



UNDERSTANDING YOUR TITLE COMMITMENT

A title commitment is a preliminary document issued to a buyer and their lender prior to closing. It has four parts called schedules that outline the requirements of the contract and the commitment conditions. Once conditions have been met, the property sale can take place and the final title policy issued.

SCHEDULE A: "ACTUAL FACTS"

Schedule A addresses the specifics of the transaction.

- The type of policies issued: Owners Title Policy and/or Lenders Title Policy.
- The buyers name(s), the sales price of the property, and the type of title issued.
- The current ownership, which should match the contract seller. If there are other names shown here, work with your BNT escrow team to determine if there was a death, divorce, bankruptcy, or marriage during the time of ownership.

SCHEDULE B: "BUYER NOTIFICATION"

Schedule B notifies the buyer where other parties have some interest or control in using the property. It describes any restrictions or exceptions to the final title policy. Examples are utility easements, where the city reserves part of the land for their use, or building setback requirements that prevent the homeowner from building within a certain distance from the front of the property. Title insurance does not cover these exceptions.

SCHEDULE C: "CLEAR TO CLOSE"

Schedule C advises items that need resolving before the issuing of a final title policy. These curative items could include a mortgage pay-off, home improvement lien, marital status change, unpaid taxes, or a requirement that another person, such as an heir or a former spouse, participate in the property sale.

SCHEDULE D: "DISCLOSURE"

Schedule D discloses the ownership and senior management of the title company and title underwriter. It gives notification of the estimated amount of the title premium and any parties receiving a portion of that premium.