

**RESOLUTION  
TG 14-04**

WHEREAS, Iowa Title Guaranty (ITG) is a division of the Iowa Finance Authority (the "Authority"), created by Iowa Code section 16.2A; and

WHEREAS, the ITG Board (the "Board"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, operates a program to offer guaranties of real property titles to facilitate mortgage lenders' participation in the secondary market and to add to the integrity of the land-title transfer system in the state of Iowa; and

WHEREAS, pursuant to Iowa Code section 16.91(6) prior to issuing an ITG Certificate an abstract of title is required to be updated and certified by a participating abstractor; and

WHEREAS, the general definition of an abstract for ITG purposes is set out in 265 Iowa Administrative Code 9.1(16), and 265 Iowa Administrative Code 9.6(6) states that all abstracts of title shall be prepared and conducted in compliance with ITG procedures as specified in the manual, staff supplements, and any other written or oral instructions and requirements given by ITG; and

WHEREAS, in the spring of 2013 a Workgroup was convened by ITG to discuss and develop Abstract Minimum Standards. This Workgroup consisted of volunteers representing the real estate industry as well as Iowa Title Guaranty representatives; and

WHEREAS, Attachment A reflects the Iowa Title Guaranty Abstract Minimum Standards as developed by the Workgroup; and

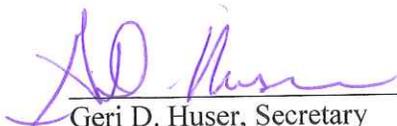
WHEREAS, these Minimum Standards should be adopted by the Iowa Title Guaranty Board and used to review abstracts upon which an ITG certificate is based.

NOW, THEREFORE, BE IT RESOLVED that the Iowa Title Guaranty Board adopts these Abstract Minimum Standards as set out in Attachment A as a guide in reviewing abstracts used for the basis of an Iowa Title Guaranty certificate.

PASSED AND APPROVED this 4<sup>th</sup> day of June, 2014.



Pat Schneider, Iowa Title Guaranty Board Chair



Geri D. Huser, Secretary

(Seal)



# Iowa Title Guaranty

## Abstract Minimum Standards

**Iowa Title Guaranty (ITG) abstractors at a minimum must show the following in their abstracts:**

1. Legal Description – First page of the continuation, or reference to “same as caption”, in each continuation.
2. Certification in each abstract search, stating what was searched, and by whom. Abstract “from” and “to” dates and times which must be clearly set out in the search and the time period certified. There cannot be a time gap between certifications.
3. Signature by Iowa Title Guaranty Abstractor - Needs to be signed by authorized Iowa Title Guaranty signatory matching the entity/abstractor. The Iowa Title Guaranty Number of the abstractor must be shown.
4. For “new” root of title abstracts, a record chain of title dating back at least 40 years. (pursuant to Marketable Record Title Act “MRTA”)  
All matters of record prior to the search period may be omitted except for:
  - i. Plats and surveys;
  - ii. Grants of easement;
  - iii. Unexpired Leases;
  - iv. Boundary line agreements
5. The names searched, or clearly state all necessary parties have been searched and certified to.
6. The County (or Counties) where the real estate is located. Show in the caption, certificate, or both.
7. All recorded conveyances in time period (subject to MRTA and other statutes). Abstracting of documents must include, at a minimum, the following information and the entry should be made pursuant to ILTA Blue Book standards. Show:
  - a. Date of the instrument,
  - b. Recording date of instrument,
  - c. Document number or book and page,
  - d. Grantors/grantees of the instrument, if reflected on the instrument,
  - e. Marital status of the grantors and grantees, if reflected on the instrument,
  - f. Estate or tenancy of the grantors and grantees in deeds, if reflected in the instrument,
  - g. If there is a difference between how a document is captioned, executed, or signed, set out any differences,
  - h. Absence of, or inconsistencies or irregularities in the execution, signatures or acknowledgements of the document,
  - i. Homestead, dower/curtesy, and distributive share waivers for a “residential” contract, deed of trust or mortgage, regardless of acreage.
  - j. Status of homestead exemption waiver in a contract, deed or mortgage affecting agricultural land 40 acres or more if specifically statutorily required. Either show the exemption language or specify that the exemption language meets the statutory requirement.
  - k. Fundamental variations in the legal description in the document compared to the legal description from the caption of the abstract. Obvious errors are underscored: no need for

Attachment A

the abstractor to highlight the number “four” when the numeral “4” is used in another document.

8. Restrictions, covenants, or agreements not expired through the Stale Uses and Reversion Act (Iowa Code §614.24). Show relevant portion even if expired if it includes an easement.
9. Easements. The location of the easement should be shown by narrative. (For example, if language states easement over north 15 feet, so state. Also see page 69 Blue Book under Easement):

*Easement CONVEYS: Set out in full the words of conveyance and whatever the rights may be that are granted by the particular instrument, should use expression “in and to the following land” or “over, upon, along and across the following land” taking the expression from the instrument, showing the land exactly as described in the instrument, should set out all the uses, conditions, duration and terms of the easement and should describe the dominant tenement if it is described in the instrument. This includes the showing of the phrase “running with the land” and whatever the instrument may show as the application of this phrase.)*

10. Instruments that cloud or affect title to the captioned description.
11. Recorded deeds of trusts, mortgages, mortgage extensions, mortgage modifications and releases and satisfactions of all mortgages, deeds of trusts, liens, or judgments in time period OR mortgages with its related amendments and assignments which are not properly released of record, or not extinguished by Iowa Code. Mortgages properly released where release is over 10 years ago do not need to be shown. (Show all unreleased mortgages to the United States because these mortgages are not extinguished through Iowa Code curative statute(s) – See for example Iowa Code §614.36). Entry should reflect that the mortgage states that it is securing an open-end line of credit and/or secures future advances.
12. Condominium declaration and amendments (typed, or brief entry plus copy of instrument).
13. Plats, surveys, etc. affecting the property should be shown. Show a visual representation.
14. Unsatisfied Notices or Liens for Taxes in favor of the local municipality, State of Iowa, or United States of America. Subject to MRTA or other curative statutes. Claimant’s Book, if it exists in that county, for matters affecting property filed in the office of the Recorder.
15. Miscellaneous Documents that commonly appear in the chain of title that may require an explanation or shown in full such as powers of attorney (for example and including but not limited to):
  - a. Affidavits
  - b. UCC filings affecting fixtures if recorded with the county recorder
  - c. Timber or Mineral rights or reservations
  - d. Bankruptcies and Federal Court judgments: Show when abstracting in a county where Bankruptcy or Federal Courts are located. Show in all other counties ONLY when Bankruptcy or Federal Court records have been transcribed into the Clerk of Court or County Recorder records of that county
  - e. Attachments
  - f. Marginal notations
16. Curative documents if not listed or not addressed above.
17. Judgments, liens, pending civil and court proceedings affecting title, including but not limited to:

## Attachment A

- a. Suits entered in *lis pendens*
  - b. Partition actions
  - c. Foreclosure actions
  - d. Quiet Title actions
  - e. Actions establishing temporary support judgments including paternity actions
  - f. Probate proceedings
  - g. Mechanics liens filed with the Clerk of Court or Secretary of State for liens filed after 1/1/2013. Show if not expired or released
  - h. Dissolution or Divorce actions if showing judgments or in time of title
18. Real estate taxes and special assessments certified to the county treasurer including resolution of necessities.
19. Matters abstracted and found to be improperly indexed should be shown and noted<sup>1</sup>.
20. At a minimum, an ITG product review requires inclusion of items 1-19. However, if a particular abstract calls for further information or documents to be included, ITG will take this into consideration in the product review.

### List of Exclusions:

1. Zoning ordinances.
2. Possible alias names that may be listed in the Iowa Court Information System. (Potential upgrades to ICIS abstractor PIN change report may address this issue).
3. Also exclude any matters excluded by curative statutes or standards, for example:
  - a. Satisfied judgments
  - b. Appearance Bonds given more than ten years prior to the closing date of this abstract (outlawed by curative statutes)
  - c. Deficiency judgments more than two years old (outlawed by curative statutes)
  - d. Mechanic's liens more than two years ninety days old (outlawed by curative statutes)
  - e. Restrictions expired through the Stale Uses and Reversion Act (Iowa Code §614.24). Show relevant portion even if expired if it includes an easement.
  - f. Matters addressed by written county bar standards as passed by the county bar association.

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<sup>1</sup> As a minimum standard, indexing does not need to be separately researched for accuracy, in other words there is no affirmative duty to search to determine if matters are indexed correctly. But if improper indexing is discovered or otherwise known the improper indexing should be noted in the abstract entry.