

ALTA Press Release

AMERICAN
LAND TITLE
ASSOCIATION

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For Immediate Release

American Land Title Association Responds to New York Times Editorial

Washington, D.C., May 12, 2015 — [American Land Title Association](#) (ALTA) CEO, Michelle Korsmo, submitted the following letter to the New York Times Editorial Board today in response to an [editorial column](#) that failed to properly inform its readers about the benefits and cost of title insurance:

As we begin a very busy home shopping season, homebuyers deserve factual information about title insurance. For more than a century, title insurance has provided homebuyers with confidence in the ownership of their property.

Unlike other insurance policies, title insurance is a one-time fee paid at closing. It helps protect a homeowner's financial investment in their property should a claim arise in the future. A claim could stem from things such as fraud, identity theft, property-line disputes and unpaid taxes. Without an owner's title insurance policy, the out-of-pocket legal costs for a homeowner to resolve a title claim could be in the tens of thousands of dollars.

An owner's title insurance policy for a home New York home purchased for \$500,000 is around \$2,000. Over the [average duration of home ownership](#), that spreads out to about \$154 annually or about \$13 per month. Nationally, the cost of title insurance has actually decreased 6.2% since 2003, according to analysis of publicly available title insurance premium data.

A homebuyer wants to know that when they receive the keys to their home they are doing so without existing debts or legal problems. Before a consumer purchases a home, title professionals and real estate attorneys search the public records for any problems with the home's title and chain of ownership. This process includes searching for any delinquent taxes, undisclosed liens (such as unpaid contractors or utility bills), prior legal judgments (such as child support liens) or issues arising from forgery or fraud. The title search process leads title agents to collect \$4.8 billion in back income taxes and recover \$325 million in unpaid child support annually.

There are many factors to consider when selecting a title insurance company, such as local expertise, service standards, market conduct and commitment to the community. Buyers should shop around and ask questions to make sure they are comfortable with their title company. Visit www.homeclosing101.org to learn more about title insurance and the closing process.

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About ALTA

The [American Land Title Association](#), founded in 1907, is the national trade association representing more than 5,400 title insurance companies, title and settlement agents, independent abstracters, title searchers, and real estate attorneys. With offices throughout the United States, ALTA members conduct

title searches, examinations, closings, and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.

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