

Title

FREQUENTLY ASKED ^ QUESTIONS

April 2015

Q Recently we have received requests from your office for loan policies on files which closed 30 days ago. Is there a problem?

A The major lenders have always used the underwriter as their "single point of contact" for obtaining missing policies. When we receive a policy request, we reach out to the agent whose file it is in order to obtain a copy of the policy. What has changed in the last several months is that the major lenders appear to be putting procedures in place to make sure that their policy delivery expectations are met. In most cases, those expectations are "30 days after settlement".

We understand that timely policy delivery will be one of the standards by which lenders will gauge the quality of settlement service providers. To make sure your office always makes the grade, policy production must be given priority and every effort made to meet the lenders' expectations.

This 30 day standard also comports with New Jersey law which provides in NJAC 11:17A-4.6,

... With respect to title insurance only, in all cases where the insurance producer prepares the policies of insurance, those policies shall be delivered to the insured or to the applicant within 30 days following the receipt by the insurance producer of the necessary proofs showing that all requirements or exceptions to title as set forth in the title commitment, and which customarily do not appear in the policy, have been satisfactorily disposed of.

As always, feel free to address any questions to a member of our underwriting staff.