

What are the functions of a Title Company?

Most people don't know the answer to the question, *"What are the functions of a title company?"*

Clearly, the reference *"title company"* implies a purpose of assuring title, but the title company goes beyond that. The title company actually handles the closing of the transaction by coordinating the parties—the seller, the buyer and the lender—and coordinating the preparation of all necessary documents including the settlement statement (HUD-1 or Closing Disclosure). It also handles the collection and disbursement of the money involved in the closing. Through all this, the title company's main function is to provide title insurance to the prospective buyer and any lender financing the purchase.

Title insurers differ from other kinds of insurers in that their goal is to "eliminate" all risks of title defects rather than "assume" risks. It is the ancillary function of the title company, then, to handle the actual closing to assure that the documents necessary to convey clear title have been properly executed and filed, and that all previous interests in the property have been disposed.

Title insurance in the State of Texas is regulated by the Texas Department of Insurance. The title company performs three major functions described as follows:

- The search and examination of titles sufficient to prepare a commitment for title insurance.
- The closing of the transaction, or more particularly, the handling of all documents necessary to effect the transaction and disbursing the funds accordingly as escrow agent.
- The issuance of the title insurance policies to the buyer and any lender insuring the title as transacted.

Allegiance Title Company enjoys the reputation of performing exceptional real estate closings in all of its branches by employing experienced, professional escrow officers. Allegiance's associates understand that the purchase of a home is a stressful, yet exciting time in one's life. We, therefore, must not only be skillful in the technical aspect of closing, but in the way we handle the needs and concerns of our customers.

We work closely with the brokerage community to insure that each real estate transaction is handled in a highly professional manner to your ultimate satisfaction.