

CHEAT SHEET

STANDARDS FOR WHO PAYS FOR TITLE INSURANCE BY COUNTY



AND THE SURVEY SAYS: WHO PAYS FOR TITLE INSURANCE BY COUNTY? BY CONNIE CLARK, FUND SR. UNDERWRITING COUNSEL

The party who customarily pays the owner's title insurance policy premium in a residential transaction in Florida varies by county. In at least one county, who pays the premium depends on where the property is located within the county.

The terms of a real estate contract are always freely negotiable, but that some closing costs are traditionally paid by the buyer or the seller.

Who pays the documentary stamp tax on the deed in a residential transaction? The unanimous response was that the seller pays this fee. This practice may have arisen as part of the seller's obligation to transfer title to the buyer and is a standard contractual obligation of the seller in every residential form contract in wide use in Florida.

Who pays for the owner's title insurance policy in a residential transaction?

The responses to this question appear on the map. Of the 67 counties in the state, 44 counties were reported in the survey as seller-pay counties, 22 were reported as buyer-pay counties and one county was divided on the issue. It may not be surprising that the most geographically unique county has an equally unique tradition. The responses to the survey for Monroe County reported that Islamorada and the Upper Keys follow the custom of the neighboring counties to the north and are a buyer-pay area.

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Marathon and the Middle Keys were reported as a seller-pay area and Key West and the Lower Keys are a combination of seller-pay and buyer-pay.

Many survey respondents were careful to point out that even in a traditional seller-pay or buyer-pay county, payment of the title insurance premium for the owner's policy in a residential transaction is increasingly the subject of negotiation between the parties.

Survey respondents also noted that developer and financial institution contracts often vary from the norm in the county on the terms relating to the payment of the owner's title insurance premium.

For instance, the Sales Contract (Residential Improved Property) of the Naples Area Board of Realtors® and Association of Real Estate Professionals, Inc.® (NABOR), contains a provision that the seller pays the premium for the owner's title insurance policy issued by a title insurance agent selected by the buyer if the property is located in Lee or Charlotte Counties.

Those two counties are traditional seller-pay counties, but under the NABOR® contract, the buyer picks the title insurance agent to issue the policy.

Who customarily pays the documentary stamp tax and owner's title insurance premium in a commercial real estate transaction?

The survey responses to this question were inconclusive because the terms of a commercial sale are much more likely to be negotiated by the parties or their attorneys.

** Survey performed by The Fund*

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The information contained in this article is to provide guidance on the customs in each of the 67 counties in Florida and is not intended to dictate which party should pay the title insurance premium in any transaction. As one ATIF Director noted, "EPIN . . . Every Penny Is Negotiable."



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Typically, the seller will pay for the title insurance in the state of Florida, with the exception of Broward, Collier, Miami-Dade and Sarasota.

Part 1

<u>County</u>	<u>Who pays</u>
Alachua	Seller
Baker	Seller
Bay	Seller
Bradford	Seller
Brevard	Seller
<i>Broward</i>	<i>Buyer</i>
Calhoun	Seller
Charlotte	Seller
Citrus	Seller
Clay	Seller
<i>Collier</i>	<i>Buyer</i>
Columbia	Seller
DeSoto	Seller
Dixie	Seller
Duval	Seller
Escambia	Seller
Flagler	Seller
Franklin	Seller
Gadsden	Seller
Gilchrist	Seller
Glades	Seller

Part 2

<u>County</u>	<u>Who pays</u>
Gulf	Seller
Hamilton	Seller
Hardee	Seller
Hendry	Seller
Hernando	Seller
Highlands	Seller
Hillsborough	Seller
Holmes	Seller
Indian River	Seller
Jackson	Seller
Jefferson	Seller
Lafayette	Seller
Lake	Seller
Lee	Seller
Leon	Seller
Levy	Seller
Liberty	Seller
Madison	Seller
Manatee	Seller
Marion	Seller
Martin	Seller
<i>Miami-Dade</i>	<i>Buyer</i>
Monroe	Seller
Nassau	Seller

Part 3

<u>County</u>	<u>Who pays</u>
Okaloosa	Seller
Okeechobee	Seller
Orange	Seller
Osceola	Seller
Palm Beach	Seller
Pasco	Seller
Pinellas	Seller
Polk	Seller
Putnam	Seller
St Johns	Seller
St Lucie	Seller
Santa Rosa	Seller
Sarasota	Buyer
Seminole	Seller
Sumter	Seller
Suwannee	Seller
Taylor	Seller
Union	Seller
Volusia	Seller
Wakulla	Seller
Walton	Seller
Washington	Seller

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