

PRESS RELEASE

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New Title Insurance Resources Available from the Arizona Department of Insurance

The Arizona Department of Insurance (ADOI) has new tools available to assist home buyers shopping for title insurance. Title insurance is one of the least understood types of insurance and frequently consumers don't give much thought to title insurance until they close on the purchase of a home. To assist Arizona home buyers in making informed choices regarding title insurance, ADOI recently compiled a variety of resources and added new information to its website.

Chief among the Department's new title insurance resources is a pamphlet entitled, "Answers to Your Questions About Title Insurance." The pamphlet explains the purpose of title insurance in basic terms, emphasizing that title insurance protects against any losses which might infringe upon the buyer's ownership interest in the property. In order to verify the seller's right to transfer property ownership, title insurers research public property records (such as deeds, court records, and property and name indexes) and identify all title defects, encumbrances and restrictions (judgments, liens, unpaid taxes, unsatisfied mortgages, judgments against the seller, and land use restrictions).

"It is not only beneficial, but it is your right, to compare premiums and services of various title insurers while shopping for your new home," said Christina Urias, Insurance Director. "Many consumers do not realize that, by law, realtors cannot dictate which title insurer or title agency home buyers must use. Consumers should shop around for title insurance because rates vary between companies and competing title insurers offer different services, costs and fees for title services."

Nationally and in Arizona, insurance regulators have negotiated settlements with several title insurers for allegedly improper practices in the sale of title insurance. Seeking consumer refunds when feasible, the Director also recognized that title insurance education will help empower consumers as home buyers. Consequently, one of the outcomes of ADOI's settlement with the LandAmerica title companies required Land America to fund the publication of consumer education title insurance materials.

ADOI developed these new title insurance resources to educate and encourage informed comparison shopping for title insurance. In addition to the new pamphlet (now available in hard copy and on the website), the following title insurance resources are also available on the ADOI website (<http://www.id.state.az.us/consumerautohome.html#titleresource>):

- List of licensed Arizona title insurers
- Tips for shopping for title insurance
- Search features to verify Arizona licensure of title insurers and title agencies.
- Links to other title related resources, including the Department of Financial Institutions, the Department of Real Estate, and the American Land Title Association.

To obtain a free copy of the new title insurance pamphlet consumers can contact:

Arizona Department of Insurance
2910 N. 44th Street, 2nd Floor, Phoenix, AZ 85018
(800) 325-2548 or (602) 364-2499 or *consumers@id.state.az.us*
www.id.state.az.us

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