

How to Read a Title Commitment

A Snapshot

Transmittal



1. Verify the Property Address, Buyer and Seller

2. Make note of your closer and title contact. Keep this information in case you have questions leading up to closing

3. Ensure all parties involved are listed and that all information is correct.

1. Is the Buyer's name correct?
2. Is the purchase price correct?
3. A resissue rate, if you are entitled to one, is a discount and therefore appears as a credit.
4. Are the correct policy types listed and being paid for?
5. Is/Are the Seller's names correct?
6. Does the legal description match the contract?
7. Is the Property address correct?

Schedule A



**Schedule B-1
Requirements**

**Schedule B-2
Exceptions**

Items must be satisfied prior to closing

Note: If there are errors due to common name, notify your closer immediately

Exceptions to Title

Note: Owner's Extended Coverage eliminates the first 5



[Click to see a Video Description of the Title Commitment](#)

What is Title Insurance?

Title insurance protects you against non-record matters that cannot be uncovered in a title search

- These items can include
 - Missing wills or heirs
 - Fraud/ Forgery
 - Previous Owner's Debt
 - Many Others

There are Two Different Types of Policies

Mortgagee Policy

Protects the lender who has agreed to provide financing to the owner of the property

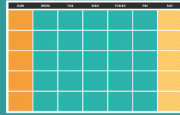


Owner Policy

Protects the owner of the property

Many title insurers offer reduced rates when an owner policy and mortgagee policy are purchased simultaneously.

How is Title Insurance Different than Other Types of Insurance?



Title Insurance is Retrospective. This means it is designed to protect the insured for losses arising from defects occurring prior to the date of the policy. Other types of insurance protect against future risks.

Title Insurance requires a single premium and protection lasts as long as the insured has an interest in the property. Other insurances require additional payments for continuation of coverage on monthly or yearly basis



Common Types of Claims Made Under a Title Policy

Resolution depends primarily on whether the particular claim is, in fact, covered by the policy.

- Errors made in searching the title for a parcel
Ex. a tax lien of record was not discovered in the search of a title
- Forgery, fabrications, undisclosed information or inadequate information
Ex. Forged deeds or undisclosed liens.

The Process

- 1** Search of Public Records
- 2** Verification of Owner and determination of debts against the property. Upon completion, a title commitment is issued.
- 3** Settle any existing liens or other title issues
- 4** Close the transaction, disburse funds and transfer ownership of the property

