

Understanding Purchase Premium Calculations

- Premium Title online quotes for Owner's Coverage premium will appear on the Seller side on the Loan Estimate form, however that amount must be entered on the Buyer side along with the Lender's Coverage premium.
- Premium Title online quotes for simultaneous policies will no longer appear as part of the Lender's Coverage premium. The discount will appear as part of the Owner's Coverage premium which will be adjuster on the Closing Disclosure to reflect the discount to the Buyer.

Fees are reflected in this manner to comply with TRID guidelines.

Actual Premium:

- 1) Full Owner's Policy: \$820
- 2) Simultaneous Loan Policy: \$399
- 3) Loan Policy Premium (Basic Rate): \$766

How to Calculate:

1) Full Owner's Policy + 2) Simultaneous Loan Policy = Total Premiums Paid

$$\$820 + \$399 = \$1219$$

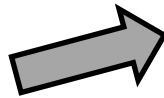
Total Premiums Paid – 3) Basic Rate = Disclosed Owner's Policy

$$\$1219 - \$766 = \$453$$

Disclosed Premium:

Loan Policy: \$766 Owner's Policy: \$453

Enter fees from this section of the PTS quote to disclose premiums on the LE, placing both on the Borrower side.



Test Quote

Product: **Purchase: Purchase - PT CI**
 ZIP Code: **94044**
 County: **San Mateo**
 Recording Jurisdiction: **San Mateo County**
 State: **CA**
 Sales Price: **\$200,000.00**
 Loan Amount: **\$180,000.00**

	Lender's Premium	Lender's Basic Rate	Owner's Premium
	2 \$399.00	3 \$766.00	1 \$820.00
Description	Paid By Buyer	Paid By Seller	
CLTA 100 Endorsement	\$0.00	\$0.00	
Document Preparation	\$0.00	\$50.00	
Lender's Coverage	\$766.00	\$0.00	
Notary Fees	\$150.00	\$150.00	
Owner's Coverage	\$0.00	\$453.00	
Recording Fees	\$138.00	\$0.00	
Settlement or Closing Fee	\$450.00	\$450.00	
Transfer Taxes	\$0.00	\$220.00	
Total:	\$1,504.00	\$1,323.00	

Fees are an estimate only.

Description	Borrower (Disclosed)	Seller (Disclosed)	Borrower (Actual)	Seller (Actual)
LE: Title – Loan Policy	\$766		\$399	
LE: Title – Owner's Policy (Optional)	\$453			\$820
Total Premium:	\$1219		\$1219	
CD: Title – Loan Policy	\$766		\$399	
CD: Title – Owner's Policy (Optional)		\$453		\$820
Total Premium:	\$1219		\$1219	
Required Adjustments:	-\$367	+\$367	\$0	\$0
Adjusted Premiums:	\$399	\$820		

Note: There is no difference in the premium amount being paid. The only difference is in the disclosure method.