The Smart Consumer’s Guide to Reducing Closing Costs

When buying, selling or refinancing a home
# TABLE OF CONTENTS

## An Introduction to Closing Costs

- The Closing Process Begins with a Good Faith Estimate
- What are typical closing costs?

## I. Real Estate Broker or Agent Fee

- Application fee
- Loan origination charge
- Discount “points”
- Wire transfer fee
- Appraisal fee
- Lender-required home inspection fee
- Termite/pest inspection
- Property survey
- Flood determination fee/flood certification fee
- Private mortgage insurance (PMI) premium and application fee
- Credit report
- Document preparation

## II. Items Payable in Connection with Loan

- Prepaid interest
- Homeowner’s insurance

## III. Items Required by Lender to Be Paid in Advance

- Reserves/escrow

## IV. Reserves Deposited with Lenders

- Reserves/escrow

## V. Title and Settlement Charges

- Lender’s title insurance
- Owner’s title insurance
- Settlement/closing fee
- Notary
- Closing attorney
## TABLE OF CONTENTS (continued)

### VI. Government Recording and Transfer Charges
- Recording fee
- Transfer taxes and city/county/state tax “stamps”
- Tax certification

### VII. Additional Settlement Charges
- Homeowner’s warranty
- Natural hazard disclosure

### How to Save the Most Money on Closing Costs
- How to Save When Buying a Home or Refinancing
  - Shop for the Best GFE
  - Be Confident in Your Research
- Title Insurance
  - What does title insurance cover?
  - What does an “enhanced/extended” owner’s policy cover that a basic owner’s policy does not?
  - What does title insurance not cover?
  - Do all title insurance policies offer the same coverage?
  - What is a “lender’s policy” versus an “owner’s policy”?
  - How long am I protected by title insurance?
  - Who pays for title insurance?
  - How often do I pay the premium?
  - Do I have to use a provider recommended by my lender, attorney or real estate agent?
  - How much does title insurance cost and how can I save money on it?
  - When should I start shopping for title insurance?
  - Where can I find an independent third-party rating system for title insurers?

### Examples of Purchase Premium Savings from Across the Country
- Examples of Refinance Premium Savings from Across the Country
An Introduction to Closing Costs

By providing you with an understanding of the detailed costs associated with the purchase, sale or refinancing of your home, this closing cost guide will help you reduce those costs and potentially save you a significant amount of money. The first section of this guide provides an overview of what closing costs are comprised of, while the second section shows you how you can reduce your closing costs. If you are already familiar with closing costs, skip to “How to Save the Most Money on Closing Costs” on page 13 to start saving hundreds or even thousands of dollars on your next real estate transaction.

Closing costs can range from 2% to 7% of a home’s purchase price, and are generally due the day the transaction is completed. In many instances, consumers are not adequately informed of closing costs and therefore are unaware of the amounts of these fees and what they cover. Also, many people do not realize that some of these costs are negotiable—or can even be eliminated entirely.

This guide will shed light on the closing process, which in some states is also known as “settlement” or “escrow,” and the fees lumped together that are called “closing costs.” With this guide, you will be armed with the knowledge necessary to ask the right questions and, more importantly, to reduce your closing costs by hundreds or even thousands of dollars.

The Closing Process Begins with a Good Faith Estimate

All lenders must provide you with a Good Faith Estimate (GFE) within three days of receiving your completed loan application. This is true of every mortgage lender or broker to whom you apply for a loan. You can use the GFEs to compare lenders’ rates, terms and fees, and then choose the lender that best fits your needs. The GFE form, which was standardized by the federal government in January 2010, lists the expenses involved in a real estate or refinance transaction and gives you a preview of the HUD-1 Settlement Statement that you must sign on the day of the closing. The HUD-1 was also standardized in January 2010, and each section in it corresponds to a particular section of the GFE. The GFE provides estimates of closing costs, while the HUD-1 provides an exact accounting of all final closing costs.

Certain final closing costs in your HUD-1 Settlement Statement have a “tolerance.” This is the amount that fees (in total) can go above the estimates that were listed by a given lender on that lender’s GFE. Even though this is explained in the GFE, ask your lender about these potentially higher costs if this is not clear to you. For more information regarding how to read and understand a GFE, please read ENTITLE DIRECT’s The Smart Consumer’s Guide to the New Good Faith Estimate.
What are typical closing costs?
The following pages outline the closing costs you can expect to see on your HUD-1 Settlement Statement. Some of these costs may be listed individually on the GFE you receive from your lender (e.g., origination fee, title insurance premium and transfer taxes), while others may not be (e.g., real estate broker fees).

The HUD-1 Settlement Statement organizes costs into seven primary categories:

I. Real Estate Broker or Agent Fee  
II. Items Payable in Connection with Loan  
III. Items Required by Lender to Be Paid in Advance  
IV. Reserves Deposited with Lenders  
V. Title and Settlement Charges  
VI. Government Recording and Transfer Charges  
VII. Additional Settlement Charges

The sections below explain the typical costs, and whether or not you may be able to negotiate a lower amount for them. The most important thing to know is that many of these closing costs are negotiable—or can sometimes be eliminated entirely.

In fact, there are three primary ways of reducing your closing costs:

1. **Shop around.** Whether transaction is a refinance or a purchase, it pays to shop around for items such as title insurance and home inspections. But be sure to evaluate the cost versus the value: you want to make sure you are getting the most value for your money, which may not necessarily mean you should choose the cheapest provider. Also, shop around for the best lender when you get a mortgage or real estate agent when you buy a home.

2. **Negotiate.** You can sometimes negotiate with providers to get them to offer their services at a lower price. For example, you may be able to negotiate or shop for a lower lender’s fee (also called an origination or processing fee) with the lender you have chosen to work with. Similarly, you should shop for a real estate agent who will best fit your needs.

3. **Pass it on.** If you are purchasing a property, you may be able to get the seller to agree to pay some of the closing fees, or a percentage of the total closing costs. This option can be included in your overall negotiation with the seller.

> **TIP**
Not all closing costs are itemized separately on a GFE. See pages 6–12 in this brochure for a more complete listing of potential charges, and ask your lender specifically about costs that are not listed by name on the GFE.
I. **Real Estate Broker or Agent Fee**

- **What is this?** The fee paid to the seller’s real estate broker for listing the property and to the buyer’s broker for bringing the buyer to the sale. Normally, the total fee is split 50/50 between the seller’s and buyer’s brokers. The seller of the property generally pays this fee.

- **Typical cost:** This fee is generally a percentage of the property’s sales price (typically 4%-6%).

- **Negotiable?** In a For Sale by Owner (FSBO) transaction, the seller will not have to pay a commission for the listing agent, but if the seller chooses to, he/she may pay a fee to the buyer’s broker, if there is one. The majority of homes are sold by a real estate agent, and you will likely receive a better price and more qualified buyers if you use one.

II. **Items Payable in Connection with Loan**

These are the fees a lender often charges to process, approve and make a loan.

- **Application fee**

  - **What is this?** A lender may charge a fee for initially processing your loan application and it may or may not include the cost of checking your credit report. This fee is often used to get you to “lock in” with a lender.

  - **Typical cost:** $25–$150

  - **Negotiable?** Generally not negotiable, but you should shop around for the lender with the lowest fees, in addition to the best interest rate.

- **Loan origination charge (may also be called an underwriting fee or processing fee)**

  - **What is this?** A fee charged by a lender for arranging for the financing of your loan. The cost may be lower when you pay a higher down payment and/or a higher interest rate.

  - **Typical cost:** 1% of the value of the loan

  - **Negotiable?** Generally not negotiable, but you should shop around for the lender with the lowest fees, in addition to the best interest rate.
➤ **Discount “points”**
- **What is this?** A one-time fee, paid at closing, imposed by the lender or mortgage broker that will lower your mortgage interest rate over the life of the loan.
- **Typical cost:** One discount point equals one percent of the loan amount.
- **Negotiable?** Generally not negotiable, but you should shop around for the lender with the lowest fees, in addition to the best interest rate.

➤ **Wire transfer fee**
- **What is this?** The lender may charge a fee for wiring funds to process your mortgage.
- **Typical cost:** $10–$50
- **Negotiable?** Yes. You can ask your lender to waive this fee.

➤ **Appraisal fee**
- **What is this?** The fee for a written document that provides an estimate of the market value of a home, primarily based upon sales of similar homes located near the subject property. You should ask your lender for a copy of the appraisal for your records. Often, lenders will designate the appraiser. Appraisals are generally valid for a period of up to 90 days.
- **Typical cost:** $300–$1,000
- **Negotiable?** Generally not negotiable, but you should shop around for the lender with the lowest fees, in addition to the best interest rate.

➤ **Lender-required home inspection fee**
- **What is this?** Your lender may require that an inspection of a prospective home be conducted by a professional soon after an offer is made, in order to establish the structural and mechanical integrity of the house and to detect other conditions such as radon, asbestos or termites in the home. It is important for purchasers to negotiate an inspection contingency in their purchase and sale contract. The inspection serves to protect the buyer as much as the lender.
- **Typical cost:** $300–$500
- **Negotiable?** In some cases. In purchase transactions, the buyer often chooses the inspector, and fees may vary depending upon whom he/she chooses.

➤ **Termite/pest inspection**
- **What is this?** A special inspection that your lender may require in addition to the home inspection.
- **Typical cost:** $75–$500, depending on the size and age of the property
- **Negotiable?** No, but you may be able to choose from a list of approved inspectors, whose charges may vary.
Mortgage Insurance

Premium (MIP)

If you are receiving an “FHA-insured” mortgage, instead of PMI, you may pay MIP. While similar, MIP involves an upfront closing cost, which is a percentage of the loan amount, and a monthly cost, also a percentage of the loan amount. Usually, regardless of your loan-to-value ratio, as long as you have an FHA-insured mortgage, you will have to pay MIP.

Property survey

What is this? A drawing or map that details the legal boundaries of a property and the location of improvements, easements, rights of way, encroachments and other physical features.

Typical cost: $85–$600

Negotiable? In some cases. In purchase transactions, the buyer usually chooses the surveyor. However, if a survey was completed on the property recently, you may be able to reuse that one and just pay an “update” fee.

Flood determination fee/flood certification fee

What is this? Your lender may impose a fee to determine whether the property lies within a flood hazard area. If it does, you will be required to purchase flood insurance.

Typical cost: $15–$25

Negotiable? No.

Private mortgage insurance (PMI) premium and application fee

What is this? An insurance policy covering the lender’s losses if you do not make your mortgage payments. This is typically required by a lender if your down payment is less than 20% of the value of the house.

Typical cost: Between 0.5% and 1% of the value of the loan each year, divided into 12 equal payments. The less equity you have in the house, the higher the PMI.

Negotiable? No.

Credit report

What is this? This fee covers the cost of a credit report, which shows your credit history. The lender uses the information in a credit report to help decide whether or not to approve your loan and how much money to lend you.

Typical cost: $30–$50 per report

Negotiable? No.
III. Items Required by Lender to Be Paid in Advance

- Prepaid interest
  - What is this? You may not be required to make your first regular mortgage payment until a few weeks after closing. Thus, the interest accrued for the partial month after your closing date must be prepaid to your lender on the day of the closing (also known as “per diem interest”). For example, if you close on July 15, you would owe per diem interest for 15 days: July 16 through July 31. Your first mortgage payment would be on September 1, as interest is paid in arrears.
  - Typical cost: Varies according to the mortgage amount and rate.
  - Negotiable? No.

- Homeowner’s insurance
  - What is this? Lenders require that you secure homeowner’s (or hazard) insurance, which protects both the lender and you, the owner, against physical damage to the house. This ensures that the investment in the property is protected even if the house is destroyed.
  - Typical cost: Premium rates vary widely across the country, depending on location, replacement cost of the home and extent of coverage (watch out for many exclusions, including mold). Premiums can easily run from hundreds to many thousands of dollars, so be sure to shop around.
  - Negotiable? In some cases. You should shop around for different providers. Often you can get a discount on your homeowner’s insurance by purchasing it through the same company from which you buy your automobile insurance.

IV. Reserves Deposited with Lenders

- Reserves/escrow
  - What is this? Lenders often require that you set up an escrow (or reserve) account for the payment of real estate/property taxes, homeowner’s insurance and private mortgage insurance. Lenders will escrow funds to ensure that the expenses are paid on time and to protect
their interest in your home. An escrow account holds money, which is then used to pay taxes and insurance bills when due. At settlement, you may need to provide funds for this account, depending on when payments are due. In addition to the funds provided at settlement, your monthly payment to your lender will include amounts that will add funds to the escrow account.

V. Title and Settlement Charges

- Lender’s title insurance
  - What is this? This is sometimes called a “loan policy” and it is issued only to the mortgage lender. It follows the assignment of the mortgage loan, meaning that the policy benefits the purchaser of the loan if the loan is sold. The American Land Title Association (ALTA) policy forms are used almost universally in this country, though they have been modified in some states. In general, lender’s title insurance covers a lender against losses from the risks illustrated on page 14.
  - Typical cost: Varies by state and provider. The cost is generally based on variables such as loan amount, transaction type, coverage types and other factors.
  - Negotiable? Although in most instances it is not possible to negotiate a lower premium with a given provider, you can shop for a lower premium and choose a different provider, except in states where the rate is set by statute, such as Texas.

- Owner’s title insurance
  - What is this? The owner’s policy provides the purchaser coverage that the title to the property will be vested in that purchaser and that the title is free from all defects, liens and encumbrances except those listed as exceptions in the policy or excluded from the scope of the policy’s coverage. It also covers losses and damages suffered if the title is unmarketable. Additionally, the policy provides coverage for loss if there is no right of access to the land. Although these are the basic coverages, expanded forms of residential owner’s policies exist that cover additional items of loss. Please see page 14 examples of risks covered by owner’s title insurance. An owner’s policy insures an owner’s equity interest in the property, while a lender’s policy covers the lender’s loan interest in the property.
  - Typical cost: Varies by state and provider. The cost is generally based on variables such as loan amount, transaction type, coverage types and other factors.
  - Negotiable? Although in most instances it is not possible to negotiate a lower premium with a given provider, you can shop for a lower premium and choose a different provider, except in states where the rate is set by statute, such as Texas.
The Smart Consumer’s Guide to Reducing Closing Costs

- **Settlement/closing fee**
  - **What is this?** Fee paid to a closing agent (often a title agent) who oversees the execution of the closing documents.
  - **Typical cost:** $250–$1,500
  - **Negotiable?** Yes.

- **Notary**
  - **What is this?** The cost of having a licensed notary public oversee the proper execution of the documents.
  - **Typical cost:** Varies by state, but can range from $50 to $200 per signature.
  - **Negotiable?** Generally not negotiable. Typically there is a “pass-through” cost that is paid to the notary for his/her services.

- **Closing attorney**
  - **What is this?** An attorney who provides legal services to the lender and/or your own attorney. Depending on your state, you may or may not need an attorney present at closing. You should research the local laws in your state.
  - **Typical cost:** Varies widely depending on the location of the property and the complexity of the transaction.
  - **Negotiable?** Many attorneys charge a set fee for a closing service (versus an hourly rate), and the custom of using a closing attorney varies from community to community. You may or may not need the services of an attorney, depending on the state where your property is located, especially if you are only refinancing. Home purchases, which require the transfer of title and involve a contract of sale, are more complex and often require the services of an attorney. An attorney’s fees will vary with the complexity of the transaction.

VI. **Government Recording and Transfer Charges**

- **Recording fee**
  - **What is this?** Fee imposed by a local government recording office for entering the official record of the change of ownership of a property and officially recording other necessary documents.
  - **Typical cost:** Fees vary by location and are set by local governments.
  - **Negotiable?** No.

- **Transfer taxes and city/county/state tax “stamps”**
  - **What is this?** State or local tax payable when a title passes from one owner to another during a purchase transaction.
  - **Typical cost:** Fees vary by municipality and state, and may be in the form of a flat fee or a percentage of the property’s sale price.
  - **Negotiable?** No.
The Smart Consumer’s Guide to Reducing Closing Costs

- **Tax certification**
  - **What is this?** This is a fee a town or county may charge to certify that you have paid your property taxes. Also, title companies may charge their own fee for this, either separately or in addition to what the taxing authority charges.
  - **Typical cost:** $25–$50
  - **Negotiable?** No.

VI. **Additional Settlement Charges**

- **Homeowner’s warranty**
  - **What is this?** A warranty often purchased by homebuyers or included as an incentive by sellers or realtors that will cover repairs to certain items, such as appliances, plumbing, and heating and air conditioning systems.
  - **Typical cost:** Cost varies depending on the extent of coverage; it is usually in the hundreds of dollars.
  - **Negotiable?** As this is an optional item, you may choose not to purchase it.

- **Natural hazard disclosure**
  - **What is this?** Legally required in certain states (e.g., California and Florida), a natural hazard disclosure determines whether a property is subject to various regional threats, such as earthquakes, avalanches or floods.
  - **Typical cost:** $75–$150
  - **Negotiable?** No.
How to Save the Most Money on Closing Costs

Now that you have a better understanding of the costs you might expect to incur on the day of the closing, let’s focus on the items where comparison shopping can save you the most money.

How to Save When Buying a Home or Refinancing
Closing costs are a substantial consideration when purchasing a home or refinancing a mortgage. Keeping two things in mind will help you safeguard yourself against unnecessary costs. Your mantra should be “research, shop, compare and finalize.”

- **Shop for the Best Good Faith Estimate (“GFE”)**
  - Compare lender fees, including but not limited to:
    - Application fees
    - Loan origination charges
    - Wire transfer fees
    - Appraisal fees
    - Credit report fees
  - Compare third-party fees, including but not limited to:
    - Title insurance and associated title fees
    - Inspection fees
    - Survey fees
    - Settlement, closing and associated fees
  - Compare loan structure, including but not limited to:
    - Interest rate
    - Points up-front

- **Fixed fees (not negotiable):**
  - Flood certification fees
  - Transfer taxes
  - Government recording fees

- **Be Confident in Your Research**
  - **Manage the process.** Take it upon yourself to ensure that deadlines for the loan are met. Missing deadlines can cost you, especially if your rate lock expires.
  - **Affiliated business arrangements.** Be wary of predetermined arrangements that your lender, attorney or realtor may have with third parties. You have the right to choose the provider for these services (e.g., the title insurance provider). Affiliated business arrangements may not be in your financial interest.
  - **Stand your ground.** Hold your ground and ensure you receive fair prices and the best deal possible.
The price of title insurance—for the same property, for the same coverage—can vary widely. Depending on the provider, premiums may differ from a few hundred to a few thousand dollars or more. Since this can often be the single largest closing expense, it’s important to learn how to save up to 35% off a typical quote.

By comparing title insurance premiums—a simple and quick process—you can significantly lower the costs you’ll pay to close your deal.

Title insurance is often the most expensive single closing cost, and it represents the opportunity for you to save the most money. Title insurance is a requirement of virtually every lender. Any home you’re thinking of purchasing might have gone through several ownership changes over the years, and the land on which it stands probably went through many more. A weak link could have emerged at any point in that chain that could cause you trouble. For example, someone along the way may have forged a signature when transferring a title, or there may be unpaid real estate taxes or other liens on the property. Title insurance covers the insured party for claims and legal fees that arise out of such problems, subject to the terms and conditions of the policy.

Unlike most kinds of insurance, which protect you from events that could happen in the future, title insurance protects you from events that may have already taken place and that you may not be aware of.

What does title insurance cover?
Examples of problems that will be covered by most title insurance policies include:

- Inability to access the property
- Improper execution of documents
- Mistakes in the recording of legal documents
- Mistakes in the indexing of legal documents
- Mistakes in legal descriptions of the property
- Forgeries and fraud
- Undisclosed or missing heirs
- Unpaid taxes and assessments
- Unpaid judgments and liens
- Unreleased mortgages
- Incorrect interpretation of wills
- Mental incompetence of grantors of property
- Impersonation of the true owners of the land by fraudulent persons
- Fraud in securing essential signatures

> TIP
Just google “title insurance save 35%” to reduce your closing costs by hundreds or even thousands of dollars.
What could happen if I don’t buy title insurance?
While a lender’s policy is required if you are getting a mortgage, you may ask, “Do I really need to buy an owner’s policy as well?” A lender’s policy protects the lender only up to the outstanding balance on its loan. The lender’s policy does not protect the difference between the amount of the outstanding balance of the loan and the purchase price of the property, so you could be liable for that amount if you don’t buy title insurance. Therefore, you need to decide if you are personally willing to take this risk.

What does an “enhanced/extended” owner’s policy cover that a basic owner’s policy does not?
As its name suggests, an enhanced policy provides an owner with additional coverages, which may include:

- Mechanic’s lien coverage for work provided prior to the date of the policy
- Zoning coverage to ensure that the property is zoned for a single-family residence
- Coverage that the property is in a properly created subdivision
- Coverage in the event that you are required to remove an existing structure on the property due to a previous owner’s failure to obtain necessary permits
- Post-closing forgeries that affect your ownership interest

What does title insurance not cover?
Common exemptions in most title insurance policies include defects that occur after you purchase the property. Other problems that may be excluded from coverage are easements, zoning violations, boundary lines, and mineral and air rights.

Do all title insurance policies offer the same coverage?
Title insurance companies often offer industry-standard title policies adopted by the American Land Title Association (ALTA) or an individual state’s land title association.

What is a “lender’s policy” versus an “owner’s policy”?
A lender’s policy protects the lender up to the amount of their outstanding debt on a mortgaged property and is generally required on both refinances and purchases that are being financed. The value of the policy decreases as the loan principal is paid down, and it expires when the mortgage is paid in full.

An owner’s policy is purchased in an amount equal to the purchase price and does not expire when the mortgage loan is paid in full or refinanced. The owner’s policy is there to protect the owner’s equity in the property, and it remains in force for as long as you own the property.
**How long am I protected by title insurance?**
A lender’s policy lasts throughout the duration of the mortgage and expires once the loan is fully repaid. An owner’s policy protects you for the entire time you own the property.

**Who pays for title insurance?**
Local custom usually dictates whether the buyer or seller pays the premium in a purchase transaction.

**How often do I pay the premium?**
The title insurance premium is a onetime charge paid at the time of the closing of your transaction.

---

**Questions to ask your lender or real estate agent about your title insurance policy:**
- Do you have a financial interest in the title insurance company that you are recommending?
- Is this the best deal for me?

**Do I have to use a provider recommended by my lender, attorney or real estate agent?**
No. Shop around! You are entitled to choose the insurer you want. However, there may be certain exceptions. For example, sometimes during a short sale, a short sale processor will only work with a certain title provider.

---

**How much does title insurance cost and how can I save money on it?**
When you are buying or refinancing a property, you will be shopping for, and comparing, different mortgage rates. Do the same with your title insurance. Ask for a quote and be sure you are comparing apples to apples. The cost of title insurance varies widely from state to state, but you can save hundreds of dollars by comparison shopping. Be sure to check online (search “title insurance save 35%”), as this will likely lead you to find the best quote.

**When should I start shopping for title insurance?**
As soon as you begin the process of shopping for a mortgage. In the vast majority of purchase transactions, the realtor you work with will arrange for a closing with a title company he/she frequently does business with.

---

> **TIP**
In the case of a refinance, if you have an existing title insurance policy, you may be entitled to a re-issue or refinance discount. Also, if the previous owner of the house can provide proof of an owner’s policy, the new owner may be eligible for a re-issue discount on an owner’s and lender’s policy. Ask your title insurer about this discount.

---

> **TIP**
Long before your closing date, tell your lender that you would like to select your own title insurance.
Usually, this title company will arrange for your title insurance without presenting different pricing options to you. It is therefore extremely important to let your realtor, lender or attorney know as early in the process as possible—whether you are buying, selling or refinancing—that you will be shopping around.

**Where can I find an independent third-party rating system for title insurers?**

Demotech is a widely recognized specialist in rating insurance underwriters. Its Financial Stability Ratings® (FSRs) are a leading indicator of insurers’ financial stability. FSRs are based on a series of quantitative ratios and considerations that together comprise Demotech’s Financial Stability Analysis Model. FSRs are accepted by government-sponsored enterprises, including Fannie Mae, Freddie Mac, and various programs of the United States Department of Housing and Urban Development (HUD), mortgage lenders, and a number of umbrella and agents’ errors and omissions insurance markets.

**> TIP**

Make sure that the company you are buying title insurance from is properly licensed in your state. To check, visit your state’s Insurance Department website.
### Examples of Purchase Premium Savings from Across the Country

<table>
<thead>
<tr>
<th>State</th>
<th>Loan Amount</th>
<th>Major Competitors</th>
<th>ENTITLE DIRECT</th>
<th><strong>Savings</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>New York Zone 2*</td>
<td>$1,000,000</td>
<td>$6,553</td>
<td>$4,260</td>
<td>$2,293</td>
</tr>
<tr>
<td>California</td>
<td>$1,000,000</td>
<td>$3,771</td>
<td>$2,487</td>
<td>$1,284</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$417,000</td>
<td>$2,988</td>
<td>$1,944</td>
<td>$1,044</td>
</tr>
<tr>
<td>Virginia</td>
<td>$417,000</td>
<td>$1,916</td>
<td>$1,246</td>
<td>$670</td>
</tr>
<tr>
<td>Florida</td>
<td>$250,000</td>
<td>$1,665</td>
<td>$1,091</td>
<td>$574</td>
</tr>
<tr>
<td>Ohio</td>
<td>$250,000</td>
<td>$1,633</td>
<td>$1,098</td>
<td>$535</td>
</tr>
</tbody>
</table>

Assumes 80% loan-to-value ratio

### Examples of Refinance Premium Savings from Across the Country

<table>
<thead>
<tr>
<th>State</th>
<th>Loan Amount</th>
<th>Major Competitors</th>
<th>ENTITLE DIRECT</th>
<th><strong>Savings</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>New York Zone 2*</td>
<td>$1,000,000</td>
<td>$3,765</td>
<td>$2,449</td>
<td>$1,316</td>
</tr>
<tr>
<td>California</td>
<td>$1,000,000</td>
<td>$1,300</td>
<td>$915</td>
<td>$385</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$417,000</td>
<td>$2,137</td>
<td>$1,405</td>
<td>$732</td>
</tr>
<tr>
<td>Virginia</td>
<td>$417,000</td>
<td>$1,052</td>
<td>$684</td>
<td>$368</td>
</tr>
<tr>
<td>Florida</td>
<td>$250,000</td>
<td>$1,325</td>
<td>$862</td>
<td>$463</td>
</tr>
<tr>
<td>Ohio</td>
<td>$250,000</td>
<td>$925</td>
<td>$601</td>
<td>$324</td>
</tr>
</tbody>
</table>

Major competitors and ENTITLE DIRECT premiums do not include reissue discounts.

*Zone 2 includes properties located in the following counties: Albany, Bronx, Columbia, Dutchess, Greene, Kings, Nassau, New York, Orange, Queens, Rensselaer, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester

All title insurance policies are issued by EnTitle Insurance Company, 3 Summit Park Drive, Independence, OH 44131, which holds all licenses and regulatory approvals. Certain title and escrow services are not available in all states. Subject to state laws and regulations where applicable. Use of closers not affiliated with EnTitle Insurance Company subject to approval. Above title insurance premium savings are only valid for jurisdictions shown. Savings shown above were calculated using title insurance premiums only and do not include endorsements, settlement fees, attorney fees, transfer taxes, mortgage taxes, recording fees or other applicable charges in addition to the title premium. Savings examples assume issuance of simultaneous lender’s and owner’s policies. Rates are valid as of November 1, 2013. Rates, terms and conditions are subject to change without notice. Savings calculated using major competitor rates as defined by Entitle Direct Group, Inc.

TO SEE HOW MUCH YOU CAN SAVE ON TITLE INSURANCE, VISIT [WWW.ENTITLEDIRECT.COM](http://WWW.ENTITLEDIRECT.COM) OR CALL 877.636.8485.
About ENTITLE DIRECT

Entitle Direct Group, Inc., based in Stamford, Connecticut, is the parent company of EnTitle Insurance Company, the country’s first direct-to-consumer title insurance company offering significant savings on title insurance. ENTITLE DIRECT is the direct-to-consumer distribution channel of EnTitle Insurance Company.

EnTitle Insurance Company was founded in 1978 in Cleveland, Ohio, where it remains headquartered today. EnTitle Insurance Company is regulated by the Ohio Department of Insurance and is approved to issue title insurance by the Department of Insurance in every state where its policies are offered. EnTitle Insurance Company is a member of the American Land Title Association, and only issues policy forms approved by the American Land Title Association and other state associations, where applicable. EnTitle Insurance Company possesses a Demotech Financial Stability Rating® of A' (Unsurpassed).