California Land Title Association

SINCE 1907

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CLTA Responds to Garamendi's Bogus Study

Statement by Lawrence Green
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"Stated quite simply, the bogus report issued by John Garamendi earlier today is not worth the paper that it is written on. It is simply the product of a politically connected insider hired to help the Commissioner achieve a predetermined, media-friendly outcome. In order to produce this 'report', Garamendi hired an out-of-state (Texas) consultant – Birny Birnbaum – via a $60,000 no-bid contract. In the past, Birnbaum has billed the California Department of Insurance tens of thousands of dollars in so-called intervenor fee cases.

"Incredibly, Garamendi and Birnbaum would have us believe that they somehow produced the '112-page study' in just a few days given the December 8, 2005 deadline for data demanded by the Commissioner from title companies which supposedly formed the basis of this 'study'. Clearly, Garamendi and his hired gun consultant pre-produced their 'study' in order to achieve a desired conclusion – irrespective of actual data received from title companies.

"Contrary to the ridiculous and self-serving results from the Garamendi 'study', a recent examination of closing costs and rate comparisons at Bankrate.com indicates that California has highly competitive title insurance rates. According to the Bankrate.com comparison, title insurance rates in California are below the national average and are significantly lower than comparable title insurance rates in other large states."

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The California Land Title Association (CLTA) is a non-profit corporation founded in 1907, representing member title companies throughout the state of California. The Association's membership is comprised of title insurance companies and underwritten title companies conducting business in the state. The goals of the CLTA include: expediting the transfer and insurance of title to real property throughout California, increasing the public's awareness of the value and purpose of title insurance, and finally, protecting private property rights.