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Agents,

- **Congratulations to all of the agents at RE/MAX Unlimited who announced their merger with Comey & Shepherd.**
- **“Local Fraud Case and the Importance of Title Insurance” was the title of an article I received from Amy B. @ Keller Williams. It prompted some discussion about the need both for owner’s title insurance as well as the Closing Protection Coverage (CPC). In this instance, there was an apparent defalcation involving a Northern Kentucky lawyer/title agent who failed to pay off several mortgages in refinance transactions, totaling \$1.1 million. I have the following comments and suggestions:**
 - **Title Insurance is designed to protect the policy holder(s): buyers and/or lenders from losses due to defects in the title to the real property being purchased or security for a loan.**
 - **CPC is a form of insurance designed to protect the parties to a transaction (buyers, sellers and lenders) from the wrongful acts of the closing/settlement agent or the failure of the agent to follow the lender’s written closing instructions. Ohio Department of Insurance has established a fee schedule which is as follows:**
 - **Seller Coverage: \$50.00**
 - **Buyer Coverage: \$15.00***
 - **Lender Coverage: \$35.00**
 - ***Minimum coverage is \$35.00**

All lenders with whom Stonebridge Land Title does closings require the lender coverage of \$35.00, the cost for which is passed to the buyer/borrower as part of the closing costs. It should be noted that almost all cases involving fraud/theft result from the title/settlement agent failing to pay off the existing mortgage liens; therefore, I strongly recommend that sellers purchase this coverage. Agents should never get involved in the discussions about coverage for the reason that should a defalcation occur and the seller, for example, didn’t buy the coverage on the recommendation of the listing agent, arguably the agent will be liable. (Keep in mind that the settlement agent’s employees may be the dishonest party)

Terry