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# 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

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- 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

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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

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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

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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](#)

First appeared as part of the conference materials for the 54<sup>th</sup> Annual William W. Gibson, Jr. Mortgage Lending and Servicing Institute session "Title Insurance Update"