



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

January 30, 2024

Iowa Title Guaranty Compliance Snippets

The Iowa Title Guaranty (ITG) team is pleased to provide our participants with a monthly reminder to conduct a simple routine compliance check-up. Please review and share these compliance snippets with your staff. Participant Staff added as CAP Users do not automatically receive ITG's communications. Therefore, if you would like staff to receive ITG's communications, please select this link [Iowa Title Guaranty Newsletter Sign Up](#) and complete the information. As always, please contact us if you have any questions.

ABSTRACTING

All abstract products relied upon for the issuance of ITG coverage must meet ITG's minimum abstracting standards. Therefore, if a participating abstractor receives a pre-closing or post-closing certification form prepared by a third-party that will be used for the issuance of ITG coverage, the abstractor must ensure the form includes all required abstract continuation information, review all pre-filled information, including but not limited to the full legal description, and certify that all information is complete and accurate. If the pre-filled form has incorrect or omitted required information the abstractor must either request an amended form from the third-party, amend the form themselves, or replace the form with their own compliant certification form.



TITLE EXAMINATION

All title opinions and attorney certifications relied upon for the issuance of ITG coverage *must* include the attorney's ITG participant number. If the participant number is not reflected on the title opinion or attorney certification, the field issuer *may not* issue ITG coverage using the opinion or certification. Iowa attorneys create different variations of title opinions, and the omission of their participant number from a title opinion signals that they do not intend that version to be used for ITG purposes. The inclusion of the ITG participant number serves as the preparer's acknowledgment that the product is prepared in accordance with all ITG rules, guidelines, and



directives.

COMMITMENT ISSUANCE

ITG underwriting-approved requirements, exceptions, and notes for information templates available in the Additional Schedule B Options drop-down lists are provided to assist in data entry. Utilization of templates does not replace the obligation of the preparer to edit and amend any template used to ensure additional specifics included in the title opinion are reflected in a Schedule B entry. If an appropriate Additional Schedule B Options drop-down selection is not available, the field issuer must add a blank field to the applicable Schedule B section and customize the entry to conform with specifics provided in the preliminary title opinion.



CERTIFICATE ISSUANCE

A title “**endorsement**” is a product that *expands the coverage* of a standard title certificate, often by removing exceptions to the standard certificate or adding coverage specific to the property or transaction type. Therefore, a field issuer must only add endorsements that are expressly requested by the lender for a lender certificate or by the buyer(s) for an owner certificate. The field issuer also has an obligation to confirm all endorsement requirements have been met prior to its issuance.



CLOSING PROTECTION LETTER

ITG requires a written pre-closing search certification prepared by a participating abstractor on all transactions that include a Gap Coverage Endorsement or a Closing Protection Letter. The written pre-closing must commence from the certification of the preliminary abstract update (or Form 900, if applicable), and continue through a date as close to the time of closing as possible. *The written pre-closing search certification form must show all the same information as required in an abstract continuation, including but not limited to a full legal description.*



To assist our participants, ITG has developed a [Pre-Closing Search Certification](#) form that meets ITG requirements. This form, or a participant’s own form that is substantively similar, must be obtained on those transactions seeking ITG coverage with either a Gap Endorsement or CPL.

This form can be located on the Iowa Title Guaranty Resources Page under the Residential Forms tab.

PARTICIPANT REPORTS

Participant reports are located in CAP in the Participant

Detail screen under the Reports tab. Field issuer and CPL Participants should routinely review applicable reports to ensure that outstanding commitments, closing protection letters, certificates and premium payments are addressed in a timely manner. When viewing a report, you may select the blue disk icon at the top of the report to save it in a Word, Excel, PDF, etc. format.



If you have not previously accessed ITG's Participant Reports, ITG highly recommends beginning with the following report because these transactions are in critical need of review and resolution.

Report 2.8 – Commitments Older Than 6 months without Issued Certificate.

This report serves to inform the field issuer of commitments issued more than 6 months prior to the report date for which a certificate has not been issued. The Participant will review this report to determine whether the listed commitment(s) must be cancelled because the transaction has fallen through or if they must prioritize the issuance of the certificate(s) because the transaction has closed.

Reminder: Upon notification that a transaction has fallen through the field issuer must immediately cancel the commitment and contact ITG to request a refund of the premium if payment has already been applied.

Please contact the [Iowa Title Guaranty team](#) with any questions.

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