



Shannon Skurner
Vice President & Texas
Agency Manager
sskurner@oldrepublictitle.com
888-678-1700

Good morning,

Here's what I have for you in this issue of ORT News!:

- Who has **no plans** - and **that's a good thing**;
- An **ORT** Agent who was **recently featured** in a **state-wide publication**;
- **Best Practices** for the **Real Estate Settlement Process**;
- **Ask Ann** answers your question about **how to calculate premiums**;
- An article about **what truly may be the biggest threat to you and/or your Agency**;
- A list of **Fall Festivals** occurring this month in Texas; *and*,
- A listing of **often-forgotten historical events** that **occurred in October**.



Hope you have a great weekend!
Shannon Skurner

ORT Press



No Plans!

Stating she has **no plans** but to "**just relax**", **Joline White** of **Denton County Abstract**, **retired** earlier this month after **34 years** in the title business.

Best of luck, Joline!



Recently honored by **TLTA** as a **Woman Pioneer of the Title Industry**, **Georgia Duke of North American Title in Austin**, was **featured** in the August 2008 issue of **Broker Agent Magazine**.

[Click here to read the full article.](#)



A big "**thank you**" to those of you who **responded to our request** for help in last month's Newsletter in updating **our database**. If you have **not yet viewed** your profile to check for **accuracy** and/or to provide **updates** or fill in any **missing information - including your birth date (month & day only)**, simply click on the **"Update Profile"** link located at the very bottom of this email.

Industry-Related News

[Best Practices for the Real Estate Settlement Process](#)

TLTA and the **Texas Mortgage Bankers Association ("TMBA")** teamed up to identify and develop a list of **Best Practices for the Real Estate Settlement Process**. The practices - *jointly endorsed by TLTA and TMBA*, are **designed for use** by **professionals involved** in the **real estate settlement process**.

[Click here for the list of Best Practices.](#)

Ask Ann...



*ORT's Chief Audit Officer
answers your troublesome
title questions.*



Ann Morris
Chief Audit Officer
713-829-4295

amorris@oldrepublictitle.com

This month's topic: **Calculating Premiums**

Question: "A borrower recently completed construction of their new home. Prior to the start of construction, our Agency issued a Mortgagee Policy with pending disbursement language. Now that the home is complete, the lender is asking for two new Loan Policies. The pre-construction loan was insured for \$400,000. The two new loans are in the amount of \$310,000 and \$100,000. How do we calculate the premiums for these two new Loan Policies?"

Answer: Using R-18c of the **Basic Manual**, the premiums would be as follows:

- The premium for the \$310,000 first lien Loan Policy is \$229.
- The premium for the \$100,000 second lien Loan Policy is also \$229.

The calculations are as follows:

- The premium for the \$400,000 pre-construction policy would be \$2,445.
- The premium for the combined new liens (\$310,000 + \$100,000 = \$410,000) would be \$2,498.

The difference between the two policy premiums is \$53.00 (\$2,498 - \$2,445 = \$53). Because \$229 **is greater** than \$53.00, the premium for the new first

lien Loan Policy is \$229.

Had the difference between the basic rate premium of the combined new loans less the basic rate premium for the old loan been greater than \$229, then that difference would have been the premium for the new first lien Loan Policy under **R-18c**. **Just remember, DO NOT ADD** the calculated difference to the minimum basic rate. The premium will be \$229 if the difference is less than or equal to that figure, or the premium will be the difference if greater than \$229. Never add the difference to the minimum basic rate of \$229.

In this scenario, the \$100,000 *second* lien Loan Policy is \$229 because Procedural Rule **R-18c** states: "*On Mortgagee Policies issued on multiple loans to fully take up, renew, and extend or satisfy a mortgage securing a construction loan insured by a single Mortgagee Policy, the new policies being in the amount of the new mortgages, the premium for the larger Mortgagee Policy shall be as set out in section A or B of this rule, using the total of the new mortgages as the amount on which to calculate the premium. The additional policy(ies) shall be issued at the minimum Basic Premium Rate*".

Business Corner

The **biggest threat** to **you** and **your Agency** may be something that **made the business** what it is **today**.

[Click here to read the complete article.](#)



Fall Is Here!

Ahhhh, Fall has finally arrived.

While the temperatures outside may still be a little warm, there's lots of **Fall Festivals** coming up **throughout Texas** that have something for everyone.

[Click here for a list of Fall Festivals.](#)



Every Day Is Special

Just in case **you need reminding** that **every day is special**:

- Today, October 6th is "*National Mad Hatter Day*".
- October 10th is "*National Angel Food Cake Day*".
- October 16th is "*National Bosses Day*".
- October 24th is "*National Bologna Day*".

Want more? Visit: www.holidayinsights.com.



On This Day in History.....

The **month of October** is filled with lots of historical "**firsts**".

Click [here](#) to view a **listing of events** we're sure you'll say "*I didn't know that!*" - **including** what **Wyatt Earp** and **his two brothers** did this month in **1881**.