



# CHICAGO TITLE INSURANCE COMPANY

NATIONAL COMMERCIAL SERVICES | CHICAGO

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## **Effective January 1, 2011, The Title Insurance Act requires Closing Protection Letters for Lenders, Borrowers, Buyers, and Sellers**

The State of Illinois, in an attempt to strengthen the closing process for the benefit of consumers and lenders, has enacted legislation that amends the Title Insurance Act (215 ILCS 155/1 et seq.) to require the issuance of Closing Protection Letters.

**Effective January 1, 2011, if you close with any office in Illinois, Closing Protection Letters must be issued to Lenders, Borrowers, Buyers, and Sellers for all residential real estate transactions, and all non-residential (e.g. commercial) real estate transactions when the amount of settlement funds on deposit in the escrow is under \$2,000,000. In both cases, the location of the property does not matter; properties located outside of Illinois are also subject to this rule.**

**This also applies to construction escrows and date down transactions meeting the above criteria.**

The Illinois Department of Financial and Professional Regulation has set the following guidelines for minimum charges for Closing Protection Letters:

- A. A charge of no less than \$25.00 to all Buyers receiving a Closing Protection Letter in conjunction with a Resale transaction
- B. A charge of no less than \$50.00 to all Sellers receiving a Closing Protection Letter in conjunction with a Resale transaction
- C. A charge of no less than \$25.00 to each Lender receiving a Closing Protection Letter in conjunction with a Resale or Refinance transaction
- D. A charge of no less than \$50.00 to all Borrowers receiving a Closing Protection Letter in conjunction with a Refinance transaction.

“Buyer”, “Seller”, and “Borrower” are considered a single party to the transaction regardless of the number of people or entities making up the Buyer, Seller, or Borrower.

Effective January 1, 2011, Chicago Title Insurance Company will follow these guidelines and charge the minimum fees. Chicago Title will commence billing the minimum charges for those transactions that will close after January 1, 2011.

Thanks for your attention to this matter and we look forward to working with you!