

Understanding Your Title Commitment

The Title Commitment is organized into the following three main parts: Schedule A, Schedule B, Section 1, and Schedule B-Section 2. Each part is explained below:

SCHEDULE A:

No. 1: Effective date: This is date the County Clerk and Recorder certifies through. This date is usually a week or two behind the the date our commitment is issued. This is because documents are filed with the county clerk and recorder each day, and it takes the county some time to index and image each recorded document.

No. 2A: Owner's Policy Proposed Insured: This is the name of the buyer as it appears on the Contract. This name will also appear on all future Closing documents, the Deed, and the Final Title Policy, just as it is written. If we have typed the name incorrectly please let us know, and also advise your Realtor, Builder and/or Lender.

No. 2B: Loan Policy Proposed Insured: The lender has requested a loan policy of title insurance. The proposed insured identified at No. 2B is how the lender requested its name appear. If the lender is unknown, or has not provided instructions to us, No. 2B may appear as "TBD" (To Be Determined). If the buyer is paying cash rather than getting a loan, No. 2B will be blank. Charges: Title Premiums, Endorsements and Tax Certificates: These are fees for the items that the Company has determined may be required to meet the terms of the Contract and loan. The lender may request additional endorsements than those shown. Please note that the charges do not include any closing fees.

No. 3: The Estate or Interest in the Land: This describes how the current owner holds legal title to the property.

No. 4: The Land Referred to in the Commitment: This item contains the "legal" property description for the real estate.

SCHEDULE B-SECTION 1:

This section contains the requirements that must be satisfied in order to provide the title policy and clear title to the buyer and/or lender. Some requirements will be satisfied prior to closing, and others will be satisfied at closing and disbursement. DTA's Escrow Officer will generally manage the responsibility for obtaining information to satisfy these requirements, such as requesting payoff statements from current lenders.

SCHEDULE B-SECTION 2:

These items are Exceptions to coverage on the Final Title Policy. They usually include things that are recorded with the County Clerk and Recorder, such as plats, easements, and covenants, but may also include unrecorded items that we are told about, such as leases. If Owners Extended Coverage is selected under section 8.1.3 of the purchase contract, coverage will be provided insuring over standard exceptions 1-4.

We hope this summary has been helpful to understanding the title commitment. Please also refer to the full title commitment jacket, which details additional conditions for the issuance of a Final Title Policy.