



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

June 26, 2023

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. If you would like additional information about a subject, a reference and link to the ITG manual from which the information was acquired has been provided. As always, please contact us if you have any questions.

ABSTRACTING

Pursuant to Section 10(d) of the Additional Terms and Conditions of ITG's Participation Agreement, entity participants must obtain ITG's written approval prior to the transfer of all, or part of, an entity's assets or ownership. Failure to provide advance notice to ITG constitutes a violation of the Participation Agreement that often produces negative, unintended consequences for the purchaser of the participant company, especially in the event of an asset sale in which the ITG Number is not transferable to the buyer. The purpose of providing advanced notice to ITG is to ensure the appropriate transfer of liability related to the work being relied upon for ITG coverage. If ITG cannot confirm the proper transfer of liability, ITG may be forced to suspend or inactivate the participant's services. To prevent any business disruption that would likely result from inactivation, it is imperative that participant companies consult with ITG prior to the sale.



[Abstract Company Sales: Avoiding Operational Disruptions](#)

Page 1; Paragraphs 1-3

TITLE EXAMINATION

In the exceptions section of Schedule B, Part II of a commitment, the field issuer must input all matters affecting title as provided in the attorney's preliminary title opinion, including but not limited to, plats, surveys, easements, mortgages, judgments, liens, assessments, UCC financing statements, Mechanic's Notice and Lien Registry (MNLIR)

postings, associations, agreements, covenants, conditions, restrictions, mineral interest reservations, stray interests, etc. A general rule is for the field issuer to include the title of the document, name(s) of the parties, case number (if applicable), filing date, and recording information (book/page/instrument no.). Therefore, when rendering a preliminary title opinion to be used in the issuance of an ITG commitment, it is necessary for the examining attorney to include all this information.



[ITG Program Overview Manual](#)
Pages 37-38; Paragraph ii

COMMITMENT ISSUANCE

ITG defines mixed-use property as property with a residential dwelling that is also used for agricultural or commercial activity. Mixed-use properties are not Form 900 eligible; therefore, the field issuer must review the Assessor's page and GIS map to determine whether evidence of mixed-use exists prior to the use of a Form 900. In rural Iowa, many residential properties contain pre-existing agricultural or commercial outbuildings that appear to evidence mixed-use but are in fact no longer being used for an agricultural or commercial purpose. Consequently, ITG has created an [ITG Affidavit of No Agricultural or Commercial Use](#) to be completed and signed by all titleholders to be eligible for the use of Form 900/901 in these circumstances.



[ITG Program Overview Manual](#)
Page 33; Paragraph ii

CERTIFICATE ISSUANCE

ITG requires that ITG participants include their ITG Numbers on all products to be relied upon for the issuance of an ITG commitment, CPL, certificate, or endorsement. If the title opinion and/or abstracting product fails to reflect the required ITG Number, the field issuer must inform the examining attorney and/or abstractor that the product(s) will be used for ITG coverage. The participating attorney and/or abstractor must then confirm that the product complies with ITG requirements and add the required ITG Number. The field issuer shall not issue the commitment or certificate unless and until the opinion and/or abstracting product is updated to include the participant's ITG Number.



[ITG Program Overview Manual](#)
Page 31; Paragraph 3

CLOSING PROTECTION LETTER

When a commitment contains a requirement for a recent Survey or Real Property Inspection Report (RPIR)

prepared by a licensed surveyor or engineer showing the boundary lines; the location of any improvements relative to the property lines, easements, building setback lines, and property dimensions; and showing no possible encroachments, ITG must be provided a recent Survey or RPIR prior to the close of escrow. ITG may amend the commitment to except from coverage in Schedule B, Part II of the commitment any adverse matters shown by the Survey or RPIR. Further, ITG may except from coverage in Schedule B, Part I of the final certificate(s) any adverse matters shown by the Survey or RPIR. ITG strongly recommends ordering the Survey or RPIR as soon as possible to avoid a delay in closing.



[ITG Real Property Inspection Report Manual](#)
Page 3; Paragraph 1

DOCUMENT DOUBLE CHECK

Paid Current Support Affidavit **Executed by Party Owed Support**

- References the legal description of the subject property
- References the case number
- References the parties in the case
- Confirms the party owed support has been paid in full through the filing date of the vesting deed and/or guaranteed mortgage
- Confirms that the party owed support releases any and all liens that they may have against the subject property
- Is properly executed and acknowledged
- Is properly filed in the appropriate office



[ITG Closing Protection Letter Manual](#)
Pages 11-12; Paragraph ii

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

iowatitleguaranty.com | 800.432.7230 | 515.452.0484
1963 BELL AVENUE | SUITE 200 | DES MOINES, IOWA 50315

Iowan Title Guaranty | 1963 Bell Avenue, Suite 200, Des Moines, IA 50315

[Unsubscribe ifafyi@iowafinance.com](mailto:ifafyi@iowafinance.com)

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