

Understanding the **TITLE COMMITMENT**

A Roadmap to Schedules A, B, C & D of a Title Commitment



The title commitment is a commitment to issue title insurance. It is broken down into four parts or schedules. They are Schedules, A, B, C & D.

01 SCHEDULE A



ALL THE TRANSACTION DETAILS

Schedule A contains the key details about the real estate transaction. Besides important information like the effective date and record locators, including the file and commitment numbers, it includes the parties involved, land described, and coverage offered.

All parties to the transaction should review this information carefully. Contact us if you believe a discrepancy exists or the information in Schedule A doesn't seem to sync up with your sales contract.

03 SCHEDULE C



REQUIREMENTS TO RESOLVE

Schedule C lists issues that must be resolved before closing. If a requirement is not met, it will appear as an exception from coverage in the title policy. A very common issue listed here is an existing mortgage that needs to be paid off. Evidence of a payoff and release is needed to clear this item. If the evidence is not obtained and a release is not recorded, the lender could foreclose on the property. Therefore, each clearance item should be reviewed very carefully.

02 SCHEDULE B



EXCEPTIONS FROM COVERAGE

Schedule B notifies the buyer of exceptions from coverage. These are items that will not be covered by the title policy. It identifies existing interests in or restrictions on the property.

04 SCHEDULE D



ESTIMATED COSTS AND DISCLOSURES

Schedule D discloses the estimated cost for the title insurance coverage being offered. It breaks down the cost of the Owner's Policy, Loan Policy, Endorsement and Other Charges. It also discloses the name, leadership of, and ownership in the title insurance company and its issuing title agent. It states the amount of the estimated premium retained by each of them and any premium splits paid to other title license holders or attorneys.