

# Can I Get a Quote?



## Quoting for title insurance on TRID transactions can get complicated.

**TRID regulations state that the lender's title policy must be quoted at a full rate, even when a reduced rate may apply at closing.** In many areas, title companies offer a reduced rate when an owner's policy and lender's policy are purchased simultaneously, such as a transaction involving a purchase with a loan.



### So what's the problem?

Quoting a full rate may artificially inflate charges for title premiums. In areas that offer a simultaneous rate, title companies would not charge a full rate for both policies.



### When a reduced rate applies.

In order to comply with TRID regulations and provide borrowers with a realistic expectation of title premium costs, the reduced amount will be applied to the owner's policy instead of the lender's policy **FOR QUOTING PURPOSES ONLY.**

## Example:

In this example, the transaction qualifies for a \$580 rate reduction to the lender premium. The example is based on a sale amount of \$525,000 with a mortgage of \$475,000. This is provided as an example only. For an actual quote please contact your local First American Title office.

### Quoted (or Disclosed) Fees:

Owner's Policy Premium: \$977

Lender's Policy Premium: \$1,201

Total Title Policy Premium: \$2,178

### Actual Charges

Owner's Policy Premium: \$1,557

Lender's Policy Premium (simultaneous policy): \$621

Total Title Policy Premium: \$2,178

Notice the total did not change, but the allocation of the fees did. The \$580 rate reduction that would normally apply to the lender's policy was applied to the owner's policy instead. Keep in mind that this is for quoting purposes only. The final costs will be allocated as usual and explained on the Settlement Statement.

### Confused? Don't worry.

Your lender and First American Title can assist by explaining these costs. Feel free to contact us with questions.



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