

Course Title: Understanding Title Commitments and Policies NM Course #22020581

Description: This course studies the title insurance commitment or binder, in detail. Students are taught how to read the binder, noting terms of the transaction, requirements and exceptions to coverage. The course then looks at how these coverages (or exceptions) are translated into the title policy itself. Policy exclusions are also presented. The course includes a detailed discussion of the deletion of standard exceptions on title policies, their value, underwriting requirements for deletion, and costs.

Learning Objectives:

- L1: Students will know the 3 sections of the title commitment: insuring provisions, requirement and exceptions., and be able to read it for understanding.**
- L1: Students will know the title policy exclusions.**
- L2: Students will understand the concept of indemnity and how insuring provisions are created as indemnities and not as guarantees.**
- L3: Student will distinguish between general exceptions, specific exceptions, and general insuring provisions.**
- L5: Students will evaluate the need for additional coverages, accomplished through deletion of standard exceptions**

The following will be the means used in assessing whether the Learned Objectives have been met: Q+A=questions and answers; CS = case study; L = lecture, PP = power point; GD = group discussions;

Timed Outline

0-15	Class introduction and review objectives	PP; GD
15-30	The 4 basic indemnity provisions of title policies: title vesting; defects and encumbrances; marketability of title; lack of a right of access	L; PP; GD

- 30-45 Title binder Schedule A: terms of the transaction; coverages being offered; legal description and vesting provisions L: PP; Q+A
- 45-60 Completion and coordination of binder requirements to assure a safe and secure transaction; typical requirements and satisfaction L: PP; Q+A
- 60-75 Standard exceptions and the underwriting requirements and costs for same; apply those exceptions to your transaction: are they necessary? L: PP; GD
- 75-90 Specific exceptions and how they affect the property; can those be deleted? How do they affect the use and occupancy of the property? Which if any adversely affect the buyer to suggest buyer terminate the transaction? L; PP, Q+A
- 90-105 Policy exclusions; details on what is not covered by a title policy and why; making assessments about the buyer's acceptance of the limited coverage/nature of title insurance L; PP; GD
- 105-120 Title policy jacket; making claims; rights of subrogation and self-determination; availability of additional or increased coverage in the future; review class objectives L: PP; Q+A