

# The ABC's of a TITLE COMMITMENT

The **Commitment for Title Insurance** is a preliminary document issued by the Title Company that contains the conditions and requirements under which a title policy may be insured. The four "Schedules" or sections of the Commitment are shown below:

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## Actual Facts

Schedule A outlines the facts, including:

- Effective date of the Commitment
- Name(s) of proposed insured(s) (Owner & Lender)
- Proposed amount of title insurance coverage
- Current record owner of the property
- Legal description of the property to be insured

### TIP:

Read Schedule A and confirm that all information is accurate including spelling and name abbreviations. The names should reflect the buyer's legal name.

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## Buyer Notification & Exceptions

Schedule B outlines exceptions to coverage that are not insured, including:

- Restrictions
- Taxes
- Easements
- Mineral Reservations/Leases
- Area and Survey Discrepancies
- Rights of others

### TIP:

Review Schedule B carefully as the items in this section can affect property use and access. Title objections must be submitted in writing according to the provisions of the contract.

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## Clear To Close

Schedule C identifies any items that must be resolved prior to closing, such as:

- Liens
- Bankruptcies
- Marital Status Issues
- Probate Issues
- Entity/Trust Issues

### TIP:

Read Schedule C and provide your Closer with information or assistance in resolving the items prior to closing.

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## Disclosure

Schedule D outlines all parties who will receive any part of the premiums paid for the title policy, including the title agencies, underwriters and attorneys.

### TIP:

Reading and understanding the Title Commitment is paramount to the success of your closing.