



Title Commitment ABC's

# The **ABC's** of Title Commitments

We understand that keeping you informed is an essential part of the closing process. A title commitment is an important document that contains information specific to your transaction. To help you gain a better understanding of its importance, here is an overview of the basic sections commonly found in a title insurance commitment:

## **schedule A: Actual Facts**

This area contains the "Who, What, Where and How Much" details of the transaction. Schedule A sets forth the effective date, the names of the seller and buyer, the legal description of the property, the sales price, and the name of the lender and loan amount if applicable and available.

## **schedule B: Buyer Notification**

This area notifies the buyer and/or lender of specific exceptions from coverage where other parties have some interest or control of the use of the subject property. An example would be restrictive covenants, mineral or water rights, a utility easement, where the city would have a part of the land reserved for their use, or a building setback requirement that prevents the homeowner from building within a certain distance from the front of the property. These are exceptions from coverage; items that will not be insured on the title policy.

## **requirements C: Clear to Close**

The requirements section lists the items that must be cleared-up or satisfied in order to issue a policy covering the new owner and/or the lender. Other requirements may include: approval by the trustee in bankruptcy, other persons - such as an heir or a former spouse - participate in the sale of the property by executing closing documents, and releases of various other types of liens.

Delivering exceptional service is another essential part of the closing process. If you have any questions concerning the details of your commitment or transaction, please contact us. It's as easy as ABC.