

Title Insurance Myths and Facts

MYTHS	FACTS
NY title insurance rates are controlled by title insurers and have seen consistent increases.	There have been four rate reductions in the last 15 years , submitted by the title insurance corporations and approved by the Department of Financial Services (DFS) using a data driven statistical process. The last rate increase was 2001.
Title Insurance is one of the costliest aspects of closing costs and Regulation 208 will drive down those costs.	The reduction in insurance premiums will make minimal difference. Government fees and taxes are the true culprit, accounting for almost 80% of closing costs in some counties.*
Title companies wine and dine real estate executives with lavish gifts and entertainment, illegally inducing business and driving up costs for consumers.	It has always been illegal for a title insurance provider to offer inducements to get business. The DFS already has the authority to punish offenders. But the new regulation makes buying a 99¢ cup of coffee illegal, a regulation no other industry faces in New York.
NY title insurance rates are the most expensive in the entire country.	Most NY homebuyers pay rates close to the national average.* In fact, cities like Philadelphia, Chicago and Dallas have higher rates. Title insurance rates in NY are higher only for homes costing more than \$1 million. Title insurance is a high-value financial product. Homeowners pay one time for a policy that lasts as long as they own the property. If they have a claim, they don't pay another dime.

DFS regulation 208 will put small local independent title agents **out of business, cost New Yorkers jobs, shift closing services to more expensive providers and favor large out-of-state businesses.**

Local title agents working with a consumer's attorney is the best way to protect consumers and ensure a healthy title insurance industry.

*<https://www.nyslta.org/media-info/get-the-facts/>

NEW YORK STATE LAND TITLE ASSOCIATION