also available as part of the eCourse

[Answer Bar: The Ins and Outs of Commercial Real Estate Loans and Title Insurance](#)

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54<sup>th</sup> Annual William W. Gibson, Jr. Mortgage Lending and Servicing Institute session  
"Title Insurance Update"