



**IOWA TITLE GUARANTY**  
A DIVISION OF IOWA FINANCE AUTHORITY

May 30, 2023

## Iowa Title Guaranty Compliance Snippets

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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

A root of title search must show a record chain of title dating back at least 40 years pursuant to the Marketable Record Title Act (“MRTA”) Iowa Code § 614.36 and Iowa Land Title Standard 11.7. There can be no gaps of time in the chain of title. All matters of record prior to the 40-year search period may be omitted except for the following:

- a. Any right, title, or interest of the United States
- b. Plats and surveys
- c. Grants of easement
- d. Mineral or timber rights, interests, or reservations
- e. Unexpired leases
- f. Boundary line agreements



[ITG Minimum Abstract Standards Effective Jan 2021](#)

Page 1; Paragraph 4 (a-f)

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### TITLE EXAMINATION

ITG does not require buyer searches if the guaranteed mortgage meets the definition of a purchase money mortgage as defined by Iowa Code § 654.12B and the guaranteed mortgage includes a recitation that it is a purchase money mortgage. If the guaranteed mortgage does not qualify as a purchase money mortgage, ITG requires an abstract continuation or title search which includes a ten-year judgment lien search on all titleholders. A participating abstractor must perform the search.



## COMMITMENT ISSUANCE

In the exceptions section of Schedule B, Part II, the field issuer must input all matters affecting title as provided in the attorney's title opinion, including but not limited to, mortgages, judgments, liens, assessments, UCC financing statements, Mechanic's Notice and Lien Registry (MNLN) postings, mineral interest reservations, stray interests, surveys, plats, associations, agreements, easements, covenants, conditions, restrictions, etc. All defects or encumbrances which must be cleared prior to closing must have a corresponding requirement in the Requirements section of Schedule B, Part I.



[ITG Program Overview Manual](#)  
Page 37; Paragraph ii

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## CERTIFICATE ISSUANCE

### New Construction and Mechanic's Lien Coverage

a. For newly constructed residential dwellings, the field issuer must ensure compliance with ITG's New Construction and Mechanic's Lien Coverage Manual.

[ITG New Construction and Mechanics Lien Coverage](#)

b. For all 3-4 unit dwellings or any owner-builder constructed dwelling, the field issuer must:

- i. Obtain or confirm that the closer has obtained final lien waivers from the general contractor and all subcontractors that have furnished labor, materials, or equipment on the property in the last 90 days; or
- ii. Directly confirm or verify that the closer has directly confirmed with the general contractor, owner-builder, and subcontractors that the date on which the last of the material was furnished or the last of labor was performed was over 90 days ago.



[ITG Program Overview Manual](#)  
Pages 42-43; Paragraph 6 (a-b)

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## CLOSING PROTECTION LETTER

The CPL closer shall record the proper closing documents, including but not limited to, the title clearing documents, vesting deed, and guaranteed mortgage, with the appropriate county office immediately after disbursement. Additionally, the CPL closer must confirm that the documents are filed no later than the tenth (10th) business day following the certification date of the participating abstractor's written pre-closing search. If the certification date of the written pre-closing search is more than 10 business days prior to the filing date, the CPL closer must obtain an updated written pre-closing search



certification from an ITG participating abstractor. If the updated search reveals any new matters, the CPL closer must consult with the examining attorney to determine if clearance is required.

[ITG Closing Protection Letter Manual](#)  
Pages 14-15, Paragraph 10 (a-e)

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## **DOCUMENT DOUBLE CHECK**

### **Composite Mortgage Affidavit (“CMA”) for Buyer**

- The most current version of the Iowa Title Guaranty CMA was executed.
- Subject property address is completed at the top of the page.
- Either “None” or “Yes” has been selected on all three questions.
- If “Yes” is selected, a detailed explanation is provided and supporting documents are attached, if applicable.
- A marital status is selected at number four.
- All proposed titleholders have executed the CMA.
- All signatures are effectively acknowledged.



### **Notice of Availability (“NOA”) for Buyer**

- The most current version of the Iowa Title Guaranty NOA was executed.
- Buyer Names, Date, Address of Property, and Purchase Price are completed at the top of the page.
- Either “I Want an Owner Certificate” or “I Decline an Owner Certificate” has been selected.
- If “I Want an Owner Certificate” is selected, the premium amount calculation that applies is marked.
- All proposed titleholders have executed the NOA.

[ITG Program Overview Manual](#)  
Page 41-42, Paragraphs 3-4

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