



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

December 28, 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

A non-purchase transaction is not eligible for the use of an Iowa Title Guaranty Form 900 when the legal description has changed since the last full value deed.

Common examples:

- Owner sold a portion of the property (third party purchaser, condemnation, right-of-way grant, etc.)
- Property has been split by virtue of a plat of survey or subdivision plat



[ITG Form 900/901 Manual](#)

Page 2; Paragraph 4

TITLE EXAMINATION

To stay competitive in non-purchase transactions, Iowa Title Guaranty (“ITG”) created the Form 900 and Form 901 as alternatives to full abstracting. The Form 900 and Form 901 are written or electronic short-form summaries setting forth the titleholders, liens, and encumbrances prepared in accordance with the guidelines adopted by ITG. If a lis pendens notice, bankruptcy, probate, dissolution, support, or court order referencing the property is disclosed in the search, a Form 900 may be used, but only if the abstractor can provide sufficient information (i.e. copies of corresponding court filings/proceedings, etc.) so that the examining attorney can render an opinion as to the marketability of title. The examining attorney may require full abstracting.



COMMITMENT ISSUANCE

When a Real Property Inspection Report (“RPIR”) is required, typically, the closer orders the RPIR but in many cases the field issuer and the closer are one and the same. The field issuer and closer should communicate and coordinate a process to ensure that the RPIR is timely completed. The field issuer must always inform the closer when/if an RPIR is required. If a closing protection letter (“CPL”) is issued, the CPL closer is responsible for satisfying all commitment requirements, including obtaining an RPIR as applicable. Whoever places the order shall share a copy with the closer, field issuer, title examining attorney, and ITG underwriting for review *prior to closing*.



[ITG Real Property Inspection Report Manual](#)

Page 3; Paragraph 2

CERTIFICATE ISSUANCE

The Iowa Title Guaranty (“ITG”) Rapid Certificate Program offers field issuers the ability to issue ITG certificates, despite unreleased prior mortgages and liens. An ITG field issuer may issue a certificate guaranteeing against actual loss or damage sustained due to the enforcement of a prior mortgage or lien paid at or prior to the current transaction that has not yet been released of record. A rapid certificate may not be issued in conjunction with a Division-issued commitment. The purpose of the program is to enable the field issuer to issue and deliver certificates in compliance with ALTA Best Practice Pillar 5 and ITG’s participation agreement. The field issuer shall issue and deliver ITG certificates within thirty (30) days of the later of (i) the date of settlement, or (ii) the date that the terms and conditions of the commitment are satisfied. ITG’s participation agreement further provides that in the event the lender’s closing instructions require a shorter timeframe to issue and deliver ITG certificates, the field issuer shall adhere to the lender’s requirements.



[ITG-Rapid-Certificate-Manual.pdf \(iowafinance.com\)](#)

Page 2; Paragraphs 1-2

CLOSING PROTECTION LETTER

3-4 Unit Dwellings or Owner-Builder Construction.

Iowa Title Guaranty requires a search of the Mechanic’s Notice and Lien Registry (“MNL”) and clearance of all applicable postings. However, please be advised that this process alone is insufficient for 3-4 unit dwellings or owner-builder construction because 3-4 unit dwellings and

owner-builder construction are exempt from certain preliminary notice postings. If exempt, the contractor(s) are not required to post a commencement of work or preliminary notice, making it impossible to determine if labor, equipment, or materials have been furnished by simply performing a search of the MNL. The exemption does not prohibit the contractor(s) from later filing a mechanic's lien that may take priority over the new owner's interest or the recently filed guaranteed mortgage.



Therefore, the only way to confirm that there will be no later filed liens is to either:

1. Obtain 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
2. Confirm with the general contractor, owner-builder, and subcontractors that the date on which the last of the material was furnished or the last of the labor was performed was over 90 days ago.

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

Page 2; Paragraphs 1-2

DOCUMENT DOUBLE CHECK

Real Property Inspection Report (“RPIR”)

An RPIR must consist of a visual depiction of the guaranteed Land prepared by a licensed surveyor or engineer showing:

- A completed dwelling
- Boundary lines
- Location of any improvements relative to the property lines
- Easements
- Building setback lines
- Property dimensions
- Encroachments



[ITG Real Property Inspection Report Manual](#)

Page 1; Paragraph 2

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

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