



COMMITMENTS *from A to D*

SCHEDULE A: “A” IS FOR “ACTUAL FACTS.”

This section describes the amount of title insurance coverage to be issued in the Owner’s Title Policy. It also describes how the title is vested at the time, prior to the closing and contains the legal description of the property to be insured. As the title company we want to make sure that all of the above information is accurate when it is compared to the sales contract.

SCHEDULE B: “B” IS FOR “BUYER NOTIFICATION.”

This is the section of the title commitment that addresses where other parties (if any) have interest or control over the use of the property. It will describe the restrictions (if any), and other title exceptions or easements found. Two examples are utility easements and building setbacks. A utility easement is a fairly common occurrence and is a part of land that a utility company has the right to use. A setback would prevent the owner from building a certain distance from the front property line. Any occurrences found will be listed as exceptions in the Owner’s Title Policy and will not be covered by title insurance.

SCHEDULE C: “C” IS FOR “CLEAR TO CLOSE.”

This section describes any items that must be resolved prior to closing in order to transfer title to the new owner by issuing the title policy. This would include such things as a mortgage to be paid off, marital status change, home improvement liens, unpaid taxes, or a requirement that another person, such as an heir or a former spouse, participate in the sale of the property.

SCHEDULE D: “D” IS FOR “DISCLOSURE.”

This section discloses the ownership, control and senior management of the Title Insurance Company and the issuing Title Insurance Agent. It will also outline the estimated amount of title premium to be collected and all parties who will collect any part of the premium, including underwriters, title agents and attorneys.

This is a basic overview of the four sections of the Commitment for Title Insurance. In general, a title commitment is a promise by the title company to insure the sale of the property and issue a title policy after closing, once the requirements of your contract and the commitment have been fulfilled.

Please contact your escrow officer with any questions about a particular title commitment or transaction.