

# IOWA'S CLEAR TITLE STANDARD

## THE ATTORNEY/ABSTRACT SYSTEM

By obtaining **Iowa Title Guaranty** coverage, lenders and owners can rest assured that an Iowa real estate attorney has thoroughly reviewed the property title. Iowa Title Guaranty provides superior title protection by using a unique process, known as the attorney/abstract system, designed to uncover and resolve title defects **before closing**. The process is briefly described below:



1

### ABSTRACT UPDATE

A participating abstractor prepares an abstract by **searching the title plant and public records**. The abstractor identifies all recorded documents pertaining to the property, including but not limited to, deeds, mortgages, easements, liens, and covenants, and compiles all pertinent information into a document, known as the abstract. In certain refinance transactions, the abstractor is permitted to prepare a short-form abstract search product, known as the "ITG Form 900."



2

### TITLE EXAMINATION

A participating Iowa attorney examines the abstract and renders a **written title opinion**. The title opinion reflects the current titleholders and identifies any title exceptions and title defects that must be resolved prior to closing.



3

### IOWA TITLE GUARANTY COMMITMENT

A participating field issuer prepares an Iowa Title Guaranty commitment based upon the examining attorney's title opinion. A commitment is an **offer to issue title coverage** upon fulfillment of certain requirements and conditions, as stipulated in the attorney's title opinion.



4

### TITLE CLEARING PRIOR TO CLOSING

All title defects shown as exceptions on the commitment **must be resolved** to the examining attorney's satisfaction before the parties may proceed to closing.



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### CLOSING



6

### FINAL ABSTRACT UPDATE

After closing, the abstractor **updates the final abstract** to reflect the status of title through the date of the guaranteed deed and/or mortgage. In certain refinance circumstances, the abstractor is permitted to prepare a short-form final abstract search product, known as the "ITG Form 901."



7

### FINAL TITLE EXAMINATION

The examining attorney **reviews** the final abstract to confirm proper vesting, lien priority and clear title, and renders a final title opinion.



8

### IOWA TITLE GUARANTY CERTIFICATE

A participating field issuer prepares an Iowa Title Guaranty certificate based upon the examining attorney's final title opinion. A lender certificate provides assurance to the lender that its lien is valid and in the desired lien position. An owner certificate provides assurance to the owner that the property is free from certain title defects, liens and encumbrances. **Iowa Title Guaranty certificates protect the insured** from potential financial losses associated with the covered risks.

As Iowa's exclusive title coverage provider, Iowa Title Guaranty offers lenders and owners **low-cost title coverage** for Iowa real property.