

Title Insurance Shopping Tips

- ❖ Beware the difference between and Owners and Lenders policies: Owners should insure for the full purchase price of their property, but Lenders generally only require a policy for the amount of the loan.
- ❖ Local practice (not the law) determines who pays the premiums and sellers and buyers can negotiate the payments. Your escrow officer can advise you who normally pays the various premiums in your area.
- ❖ Make sure the policy's effective date matches the actual escrow closing.
- ❖ Verify that the policy describes all the property and all the interests you are acquiring in the transaction.
- ❖ Always ask your escrow or title officer about possible discounts for first time buyers and for other possible discounts with special circumstances.
- ❖ Insurers providing both owner's and lender's policies in the same transaction may offer concurrent or reduced rates.
- ❖ Refinancing discounts and short-term financing rates may be available.
- ❖ Title companies can also act as escrow agents that handle property closings and may hold earnest money in a trust account until a purchase is complete. The Arizona Department of Financial Institutions regulates escrow transactions (602.255.4421 or www.azdfi.gov).
- ❖ You may choose any title insurance company you want; you do not have to use the title insurance company your real estate agent or lender may select or recommend.