



## New York Underwriting Bulletin

From: Michael Kelly, New York State Counsel

Dated: October 7, 2014

Bulletin No: NY14-08

Name: Notices required in New York

---

Regulation 11 NYCRR 35.7, adopted as part of the New York agent licensing law, requires certain notices to be included in title reports.

### **Notice required in all reports:**

Section 35.7(a) reads as follows:

*(a)(1) A title insurance agent shall furnish a title insurance report to the applicant and the applicant's representative at least three days prior to the scheduled date of closing, provided, however, that if an applicant is represented by an attorney, then a title insurance agent shall furnish a title insurance report to the applicant's attorney unless the applicant also requests the title insurance report, in which case the title insurance agent shall furnish the report to both the applicant and the applicant's attorney.*

*(2) If a title insurance agent is unable to deliver a title insurance report at least three days prior to closing, then the title insurance agent shall document or require documentation of the reasons for the delay.*

*(3) The report shall display conspicuously the following statement, or a statement containing substantially similar language, on the first page in bold type:*

**THIS REPORT IS NOT A TITLE INSURANCE POLICY! PLEASE READ IT CAREFULLY.**

**THE REPORT MAY SET FORTH EXCLUSIONS UNDER THE TITLE INSURANCE POLICY AND MAY NOT LIST ALL LIENS, DEFECTS, AND ENCUMBRANCES AFFECTING TITLE TO THE PROPERTY.**

**YOU SHOULD CONSIDER THIS INFORMATION CAREFULLY.**

Our New York Report of Title is being amended to include this notice. In the mean time, adding this language to the report or commitment you currently use will make you compliant.

**Notice required when title is transferred, only a Lenders Policy is ordered, and the borrower is not represented by counsel:**

Section 35.7(b) reads as follows:

*(b) Except with respect to a refinancing application or where the applicant is represented by an attorney, if an applicant is seeking only a lender's title insurance policy, a title insurance agent shall provide to the applicant a separate written notice, which shall be signed by the applicant, at the time the title commitment or title report is prepared, and which shall explain:*

*(1) that a lender's title insurance policy protects the mortgage lender, and does not provide title insurance protection to the applicant as owner of the property being purchased;*

*(2) what a lender's title insurance policy insures against and what an owner's title insurance policy insures against; and*

*(3) that the applicant may obtain an owner's title insurance policy to protect the applicant's interest as an owner, and provide the website address for the insurance corporation's rate calculator or a toll-free telephone number the applicant or the applicant's attorney may call for a premium quote from the title insurance corporation.*

*(c) If no title insurance agent is used, then the title insurance corporation shall provide the report and notice and obtain the applicant's signature.*

A sample notice in Word format is attached to this bulletin. You may customize it if you wish.

Records of the above notices are to be retained for at least three years.

All New York Underwriting Bulletins and forms may be accessed at the New York section of our Underwriting Library at:

<http://wfgunderwriting.com/new-york/>

Please contact me at [mkelly@wfgnationaltitle.com](mailto:mkelly@wfgnationaltitle.com) with any additional questions.