

New Jersey Title Insurance Update

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Title insurance policies in New Jersey are not "one size fits all." While there are approved standard forms for owner's and lender's title insurance policies, those are only a starting point. All of the major title insurance companies doing business in New Jersey are members of the New Jersey Land Title Insurance Rating Bureau (NJLTIRB), which annually publishes a Manual of Rates and Charges that sets forth all of the rates, fees and charges that have been approved by the New Jersey Commissioner of Banking and Insurance and all of the policy endorsements approved for use in New Jersey.

The most recent Manual became effective on February 1, 2019. It provides for more than 100 approved endorsements, five of which are new in 2019. Three of this year's new endorsements, the ALTA 11.1-06, the ALTA 11.2-06 and a Partial Release of Mortgage Premises Endorsement, insure against a loss of lien priority as a result of modifications to the lender's original mortgage, such as an increase in the amount of the loan or a partial release of the mortgage. The ALTA 11.1-06 and the ALTA 11.2-06 endorsements are issued for the same premium as a mortgage modification policy. The charge for a Partial Release of Mortgage is \$300. Also new this year are an ALTA 39-06 endorsement that insures that the title insurer will not deny liability under a policy or endorsement solely on the grounds that the policy or endorsement was issued electronically, available without charge, and a revised form of subdivision endorsement, available for a charge equal to 5% of the base policy premium, but not less than \$100.

With more than 100 approved endorsements to select from, and substantially different charges depending on the specific endorsement, it is important to have the advice of an attorney who is knowledgeable as to the endorsements available, and can evaluate which are applicable to your transaction.

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