

# RESIDENTIAL SAMPLE SCHEDULE B EXCEPTIONS

# Table of Contents

I. STANDARD REQUIREMENTS . . . . .	4	VIII. COURT COSTS . . . . .	8
1. Standard Requirement 1 - Interested Party . . . . .	4	1. Court Costs . . . . .	8
2. Standard Requirement 2 - Agreed Amount . . . . .	4	IX. DEEDS . . . . .	8
3. Standard Requirement 3 - Premium Payment . . . . .	4	1. Deed - Court Officer (Conservatorship or Receivership) . . . . .	8
4. Standard Requirement 4 - Record Requirements Intro . . . . .	4	2. Deed - Court Officer (Estate): . . . . .	8
a. Release - Claims (Record Req 1) . . . . .	4	3. Deed - Corrected Warranty (Individual Grantor) . . . . .	8
b. MNLR Postings (Record Req 2) . . . . .	4	4. Deed - Corrected Warranty (Entity Grantor) . . . . .	9
c. COVID (Record Req 3) . . . . .	4	5. Deed - Corrected Trustee Warranty . . . . .	9
5. Standard Requirement 5 - Non-Record Requirements Intro . . . . .	4	6. Deed - Corrected Court Officer: . . . . .	9
a. CMA (Non-Record Req 1) . . . . .	4	7. Deed - Corrected Quit Claim (Individual Grantor) . . . . .	9
b. MNLR Search (Non-Record Req 2). . . . .	4	8. Deed - Corrected Quit Claim (Entity Grantor) . . . . .	9
c. CMA Lien Waivers (Non-Record Req 3) . . . . .	5	9. Deed - Quit Claim (Individual Grantor) . . . . .	9
d. Pre-Closing Search (Non-Record Req 4) . . . . .	5	10. Deed - Quit Claim (Entity Grantor) . . . . .	9
e. Purchase Money Mortgage (Non-Record Req 5) . . . . .	5	11. Deed - Trustee Warranty. . . . .	9
II. AFFIDAVITS . . . . .	5	12. Deed - Warranty (Individual Grantor) . . . . .	9
1. Affidavit - Disclaimer of Interest . . . . .	5	13. Deed - Warranty (Corporate Grantor) . . . . .	9
2. Affidavit - Explanatory of Title . . . . .	5	14. Deed - Warranty (Entity Grantor). . . . .	9
3. Affidavit - HOA Dues . . . . .	5	15. Deed - Warranty (LLC Grantor). . . . .	10
4. Affidavit - Identity (Name Variance) . . . . .	5	16. Deed - Warranty Deed in Fulfillment (Individual Grantor) . . . . .	10
5. Affidavit - Identity (Third Party) . . . . .	5	17. Deed - Warranty Deed in Fulfillment (Entity Grantor) . . . . .	10
6. Affidavit - Possession . . . . .	5	X. ENDORSEMENTS. . . . .	10
7. Affidavit - Property Settlement . . . . .	6	1. Assignment Endorsement (Record) . . . . .	10
8. Affidavit - Public Improvements . . . . .	6	2. Assignment Endorsement (Non-Record). . . . .	10
9. Affidavit - Purchaser. . . . .	6	3. Balloon Mortgage Endorsement (Non-Record) . . . . .	10
10. Affidavit - Scrivener . . . . .	6	4. Comp 1 Endorsement (Non-Record): . . . . .	10
11. Affidavit - Support Payments Current . . . . .	6	5. Comp 2 Endorsement (Non-Record): . . . . .	11
12. Affidavit - Surviving Joint Tenant . . . . .	6	6. Condo - Lender Endorsement (Non-Record): . . . . .	11
13. Affidavit - Title Standard 9.8 - No Administration of Estate . . . . .	6	7. Condo - Owner Endorsement (Non-Record): . . . . .	11
14. Affidavit - Trustee . . . . .	6	8. Encroachment Endorsement (Non-Record): . . . . .	12
III. AUTHORITY. . . . .	6	9. Encroachment - Adverse Endorsement (Non-Record): . . . . .	12
1. Authority to Execute Mortgage (Corporation) . . . . .	6	10. Endorsement Against Loss-Lien (Non-Record): . . . . .	12
2. Authority to Execute Mortgage (LLC) . . . . .	6	11. Environment Protection Lien Endorsement (Non-Record): . . . . .	12
IV. BANKRUPTCY . . . . .	7	12. Future Advance - Priority Endorsement (Non-Record) . . . . .	12
1. Bankruptcy - Lien Avoidance. . . . .	7	13. Future Advance - Reverse Mortgage Endorsement (Non-Record) . . . . .	12
2. Bankruptcy - Pending. . . . .	7	14. Gap Coverage Endorsement or CPL (Non-Record) . . . . .	12
V. BUYER SEARCHES . . . . .	7	15. Leasehold - Lender Endorsement (Non-Record). . . . .	13
1. Buyer Search: . . . . .	7	16. Leasehold - Owner Endorsement (Non-Record): . . . . .	13
2. Buyer Search - Purchase Money Mortgage Requirement: . . . . .	7	17. Location - Condominium Endorsement (Non-Record) . . . . .	13
VI. COMPOSITE MORTGAGE AFFIDAVIT. . . . .	7	18. Location - Residential Endorsement (Non-Record) . . . . .	14
1. Composite Mortgage Affidavit (Non-Record Req 1) . . . . .	7	19. Manufactured Housing Unit Endorsement (Non-Record) . . . . .	14
2. CMA Lien Waivers (Non-Record Req 3) . . . . .	7	20. Manufactured Housing Unit - Conversion Endorsement (Non-Record) . . . . .	14
VII. CONSTRUCTION . . . . .	8	21. Modification Endorsement (Non-Record) . . . . .	14
1. 4-4 Unit Construction Requirement . . . . .	8	22. Multiple Tax Parcel Endorsement (Non-Record) . . . . .	15
2. Construction Mortgage - MNLR Search Requirement . . . . .	8	23. Planned Unit Development - Lender Endorsement (Non-Record) . . . . .	16
3. Construction Mortgage (\$750,000 or less) - Survey Requirement . . . . .	8	24. Planned Unit Development - Owner Endorsement (Non-Record) . . . . .	16
4. Construction Mortgage (over \$750,000) - Survey Requirement: . . . . .	8	25. Single Tax Parcel Endorsement (Non-Record) . . . . .	16
5. Owner-Builder Construction Requirement . . . . .	8	26. Single Tax Parcel and Tax ID Endorsement (Non-Record) . . . . .	16
		27. Standard Exception 1 Waiver Endorsement (Non-Record). . . . .	16
		28. Standard Exception 2 Waiver Endorsement (Non-Record). . . . .	17

29. Standard Exception 3 Waiver Endorsement (Non-Record) . . . . .	17	XXII. RELEASES . . . . .	21
30. Standard Exception 4 Waiver Endorsement (Record) . . . . .	17	1. Release and Satisfaction (Assignment of Rents) . . . . .	21
31. Standard Exception 4 Waiver Endorsement (Non-Record) . . . . .	17	2. Release and Satisfaction (Child/Spousal Support) . . . . .	21
32. Standard Exception 5 Waiver Endorsement (Non-Record) . . . . .	17	3. Release and Satisfaction (Judgment) . . . . .	21
33. Street Assessments Endorsement (Non-Record) . . . . .	17	4. Release and Satisfaction (Mechanic's Lien) . . . . .	21
34. Variable Rate Mortgage Endorsement (Non-Record) . . . . .	18	5. Release and Satisfaction (Mortgage) . . . . .	21
35. Variable Rate Mortgage - Negative Amortization Endorsement (Non-Record) . . . . .	18	6. Release and Satisfaction (Mortgage, Open-End) . . . . .	21
36. Zoning Endorsement (Non-Record) . . . . .	18	7. Release and Satisfaction (Mortgage, Future Advance) . . . . .	21
XI. FORECLOSURES . . . . .	18	8. Release and Satisfaction (Mortgage, Revolving) . . . . .	21
1. Foreclosure (Post Decree, Pre-Sheriff's Sale) . . . . .	18	9. Release and Satisfaction (Property Settlement) . . . . .	21
2. Foreclosure Dismissal (Pre-Decree) . . . . .	18	10. Release and Satisfaction (Tax Lien) . . . . .	21
XII. LEASES . . . . .	18	XXIII. SURVEY OR REAL PROPERTY INSPECTION REPORT ("RPIR") . . . . .	21
1. Lease Termination . . . . .	18	1. Real Property Inspection Report ("RPIR") . . . . .	21
2. Leasehold Estate . . . . .	18	2. Survey . . . . .	21
3. Lessor Consent to Encumber Leasehold Estate . . . . .	18	3. Survey or RPIR (lender over \$750,000) . . . . .	22
4. Tenant Estoppel Certificate . . . . .	18	XXIV. TAXES . . . . .	22
XIII. LOT TIES . . . . .	19	1. Taxes, Delinquent . . . . .	22
1. Lot Tie . . . . .	19	2. Tax Sale Redemption . . . . .	22
XIV. MECHANIC'S NOTICE AND LIEN REGISTRY (MNLRL) . . . . .	19	XXV. UCC . . . . .	22
1. MNLRL Search (Non-Record Req 2) . . . . .	19	1. Termination of UCC-1 Financing Statement . . . . .	22
2. MNLRL Postings (Record Req 2) . . . . .	19	XXVI. WAIVERS . . . . .	22
a. Mechanic's lien . . . . .	19	1. Waiver - Right of First Refusal . . . . .	22
b. Commencement of Work . . . . .	19	2. Waiver - Right of First Refusal (Association) . . . . .	22
c. Preliminary Notice . . . . .	19	3. Waiver - Option to Purchase . . . . .	22
3. CMA Lien Waivers (Non-Record Req 3) . . . . .	19	XXVII. WITHDRAWALS . . . . .	22
XV. MINERAL INTERESTS . . . . .	19	1. Withdrawal (Commencement of Work) and Lien Registry ("MNLRL") . . . . .	22
1. Mineral Interest Release . . . . .	19	2. Withdrawal (Preliminary Notice) . . . . .	22
XVI. MISSING RECORDS . . . . .	19		
1. Missing Assignment of Mortgage . . . . .	19		
2. Missing Power of Attorney . . . . .	19		
XVII. MORTGAGES . . . . .	19		
1. Mortgage - First Guaranteed (Entity Mortgagor) . . . . .	19		
2. Mortgage - First Guaranteed (Individual Mortgagor) . . . . .	19		
3. Mortgage - Junior Guaranteed (Individual Mortgagor) . . . . .	19		
4. Mortgage - Junior Guaranteed (Entity Mortgagor) . . . . .	19		
XVIII. PRE-CLOSING SEARCH . . . . .	20		
1. Pre-Closing Search (Non-Record Req 4) . . . . .	20		
XIX. PROBATE . . . . .	20		
1. Probate . . . . .	20		
XX. PURCHASE MONEY MORTGAGE . . . . .	20		
1. Purchase Money Mortgage (Non-Record Req 5) . . . . .	20		
XXI. REAL ESTATE INSTALLMENT CONTRACT . . . . .	20		
1. Real Estate Installment Contract . . . . .	20		

# IOWA TITLE GUARANTY RESIDENTIAL SAMPLE SCHEDULE B REQUIREMENTS

## I. STANDARD REQUIREMENTS

1. **Standard Requirement 1 - Interested Party:** The Proposed Guaranteed must notify Iowa Title Guaranty in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. Iowa Title Guaranty may then make additional Requirements or Exceptions.
2. **Standard Requirement 2 - Agreed Amount:** Pay the agreed amount for the estate or interest to be guaranteed.
3. **Standard Requirement 3 - Premium Payment:** Pay the premiums, fees, and charges for the Certificate to Iowa Title Guaranty.
4. **Standard Requirement 4 - Record Requirements Intro:** The following documents satisfactory to Iowa Title Guaranty that convey the Title or create the Mortgage to be guaranteed, or both, must be properly authorized, executed, delivered, and recorded in the Public Records:
  - a. **Release - Claims (Record Req 1):** Release of any claims or judgments against the titleholder(s) that would be liens on the Land
  - b. **MNLR Postings (Record Req 2):** If the Mechanic's Notice and Lien Registry ("MNLR") reveals any of the following postings, obtain and post the required documentation as shown below:
    - i. **Mechanic's lien:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) post satisfaction of lien to the MNLR.
    - ii. **Commencement of Work:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) post withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage to the MNLR.
    - iii. **Preliminary Notice:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) post withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage to the MNLR.
  - c. **COVID (Record Req 3):** Confirmation that the county recorder and courthouse are processing filings and permitting abstractor access to perform necessary final title searches through the date of the vesting deed and/or guaranteed mortgage filing.
5. **Standard Requirement 5 - Non-Record Requirements Intro:** The following additional non-record requirements satisfactory to Iowa Title Guaranty:
  - a. **CMA (Non-Record Req 1):** Obtain completed, signed and notarized Composite Mortgage Affidavit ("CMA") from the sellers/titleholders, and spouses, if any, and buyers of the Land, and for purchase transactions, the Notice of Availability of Iowa Title Guaranty Owner Certificate signed by each buyer electing or declining an owner certificate. All unrecorded matters such as leases, contracts, easements, lien waivers, etc., must be attached thereto and provided to the examining Participating Attorney for review prior to closing. The examining Participating Attorney may require disclosed matters be resolved prior to closing. Any unresolved matters disclosed on the CMA shall be excepted from coverage by adding them as exceptions in Schedule B, Part I of the final certificate(s). Please be advised, however, that most lender closing instructions do not permit matters that impair the titleholders' interest or the priority of the guaranteed mortgage to remain as exceptions to title and will require record resolution prior to closing to ensure that the lender's mortgage is in desired lien position. ITG requires that all disclosed matters that impair the titleholders' interest or the priority of the guaranteed mortgage be resolved of record unless the lender has provided written confirmation that the lender consents to the matter remaining an exception on Schedule B, Part I of the final certificate and understands that the lender's interest in the property is subordinate to said matter.
  - b. **MNLR Search (Non-Record Req 2):** Search the Mechanic's Notice and Lien Registry ("MNLR") at the time of closing. Show any postings revealed as exceptions on Schedule B of the commitment.

- c. **CMA Lien Waivers (Non-Record Req 3):** Secure final lien waivers and/or satisfactions from any contractors, subcontractors, materialmen or suppliers disclosed on the latest version of the Composite Mortgage Affidavit.
- d. **Pre-Closing Search (Non-Record Req 4):** If a GAP Coverage Endorsement or a Closing Protection Letter is issued in conjunction with this Commitment:
  - i. Obtain from a Participating Abstractor a written pre-closing search certification, also known as a day-of-closing search or gap search, as close to the closing date as possible;
  - ii. Record the proper closing documents (i.e. deed, mortgage, title clearing affidavits, etc.) immediately after execution, and in no event later than the tenth business day following the certification date of the pre-closing search certification;
  - iii. If the pre-closing search certification date is more than ten business days prior to recording the deed and/or mortgage, obtain an updated pre-closing search certification;
  - iv. Confirm no new matters are disclosed on the pre-closing search certification before closing and disbursing funds; and
  - v. If the pre-closing search discloses any new matters, except any and all new matters by adding them as exceptions on Schedule B of the commitment and consult with the examining Participating Attorney to satisfactorily resolve matters that impair the titleholders' interest or the priority of the guaranteed mortgage prior to closing.
- e. **Purchase Money Mortgage (Non-Record Req 5):** Confirm that the Guaranteed Mortgage meets the definition of a purchase money mortgage as defined by Iowa Code Section 654.12B, and include a statement on the mortgage that it is a purchase money mortgage. If the Guaranteed Mortgage does not qualify as a purchase money mortgage as defined by Iowa Section 654.12B, a participating abstractor must perform personal lien searches against all proposed titleholders. Except any and all matters revealed by the personal lien searches by adding them as exceptions on Schedule B. Consult with an examining participating attorney to satisfactorily resolve matters that impair the titleholders' interest or the priority of the guaranteed mortgage prior to closing.

## II. AFFIDAVITS

1. **Affidavit - Disclaimer of Interest:** Regarding the stray {stray document title} described in Special Exception {special exception no} from Part II, an Affidavit of Disclaimer from {disclaiming party(s)} and spouse(s), if any, disclaiming any interest in and to the Land.
2. **Affidavit - Explanatory of Title:** Regarding Special Exception {special exception number} from Part II, you must obtain an Affidavit Explanatory of Title from the owner in possession of the Land in accordance with Iowa Code Section 558.8.
3. **Affidavit – HOA Dues:** Affidavit executed by the duly authorized individual on behalf of the association stating there are no unpaid dues, liens or assessments with respect to the Land through and including the filing date of the deed and guaranteed mortgage.
4. **Affidavit – Identity (Name Variance):** Regarding the name discrepancy described in Special Exception {special exception number} from Part II, an Affidavit of Identity evidencing that {name variation(s)} are one and the same person
5. **Affidavit - Identity (Third Party):** Regarding the judgment or lien described in Special Exception(s) {special exception number(s)} from Part II, an Affidavit of Identity from a neutral third party with knowledge testifying that the individual(s) referenced in the judgment or lien is of similar name only to that of the titleholder(s); and that said judgment or lien does not constitute a lien against the Land as said judgment or lien relates to individual(s) of similar name only to that of the titleholder(s).
6. **Affidavit – Possession:** Due to certain irregularities within the chain of title, an Affidavit of Possession executed by the current titleholders in accordance with Iowa Code Section 614.17 and Iowa Land Title Standard 10.1.

7. **Affidavit - Property Settlement:** Regarding the {dissolution or support proceeding} described in Special Exception {special exception number} from Part II, an affidavit from {party awarded property settlement} stating that said party has received the property settlement payment in full and specifically stating that {party awarded property settlement} releases any and all liens that said party may have against the Land. Court costs must be paid in full.
8. **Affidavit - Public Improvements:** Regarding the public improvement obligations imposed by the Development Agreement described in Special Exception {special exception number} from Part II, an affidavit executed by the duly authorized individual on behalf of the city or county, as applicable, confirming that all public improvements obligations have been satisfied in full and the city or county, as applicable, unconditionally releases the Land from any and all liens related thereto.
9. **Affidavit – Purchaser:** Purchaser Affidavit executed by {proposed titleholder(s)}, Purchaser(s) in accordance with Iowa Code Section 614.14 and Iowa Land Title Standard 4.7.
10. **Affidavit – Scrivener:** Regarding the error described in Special Exception {special exception number} from Part II, you must obtain a Scrivener’s Affidavit from {scrivener name}.
11. **Affidavit – Support Payments Current:** Regarding the {dissolution or support proceeding} described in Special Exception {special exception number} from Part II, an affidavit from {obligee} stating that {obligor} is current in all child support, spousal support or other payment owed to obligee, up through and including the filing date of the deed and guaranteed mortgage. Said affidavit must specifically state that {obligee} releases any and all liens that obligee have against the Land. Court costs must be paid in full.
12. **Affidavit - Surviving Joint Tenant:** Regarding the death of {decedent name} described in Special Exception {special exception number} from Part II, an Affidavit of Surviving Joint Tenant to be executed in accordance with Iowa Land Title Standard 9.9.
13. **Affidavit – Title Standard 9.8 – No Administration of Estate:** Affidavit from the heirs of {decedent name} pursuant to the requirements of Iowa Code Section 450.22 and Iowa Land Title Standard 9.8 as described in Special Exception {special exception number} from Part II.
14. **Affidavit – Trustee:** Trustee Affidavit executed by Trustee(s) of the {trust name} in accordance with Iowa Code Section 614.14 and Iowa Land Title Standard 4.7.

### III. AUTHORITY

1. **Authority to Execute Mortgage (Corporation):** Satisfactory resolution from mortgagor or similar document in accordance with the corporation’s organizational documents, evidencing the authority of the officer(s) to execute the mortgage on behalf of the corporation.
2. **Authority to Execute Mortgage (LLC):** Documentation evidencing (1) whether mortgagor is member-managed or manager-managed; (2) whether the conveyance is in the ordinary course of the LLC’s business or affairs; and (3) the authority of the signer to act on behalf of the LLC. This disclosure may be provided by one or more of the following: (a) the LLC’s written operating agreement; (b) a duly filed and recorded Statement of Authority; (c) an affidavit signed by a person with knowledge; or (d) a recitation contained in the mortgage (including the acknowledgement of said mortgage). If the transaction is not in the ordinary course of business, the consent of all members is required.

## IV. BANKRUPTCY

1. **Bankruptcy – Lien Avoidance:** Regarding the judgment described in Special Exception {special exception number} from Part II, in order to determine that a judicial lien upon exempt real estate has been avoided in a bankruptcy case under 11 U.S.C. § 522(f), the abstract should show: the motion in the bankruptcy proceeding to avoid the lien which describes the real estate; a certificate showing services on all affected creditors, the trustee and the U.S. Trustee; either an order avoiding the lien in absence of objections, or an order avoiding the lien after hearing in the event that objections are filed; and certificate of the Clerk that no notice of appeal, application to extend time for appeal, or motion to stay has been filed unless the abstractor's certificate discloses a search of the Bankruptcy Court records.
2. **Bankruptcy – Pending:** Statutory rights, powers and duties of the trustee in bankruptcy and the court in the bankruptcy proceedings filed by {debtor name}, on {petition filing date} in the Federal District Court for the {northern or southern district} District of Iowa in Case No. {case no.}.

## V. BUYER SEARCHES

1. **Buyer Search:** The Participating Abstractor must perform a name search on the buyer(s)/proposed titleholder(s) and any claims or judgments against the buyer(s)/proposed titleholder(s) revealed that will become liens on the Land must be satisfied and released.
2. **Buyer Search - Purchase Money Mortgage Requirement:** Provided the Guaranteed Mortgage constitutes a purchase money mortgage in accordance with commitment requirement 5(e), Special Exception(s) {special exception number(s)} will appear in Schedule B, Part II of the certificate. If commitment requirement 5(e) is not met, Special Exception(s) {special exception number(s)}, and any claims, judgments, costs or other matters against Proposed Titleholder(s) shall appear as exceptions to coverage and shown in Schedule B, Part I of the certificate, unless a release and satisfaction is obtained and filed of record.

## VI. COMPOSITE MORTGAGE AFFIDAVIT

1. **Composite Mortgage Affidavit (Non-Record Req 1):** Obtain completed, signed and notarized Composite Mortgage Affidavit ("CMA") from the sellers/titleholders, and spouses, if any, and buyers of the Land, and for purchase transactions, the Notice of Availability of Iowa Title Guaranty Owner Certificate signed by each buyer electing or declining an owner certificate. All unrecorded matters such as leases, contracts, easements, lien waivers, etc., must be attached thereto and provided to the examining Participating Attorney for review prior to closing. The examining participating attorney may require disclosed matters be resolved prior to closing. Any unresolved matters disclosed on the CMA shall be excepted from coverage by adding them as exceptions in Schedule B, Part I of the final certificate(s). Please be advised, however, that most lender closing instructions do not permit matters that impair the titleholders' interest or the priority of the guaranteed mortgage to remain as exceptions to title and will require record resolution prior to closing to ensure that the lender's mortgage is in desired lien position. ITG requires that all disclosed matters that impair the titleholders' interest or the priority of the guaranteed mortgage be resolved of record unless the lender has provided written confirmation that the lender consents to the matter remaining an exception on Schedule B, Part I of the final certificate and understands that the lender's interest in the property is subordinate to said matter.
2. **CMA Lien Waivers (Non-Record Req 3):** Secure final lien waivers and/or satisfactions from any contractors, subcontractors, materialmen or suppliers disclosed on the latest version of the Composite Mortgage Affidavit.

## VII. CONSTRUCTION

1. **3-4 Unit Construction Requirement:** Prior to closing, obtain a completed and signed affidavit from the participating attorney, participating closer, or participating field issuer evidencing that the participant has either (1) obtained final lien waivers from the general contractor and all subcontractors that have furnished labor, materials or equipment on the Land in the last 90 days; or (2) 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 the labor was performed was over 90 days ago.
2. **Construction Mortgage - MNLN Search Requirement:** As the proposed Guaranteed Mortgage is a Construction Mortgage, for any certificates issued pursuant to this Commitment, Standard Exception No. 4 which excepts from coverage mechanic's liens will remain in the certificate until construction is complete. If the lender desires to remove Standard Exception No. 4 from the final Certificate once the construction is complete, ITG will require a search of the Mechanic's Notice and Lien Registry ("MNLN") upon completion of construction. Obtain and post the required MNLN documentation in accordance with the MNLN Record Requirement for any posting(s) revealed.
3. **Construction Mortgage (\$750,000 or less) - Survey Requirement:** If the lender desires add to the Comprehensive and/or Location Endorsements or remove Standard Exception 2 or 3 upon completion of construction, ITG will require the submission of either a recent survey or Real Property Inspection Report prepared by a licensed surveyor or engineer showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions, completed house and showing no possible encroachments; OR a final appraisal showing no possible encroachments.
4. **Construction Mortgage (over \$750,000) - Survey Requirement:** If the lender desires to add the Comprehensive and/or Location Endorsements or remove Standard Exception 2 or 3 upon completion of construction, ITG will require the submission of a recent Survey or Real Property Inspection Report prepared by a licensed surveyor or engineer showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions, completed house and showing no possible encroachments.
5. **Owner-Builder Construction Requirement:** Prior to closing, obtain a completed and signed affidavit from the participating attorney, participating closer, or participating field issuer evidencing that the participant has either (1) obtained final lien waivers from the general contractor and all subcontractors that have furnished labor, materials or equipment on the Land in the last 90 days; or (2) 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 the labor was performed was over 90 days ago.

## VIII. COURT COSTS

1. **Court Costs:** Regarding the proceeding described in Special Exception {special exception number} from Part II, court costs must be paid in full.

## IX. DEEDS

1. **Deed - Court Officer (Conservatorship or Receivership):** Court Officer Deed from {conservator or receiver} of the Conservatorship or Receivership of {ward name} conveying the Land to {proposed titleholder(s)}.
2. **Deed - Court Officer (Estate):** Court Officer Deed from {administrator or executor} of the Estate of {decedent name} conveying the Land to {proposed titleholder(s)}.
3. **Deed - Corrected Warranty (Individual Grantor):** Corrected Warranty Deed from {grantor(s)} conveying the Land to {grantee(s)}. Said deed must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Warranty Deed is being filed to correct the Warranty Deed filed {recording date} at {book/page; inst. no.} in the {county} County, Iowa Recorder's Office. NOTE: The marital status of the grantor(s) must be shown on said deed.



4. **Deed - Corrected Warranty (Entity Grantor):** Corrected Warranty Deed executed by the duly authorized individual on behalf of {grantor(s)} conveying the Land to {grantee(s)}. Said deed must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Warranty Deed is being filed to correct the Warranty Deed filed {recording date} at {book/page; inst. no.} in the {recorder} County, Iowa Recorder's Office.
5. **Deed - Corrected Trustee Warranty:** Corrected Trustee Warranty Deed from Trustee of the {trust name} conveying the Land to {proposed titleholder(s)}, as well as a Corrected Trustee's Affidavit and a Corrected Purchaser's Affidavit in accordance with Iowa Code 614.14 and Iowa Title Standard 4.7. Said deed and affidavits must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Trustee Warranty Deed, Trustee Affidavit and/or Purchaser Affidavit is/are being filed to correct the Corrected Trustee Warranty Deed, Trustee Affidavit and/or Purchaser Affidavit filed {recording date} at {book/page; inst. no.} in the {county} County, Iowa Recorder's Office.
6. **Deed - Corrected Court Officer:** Corrected Court Officer Deed executed by the {administrator or executor} of the Estate of {decedent name} conveying the Land to {grantee(s)}. Said deed must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Court Officer Deed is being filed to correct the Court Officer Deed filed {recording date} at {book/page; inst. no.} in the {county} County, Iowa Recorder's Office.
7. **Deed - Corrected Quit Claim (Individual Grantor):** Corrected Quit Claim Deed from {grantor(s)} conveying the Land to {grantee(s)}. Said deed must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Quit Claim Deed is being filed to correct the Quit Claim Deed filed {recording date} at {book/page; inst. no.} in the {county} County, Iowa Recorder's Office. NOTE: The marital status of the grantor(s) must be shown on said deed.
8. **Deed - Corrected Quit Claim (Entity Grantor):** Corrected Quit Claim Deed executed by the duly authorized individual on behalf of {grantor(s)} conveying the Land to {grantee(s)}. Said deed must correct the defect referenced in Special Exception {special exception number} from Part II and include a recitation that the Corrected Quit Claim Deed is being filed to correct the Quit Claim Deed filed {recording date} at {book/page; inst. no.} in the {county} County, Iowa Recorder's Office.
9. **Deed - Quit Claim (Individual Grantor):** Quit Claim Deed from {grantor(s)} and spouse(s), if any, conveying the Land to {grantee(s)}. NOTE: The marital status of the grantor(s) must be shown on said deed
10. **Deed - Quit Claim (Entity Grantor):** Quit Claim Deed executed by the duly authorized individual on behalf of {grantor(s)} conveying the Land to {grantee(s)}.
11. **Deed - Trustee Warranty:** Trustee Warranty Deed from Trustee of the {trust name} Trust conveying the Land to {proposed titleholder(s)}, as well as a Trustee's Affidavit and a Purchaser's Affidavit in accordance with Iowa Code 614.14(2) and Iowa Title Standard 4.7. Note: If any trust documentation is shown of record, notice should be taken of any limitations contained in said documentation with respect to the powers of the individual to take such action.
12. **Deed - Warranty (Individual Grantor):** Warranty Deed from {current titleholder(s)} and spouse(s), if any, conveying the Land to {proposed titleholder(s)}. NOTE: The marital status of the grantor(s) must be shown on said deed.
13. **Deed - Warranty (Corporate Grantor):** Warranty Deed executed by the duly authorized officer(s) on behalf of {current titleholder(s)} conveying the Land to {proposed titleholder(s)}. Note: If the articles of incorporation or other corporate documentation are shown of record, notice should be taken of any limitations contained in said articles with respect to the powers of the individual to take such action
14. **Deed - Warranty (Entity Grantor):** Warranty Deed executed by the duly authorized individual on behalf of {current titleholder(s)} conveying the Land to {proposed titleholder(s)}.

15. **Deed - Warranty (LLC Grantor):** Warranty Deed executed by the duly authorized member(s) or manager(s) on behalf of {current titleholder(s)} conveying the Land to {proposed titleholder(s)}. Note: If the LLC's certificate of organization, operating agreement, statement of authority, duly authorized company resolution or other company documentation are shown of record, notice should be taken of any limitations contained in any such documents with respect to the powers of the individual(s) to execute the instrument on behalf of the company.
16. **Deed - Warranty Deed in Fulfillment (Individual Grantor):** Warranty Deed in fulfillment of real estate contract described in Special Exception {special exception number} from Part II from {legal titleholder(s)/contract seller(s)} and spouse(s), if any, conveying the Land to {equitable titleholder(s)/contract buyer(s)}. NOTE: The marital status of the grantor(s) must be shown on said deed. NOTE: The deed must include a recitation that it is being given in full satisfaction of the Real Estate Contract described in Special Exception {special exception number} from Part II.
17. **Deed - Warranty Deed in Fulfillment (Entity Grantor):** Warranty Deed in fulfillment of real estate contract described in Special Exception {special exception number} from Part II executed by the duly authorized individual on behalf of {legal titleholder(s)/contract seller(s)}, conveying the Land to {equitable titleholder(s)/contract buyer(s)}. NOTE: The deed must include a recitation that it is being given in full satisfaction of the Real Estate Contract described in Special Exception {special exception number} from Part II.

## X. ENDORSEMENTS

1. **Assignment Endorsement (Record):** The assignment of the Guaranteed Mortgage from the mortgagee (or subsequent assignee) to the as proposed assignee.
2. **Assignment Endorsement (Non-Record):**
  - i. Obtain from a Participating Abstractor a search of the county records from the filing of the Guaranteed Mortgage through the filing of the assignment, and report any modification, partial or full re- conveyance, release or discharge of the Guaranteed Mortgage.
  - ii. Obtain an examination from a Participating Attorney to determine the existence of (a) an uninterrupted valid chain of assignment(s) of the Guaranteed Mortgage from the first lender to the last assignee; and (b) any modification, full or partial release, reconveyance or discharge of the Guaranteed Mortgage. Resolve any objections prior to issuance of the Assignment Endorsement.
  - iii. The Date of Certificate in Schedule A of the Lender Certificate shall remain the date of the Guaranteed Mortgage filing.
  - iv. The Assignment Endorsement shall not be issued without the approval of an Iowa Title Guaranty Underwriter if: (a) there are multiple beneficiaries of the assignment; or (b) the Guaranteed Mortgage has been released of record.
  - v. Insert assignment filing date into the appropriate field in the Assignment Endorsement.
3. **Balloon Mortgage Endorsement (Non-Record):**
  - i. Confirm the presence of a residence, either a single-family dwelling or a one-to-four unit multi-family housing dwelling by reviewing a current appraisal, survey, real property inspection report ("RPIR"), or a county assessor's report.
  - ii. Confirm the Guaranteed Mortgage includes either (a) Fannie Mae Form 3180, the Multi-State Balloon Rider with Conditional Right to Refinance, or (b) Freddie Mac Form 3191, the Multi-State Balloon Rider with Conditional Right to Refinance.
4. **Comp 1 Endorsement (Non-Record):**
  - i. The Comprehensive 1 Endorsement shall not be issued for vacant land, any type of construction, or unsubdivided land.

- ii. Examine and specifically identify on Schedule B all agreements, covenants, conditions, restrictions, easements, options, interests, rights, reservations, surveys, plats, assessments, liens and encroachments, including those found in deeds and subdivision plats.
- iii. Confirm there are no violations of the items noted on Schedule B pursuant to (ii) above by examining the record instruments within the abstract. If a violation or encroachment is discovered within the record, specifically identify those violations and/or encroachments as exceptions on Schedule B.
- iv. Specifically identify on Schedule B any and all encroachments, including but not limited to the following: (a) encroachments of improvements of the Land onto adjoining property; (b) encroachments of improvements of adjoining properties on the Land; and (c) encroachments of improvements of the Land into an easement or setback area on the Land.
- v. Obtain completed, signed and notarized Composite Mortgage Affidavits (“CMA”) from buyers and sellers and examine said CMAs for any indication of the items enumerated in (ii) above and except said items from coverage by adding them as exceptions on Schedule B.

**5. Comp 2 Endorsement (Non-Record):**

- i. The Comprehensive 2 Endorsement shall not be issued for vacant land, any type of construction, or unsubdivided land.
- ii. Verify there are no outstanding mineral rights (other than royalties) or that surface rights have been waived.
- iii. Examine and specifically identify on Schedule B all mineral reservations, agreements, covenants, conditions, restrictions, easements, options, interests, rights, reservations, surveys, plats, assessments, liens and encroachments, including those found in deeds and subdivision plats.
- iv. Confirm there are no violations of the items noted in on Schedule B pursuant to (iii) above by examining the record instruments within the abstract. If a violation or encroachment is discovered within the record, specifically identify those violations and/or encroachments as exceptions on Schedule B.
- v. Specifically identify on Schedule B any and all encroachments, including but not limited to the following: (a) encroachments of improvements of the Land onto adjoining property; (b) encroachments of improvements of adjoining properties on the Land; and (c) encroachments of improvements of the Land into an easement or setback area on the Land.
- vi. Obtain completed, signed and notarized Composite Mortgage Affidavits from buyers and sellers and examine said CMAs for any indication of the items enumerated in (iii) above and except said items from coverage by adding them as exceptions on Schedule B.

**6. Condo - Lender Endorsement (Non-Record):**

- i. Confirm the Land is a condominium and not a townhome or single-family dwelling.
- ii. Confirm there are no violations of the condominium declaration, no unpaid dues or assessments, no encroachments, and no right of first refusal.
- iii. Confirm that there are no adverse matters disclosed in the Composite Mortgage Affidavit.
- iv. Obtain an affidavit executed by the duly authorized individual on behalf of the association stating there are no unpaid dues, liens or assessments with respect to the Land through and including the filing date of the deed and guaranteed mortgage.

**7. Condo - Owner Endorsement (Non-Record):**

- i. Confirm the Land is a condominium and not a townhome or single-family dwelling.
- ii. Confirm there are no violations of the condominium declaration, no unpaid dues or assessments, no encroachments, and no right of first refusal.
- iii. Confirm that there are no adverse matters disclosed in the Composite Mortgage Affidavit.

- iv. Obtain an affidavit executed by the duly authorized individual on behalf of the association stating there are no unpaid dues, liens or assessments with respect to the Land through and including the filing date of the deed and guaranteed mortgage.
- 8. Encroachment Endorsement (Non-Record):**
- i. Show the encroachment as an exception on Schedule B, Part I of the certificate. Specifically detail the source of the encroachment, as well as the nature, size and location of the encroachment.
  - ii. Reference the exception paragraph number from Schedule B, Part I on the Encroachment Endorsement in the variable field.
- 9. Encroachment - Adverse Endorsement (Non-Record):**
- i. Show any encroachment which extends less than five feet onto the Land as an exception on Schedule B, Part I of the certificate. Specifically detail the source of the encroachment, as well as the nature, size and location of the encroachment.
  - ii. The Encroachment Endorsement – Adverse shall not be issued without Iowa Title Guaranty underwriter approval if the encroachment extends five feet or more onto the Land.
- 10. Endorsement Against Loss-Lien (Non-Record):**
- i. Issue a Rapid Certificate with the paid-off, unreleased lien shown on Schedule B, Part I.
  - ii. Submit a payoff statement and canceled check or wire confirmation verifying that the lien was paid in full.
- 11. Environment Protection Lien Endorsement (Non-Record):**
- i. Confirm the presence of a residence, either a single-family dwelling or a one-to-four unit multi-family housing dwelling.
  - ii. The Environmental Protection Lien Endorsement is only available for Lender Certificates.
  - iii. Obtain from a Participating Abstractor a search of the available lien indexes for environmental liens.
  - iv. Obtain from a Participating Abstractor a search of the federal court records if the federal court is located within the county being searched.
  - v. Show any environmental lien(s) revealed as an exception(s) on Schedule B, Part I.
- 12. Future Advance - Priority Endorsement (Non-Record):** Confirm the following: (a) the Guaranteed Mortgage states that it secures future advances to be made under the loan agreement; (b) the Guaranteed Mortgage contains the statutory notice regarding priority of advances prescribed in Iowa Code Section 654.12A; and (c) the coverage amount is equal to the maximum credit available as reflected on the Guaranteed Mortgage.
- 13. Future Advance - Reverse Mortgage Endorsement (Non-Record):** Confirm the following: (a) the Guaranteed Mortgage states that it is a reverse mortgage that secures future advances; (b) the Guaranteed Mortgage contains the statutory notice provision prescribed in Iowa Code Section 654.12A; (c) the Guaranteed Mortgage is a HUD/FHA HECM (Home Equity Conversion Mortgage); and (d) the coverage amount is equal to the maximum credit available as reflected on the Guaranteed Mortgage.
- 14. Gap Coverage Endorsement or CPL (Non-Record):** If a GAP Coverage Endorsement is issued in conjunction with this Commitment or if a Closing Protection Letter is issued in conjunction with this Commitment:
- i. Obtain from a Participating Abstractor a written pre-closing search certification, also known as a day- of-closing search or gap search, as close to the closing date as possible;
  - ii. Record the proper closing documents (i.e. deed, mortgage, title clearing affidavits, etc.) immediately after execution, and in no event later than the tenth business day following the certification date of the pre-closing search certification;
  - iii. If the pre-closing search certification date is more than ten business days prior to recording the deed and/or mortgage, obtain an updated pre-closing search certification;

- iv. Confirm no new matters are disclosed on the pre-closing search certification before closing and disbursing funds; and
- v. If the pre-closing search discloses any new matters, except any and all new matters by adding them as exceptions on Schedule B of the commitment and consult with the examining Participating Attorney to satisfactorily resolve matters that impair the titleholders' interest or the priority of the guaranteed mortgage prior to closing.

**15. Leasehold - Lender Endorsement (Non-Record):**

- i. Review a copy of the executed lease agreement, including all executed amendments and specifically disclose on Schedule B all provisions which may affect title to the Land, such as limitations on encumbrances, reversionary clauses, access issues, etc.
- ii. Obtain consent from the lessor to record the lease agreement or, in the alternative, a memorandum of lease.
- iii. Add terms, conditions and provisions of the lease agreement as exceptions to Schedule B.
- iv. In the event the lessee has obtained the leasehold estate by assignment, confirm that the assignment was authorized and approved by the lessor, mortgagees of record, parties with an interest in the lessor's underlying land, and as otherwise required by the lease agreement.
- v. Verify and obtain all other required consents to the Guaranteed Mortgage of the leasehold estate.
- vi. Confirm that the abstract and title opinion show lessor had fee title to the property described in the lease agreement at the time of the execution and recording of said lease agreement.
- vii. Show all outstanding exceptions to the fee title on Schedule B.
- viii. Obtain a current estoppel certificate from each of the lessor and lessee under the lease agreement certifying that (i) the lease agreement is in full force and effect, (ii) the copy attached to the estoppel is a correct and complete copy of the lease agreement, including all amendments, (iii) the parties are in compliance with the provisions of the lease agreement and (iv) there are no existing defaults under the lease agreement.

**16. Leasehold - Owner Endorsement (Non-Record):**

- i. Review a copy of the executed lease agreement, including all executed amendments and specifically disclose on Schedule B all provisions which may affect title to the Land, such as limitations on encumbrances, reversionary clauses, access issues, etc.
- ii. Obtain consent from the lessor to record the lease agreement or, in the alternative, a memorandum of lease.
- iii. Add terms, conditions and provisions of the lease agreement as exceptions to Schedule B.
- iv. In the event the lessee has obtained the leasehold estate by assignment, confirm that the assignment was authorized and approved by the lessor, mortgagees of record, parties with an interest in the lessor's underlying land, and as otherwise required by the lease agreement.
- v. Verify and obtain all other required consents to the Guaranteed Mortgage of the leasehold estate.
- vi. Confirm that the abstract and title opinion show lessor had fee title to the property described in the lease agreement at the time of the execution and recording of said lease agreement.
- vii. Show all outstanding exceptions to the fee title on Schedule B.
- viii. Obtain a current estoppel certificate from each of the lessor and lessee under the lease agreement certifying that (i) the lease agreement is in full force and effect, (ii) the copy attached to the estoppel is a correct and complete copy of the lease agreement, including all amendments, (iii) the parties are in compliance with the provisions of the lease agreement and (iv) there are no existing defaults under the lease agreement.

- 17. Location - Condominium Endorsement (Non-Record):** Confirm the presence of a condominium unit by reviewing a current appraisal, survey, real property inspection report, or county assessor's report.

18. **Location - Residential Endorsement (Non-Record):** Confirm the presence of a residence by reviewing a current appraisal, survey, real property inspection report, or county assessor's report.

19. **Manufactured Housing Unit Endorsement (Non-Record):**

- i. Review the county assessor's site, or other official source, and confirm that the unit is located outside of a "manufactured home community" or "mobile home park," as defined by Iowa Code Section 435.1(4) and (6).
- ii. Review a recent appraisal, or other official source, and confirm that the unit has been placed on a permanent foundation on the Land.
- iii. Review the county assessor's site, or other official source, and confirm that the unit has been converted to real property and entered upon the tax rolls.
- iv. Pursuant to Iowa Code Chapter 435, confirm that the title has been surrendered or that there is proof of the required insignia as follows:
  - a. If the unit is a mobile home or manufactured home registered with a certificate of title, confirm that the certificate of title has been collected by the county assessor or treasurer (whichever is the county procedure) or that an Iowa Department of Transportation Affidavit in Lieu of Surrender of Title has been recorded with the county recorder's office. If an Affidavit in Lieu of Surrender of Title cannot be obtained and recorded, then a quiet title action will be necessary; OR
  - b. If the unit is a modular home without a certificate of title, obtain confirmation that the home displays the state building code commissioner's insignia of approval.

20. **Manufactured Housing Unit - Conversion Endorsement (Non-Record):**

- i. Update and examine the abstract for the Land.
- ii. Review the Iowa Secretary of State website to complete a UCC fixture filing search against the titleholders.
- iii. Review the county assessor's site, or other official source, to confirm that the unit is located outside of a "manufactured home community" or "mobile home park," as defined by Iowa Code Sections 435.1(4) and (6).
- iv. Review a recent appraisal, or other official source, to confirm that the unit has been affixed to a permanent foundation on the Land.
- v. Confirm that any personal property taxes against the manufactured housing unit have been paid.
- vi. Review the county assessor's site, or other official source, to confirm that the real estate taxes on the Land have been paid.
- vii. Pursuant to Iowa Code Chapter 435, convert the manufactured housing unit to real property as follows:
  - a. If the unit is a mobile home or manufactured home registered with a certificate of title, surrender the certificate of title to the county assessor or treasurer (whichever is the county procedure) or complete an Iowa Department of Transportation Affidavit in Lieu of Surrender of Title and record the same with the county recorder's office. If an Affidavit in Lieu of Surrender of Title cannot be obtained and recorded, then a quiet title action will be necessary; OR
  - b. If the unit is a modular home without a certificate of title, obtain confirmation that the home displays the state building code commissioner's insignia of approval.

21. **Modification Endorsement (Non-Record):**

- i. File the modification agreement with the county recorder.
- ii. Obtain an updated abstract certification or Post-Closing Search Certification covering the period from the filing of the Guaranteed Mortgage to the filing of the modification which should show all record matters and confirm the following:

- a. The parties to the modification appear of record as owner(s) of the Land and the holder of the note;
  - b. Lien searches have been conducted on all mortgagors and successors in ownership, if any;
  - c. A search of the Mechanic's Lien Notice and Registry ("MNLR") has been completed; and
  - d. Status of real estate taxes.
- iii. Review of the modification agreement confirming that it is executed by the lender, the mortgagors and any successors in ownership, including any spouses.
  - iv. Confirm there has been no full or partial conveyance of the Land covered by the Guaranteed Mortgage. If such a conveyance has been made, coverage under this endorsement must be limited to the property presently encumbered by the Guaranteed Mortgage.
  - v. Confirm there are no liens or encumbrances subsequent to the original recording of the Guaranteed Mortgage and if any such matters are found, list such matters as exceptions in Paragraph 2 of the endorsement, unless the parties holding the liens or encumbrances subject their interest to the Guaranteed Mortgage as modified by appropriate recorded subordination agreements or proper releases of record.
  - vi. If the original certificate reflects a mortgage or other lien as junior in Schedule B, Part II, list this mortgage or lien as an exception in Paragraph 2 of the endorsement, unless the parties holding the lien or encumbrance subject their interest to the Guaranteed Mortgage as modified by appropriate recorded subordination agreements or proper releases of record.
  - vii. If the Guaranteed Mortgage covers a lease, obtain a current estoppel certificate and consent by the lessor.
  - viii. Obtain and review the most recent version of the Composite Mortgage Affidavit ("CMA") and disclose all new unresolved matters in Paragraph 2 of the endorsement and except said matters from coverage by adding them as exceptions on Schedule B, Part I of the certificate
  - ix. If the record or the CMA discloses a pending bankruptcy against a Borrower, obtain approval of the modification by the Bankruptcy Trustee and an order of the Bankruptcy Court approving the modification.
  - x. Search the Mechanic's Notice and Lien Registry ("MNLR") at the time of closing. Show any postings revealed as exceptions on Schedule B of the commitment. If the MNLR reveals any of the following postings, obtain and post the required documentation as shown below:
    - a. Mechanic's lien: (a) final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) satisfaction of lien posted to the MNLR.
    - b. Commencement of Work: (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage posted to the MNLR.
    - c. Preliminary Notice: (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage posted to the MNLR.
  - xi. Secure final lien waivers and/or satisfactions from any contractors, subcontractors, materialmen or suppliers disclosed on the Composite Mortgage Affidavit.
  - xii. List in Paragraph 2 of the endorsement any unpaid real estate taxes and assessments.
  - xiii. Insert the modification filing date into the appropriate field in the Modification Endorsement.

**22. Multiple Tax Parcel Endorsement (Non-Record):**

- i. Confirm the Participating Abstractor has certified that the Land is comprised of more than one tax parcel and does not include any adjoining lot, parcel, vacated street or alley that is not also included in such tax parcels.
- ii. Confirm with the Assessor that the legal description does not include any tax parcels other than those provided within the endorsement.

- iii. Confirm with the Assessor that the tax parcels provided within the endorsement do not encompass property beyond that described in the legal description as shown on Schedule A;
- iv. Confirm the abstract has certified that all real estate taxes and special assessments for any easement included in the Land were paid in full prior to date and time the easement was filed of record; and
- v. Insert the appropriate tax parcel ID numbers into the endorsement fields.

**23. Planned Unit Development - Lender Endorsement (Non-Record):**

- i. Confirm that there are no adverse matters disclosed in the Composite Mortgage Affidavit.
- ii. Obtain an affidavit executed by the duly authorized individual on behalf of the association stating there are no unpaid dues, liens or assessments with respect to the Land through and including the filing date of the deed and guaranteed mortgage.
- iii. Confirm that the abstract does not disclose any of the following:
  - a. Encroachments of any existing improvements located on the Land onto adjoining land or upon any easement referred to in Schedule B of the certificate;
  - b. Encroachments of any existing improvements located on adjacent land onto the Land; and
  - c. Violations of any covenants, conditions or restrictions pertaining to the Land including those listed in Schedule B of the certificate.

**24. Planned Unit Development - Owner Endorsement (Non-Record):**

- i. Confirm that there are no adverse matters disclosed in the Composite Mortgage Affidavit.
- ii. Obtain an affidavit executed by the duly authorized individual on behalf of the association stating there are no unpaid dues, liens or assessments with respect to the Land through and including the filing date of the deed and guaranteed mortgage.
- iii. Confirm that the abstract does not disclose any of the following:
  - a. Encroachments of any existing improvements located on the Land onto adjoining land or upon any easement referred to in Schedule B of the certificate;
  - b. Encroachments of any existing improvements located on adjacent land onto the Land; and
  - c. Violations of any covenants, conditions or restrictions pertaining to the Land including those listed in Schedule B of the certificate.

**25. Single Tax Parcel Endorsement (Non-Record):**

- i. Confirm that the Participating Abstractor has certified that the Land only has one tax parcel number. The Land may include adjoining lots, parcels, vacated streets and/or alleys, so long as they are being assessed as a single tax parcel; and
- ii. Confirm with the Assessor that the Land only has one tax parcel number.

**26. Single Tax Parcel and Tax ID Endorsement (Non-Record):**

- i. Confirm that the Participating Abstractor has certified that the Land only has one tax parcel number. The Land may include adjoining lots, parcels, vacated streets and/or alleys, so long as they are being assessed as a single tax parcel;
- ii. Confirm with the Assessor that the Land only has one tax parcel number; and
- iii. Insert the tax ID number into the endorsement field.

- 27. Standard Exception 1 Waiver Endorsement (Non-Record):** Review the buyer and seller Composite Mortgage Affidavits and confirm that neither discloses parties in possession or parties claiming to have a right to possession.



**28. Standard Exception 2 Waiver Endorsement (Non-Record):**

- i. List on Schedule B of the commitment and certificate any encroachment, encumbrance, violation, variation, or adverse circumstances affecting title disclosed by the most recent version of the buyer and seller Composite Mortgage Affidavits.
- ii. List on Schedule B of the commitment and certificate any matters in the abstract and/or the title opinion which disclose any of the following:
  - a. Encroachments of any existing improvements located on the Land onto adjoining land or upon any easement referred to in Schedule B of the certificate; and
  - b. Encroachments of any existing improvements located on adjacent land onto the Land.
- iii. Obtain an ALTA survey prepared by a licensed surveyor or engineer showing the boundary lines, the location of all improvements relative to the property lines, easements, building setback lines, and property dimensions.
- iv. List on Schedule B of the commitment and certificate any encroachment, encumbrance, violation, variation or adverse circumstances affecting title and disclosed by such ALTA survey.
- v. Provide the final certified ALTA survey to Iowa Title Guaranty (“ITG”) for review prior to closing. ITG shall except from coverage in Schedule B of the owner commitment and certificate any encroachment, encumbrance, violation, variation or adverse circumstances affecting title and disclosed by the ALTA survey.

**29. Standard Exception 3 Waiver Endorsement (Non-Record):** List on Schedule B of the commitment and certificate any easements or claims of easements disclosed on the most recent version of the buyer and seller Composite Mortgage Affidavits.

**30. Standard Exception 4 Waiver Endorsement (Record):** If the Mechanic’s Notice and Lien Registry (“MNLR”) reveals any of the following postings, obtain and post the required documentation as shown below:

- i. Mechanic’s lien: (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) satisfaction of lien posted to the MNLR.
- ii. Commencement of Work: (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage posted to the MNLR.
- iii. Preliminary Notice: (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLR; and (b) withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage posted to the MNLR.

**31. Standard Exception 4 Waiver Endorsement (Non-Record):**

- i. Search the Mechanic's Notice and Lien Registry (“MNLR”) at the time of closing. Show any postings revealed as exceptions on Schedule B of the commitment.
- ii. Secure final lien waivers and/or satisfactions from any contractors, subcontractors, materialmen or suppliers disclosed on the latest version of the Composite Mortgage Affidavit.

**32. Standard Exception 5 Waiver Endorsement (Non-Record):** List as an exception in Schedule B of the commitment and certificate any adverse matters disclosed concerning taxes or special assessments on the latest version of the Composite Mortgage Affidavit in the following manner: “Any potential liens against the Land as a result of taxes or special assessments for the following improvements which have been made or which may be made in the future: [INSERT DISCLOSED MATTER].”

**33. Street Assessments Endorsement (Non-Record):**

- i. Obtain the Iowa Title Guaranty Affidavit for Street Assessments Endorsement completed and signed by the seller(s) and/or titleholder(s) of the Land stating that there have been no recent street improvements and that the seller(s) and/or titleholder(s) have not received notice (or become aware of) proposed street improvements;

- ii. Confirm the title opinion does not disclose any new assessment districts, bonds or pending assessments or bonds filed in the appropriate office of the applicable agencies empowered to issue such bonds or assessments; and
- iii. Identify all unreleased street assessments, or any possible street assessments, as exceptions in Schedule B – Part I.

**34. Variable Rate Mortgage Endorsement (Non-Record):**

- i. Review the mortgage and any riders to confirm the variable rate feature of the interest rate is clearly stated; and
- ii. Review the mortgage and any riders to confirm the interest rate is determined by an objective formula not within the control of the lender.

**35. Variable Rate Mortgage - Negative Amortization Endorsement (Non-Record):**

- i. Review the mortgage and any riders to confirm the variable rate feature of the interest rate is clearly stated;
- ii. Review the mortgage and any riders to confirm the interest rate is determined by an objective formula not within the control of the lender;
- iii. Review the mortgage and any riders to confirm the negative amortization feature of the loan is clearly stated, and explains that installments when paid may not be sufficient to pay the interest which has accrued; therefore, the interest which is unpaid will be added to the principal and future interest will be charged on the interest so added to the principal; and
- iv. Review the mortgage and any riders to confirm the maximum amount of amortization possible.

**36. Zoning Endorsement (Non-Record):** Obtain a letter from the appropriate governing agency (city, county, or state) setting forth the zoning classification and allowed uses of the property.

## XI. FORECLOSURES

- 1. **Foreclosure (Post Decree, Pre-Sheriff's Sale):** Release and satisfaction of the foreclosure decree as described in Special Exception {special exception number} from Part II. Court costs must be paid in full.
- 2. **Foreclosure Dismissal (Pre-Decree):** Dismissal with prejudice of the pending proceeding described in Special Exception {special exception number} from Part II. Court costs must be paid in full.

## XII. LEASES

- 1. **Lease Termination:** Termination of lease described in Special Exception {special exception number} from Part II.
- 2. **Leasehold Estate:** {lease or memorandum title} from {lessor}, Lessor to {lessee}, Lessee conveying a leasehold estate to the Land filed in the {county} County, Iowa Recorder's Office. The parties, the legal description of the Land, and the term of the lease must be included in in said {lease or memorandum title}. Note: The following Special Exception remains on Schedule B, Part I of the final certificate: Terms, provisions and conditions of the lease agreement set forth under in the legal description on Schedule A herein creating the leasehold estate hereby certified, and all rights thereunder of said lessors, their heirs, executors, administrators and assigns.
- 3. **Lessor Consent to Encumber Leasehold Estate:** Lessor consent to Lessee encumbering the leasehold estate as required by lease described in Special Exception {special exception number} from Part II.
- 4. **Tenant Estoppel Certificate:** Tenant estoppel certificate required by lease described in Special Exception {special exception number} from Part II.

### XIII. LOT TIES

1. **Lot Tie:** The Land and {other property in lot tie} must be transferred together pursuant to the terms of the Lot Tie Agreement described in Special Exception {special exception number} from Part II.

### XIV. MECHANIC'S NOTICE AND LIEN REGISTRY (MNLRL)

1. **MNLRL Search (Non-Record Req 2):** Search the Mechanic's Notice and Lien Registry ("MNLRL") at the time of closing. Show any postings revealed as exceptions on Schedule B of the commitment.
2. **MNLRL Postings (Record Req 2):** If the Mechanic's Notice and Lien Registry ("MNLRL") reveals any of the following postings, obtain and post the required documentation as shown below:
  - a. **Mechanic's lien:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLRL; and (b) post satisfaction of lien to the MNLRL.
  - b. **Commencement of Work:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLRL; and (b) post withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage to the MNLRL.
  - c. **Preliminary Notice:** (a) obtain final lien waivers from all contractors, subcontractors, materialmen or suppliers that have posted to the MNLRL; and (b) post withdrawal or lien waiver(s) through and including the filing date of the vesting deed and/or Guaranteed Mortgage to the MNLRL.
3. **CMA Lien Waivers (Non-Record Req 3):** Secure final lien waivers and/or satisfactions from any contractors, subcontractors, materialmen or suppliers disclosed on the latest version of the Composite Mortgage Affidavit.

### XV. MINERAL INTERESTS

1. **Mineral Interest Release:** Release of the reservation of mineral interest described in Special Exception {special exception number} from Part II.

### XVI. MISSING RECORDS

1. **Missing Assignment of Mortgage:** Assignment of Mortgage from {mortgage assignor} to {mortgage assignee} as described in Special Exception {special exception number} from Part II.
2. **Missing Power of Attorney:** Power of Attorney from {principal name} to {appointed agent name} as described in Special Exception {special exception number} from Part II.

### XVII. MORTGAGES

1. **Mortgage - First Guaranteed (Entity Mortgagor):** Real Estate Mortgage from {proposed titleholder(s)} to {proposed insured lender first} securing a debt in the amount of {lender first coverage amount}.
2. **Mortgage - First Guaranteed (Individual Mortgagor):** Real Estate Mortgage from {proposed titleholder(s)} and spouse(s), if any, to {proposed insured lender first} securing a debt in the amount of {lender first coverage amount}. Note: The marital status of all titleholder(s) and mortgagor(s) must be shown on the mortgage
3. **Mortgage - Junior Guaranteed (Individual Mortgagor):** Real Estate Mortgage from {proposed titleholder(s)} and spouse(s), if any, to {proposed insured junior} securing a debt in the amount of {junior coverage amount}. Note: The marital status of all titleholder(s) and mortgagor(s) must be shown on the mortgage.
4. **Mortgage - Junior Guaranteed (Entity Mortgagor):** Real Estate Mortgage from {proposed titleholder(s)} to {proposed insured junior} securing a debt in the amount of {junior coverage amount}.

## XVIII. PRE-CLOSING SEARCH

1. **Pre-Closing Search (Non-Record Req 4):** If a GAP Coverage Endorsement is issued in conjunction with this Commitment or if a Closing Protection Letter is issued in conjunction with this Commitment:
  - i. Obtain from a Participating Abstractor a written pre-closing search certification, also known as a day- of-closing search or gap search, as close to the closing date as possible;
  - ii. Record the proper closing documents (i.e. deed, mortgage, title clearing affidavits, etc.) immediately after execution, and in no event later than the tenth business day following the certification date of the pre-closing search certification;
  - iii. If the pre-closing search certification date is more than ten business days prior to recording the deed and/or mortgage, obtain an updated pre-closing search certification;
  - iv. Confirm no new matters are disclosed on the pre-closing search certification before closing and disbursing funds; and If the pre-closing search discloses any new matters, except any and all new matters by adding them as exceptions on Schedule B of the commitment and consult with the examining Participating Attorney to satisfactorily resolve matters that impair the titleholders' interest or the priority of the guaranteed mortgage prior to closing.

## XIX. PROBATE

1. **Probate:** Compliance with Iowa Code 633.386 et seq. concerning sale of the real estate, including notice and hearing, or a showing of the power of sale in the will of the decedent, and appropriate Inventory Report and Order; and an adequate showing with regard to the payment of, or non-liability of the estate for, federal estate taxes, or a specific release of the federal estate tax lien, all in accordance with the Iowa Land Title Standards.

## XX. PURCHASE MONEY MORTGAGE

1. **Purchase Money Mortgage (Non-Record Req 5):** Confirm that the Guaranteed Mortgage meets the definition of a purchase money mortgage as defined by Iowa Code Section 654.12B, and include a statement on the mortgage that it is a purchase money mortgage. If the Guaranteed Mortgage does not qualify as a purchase money mortgage as defined by Iowa Section 654.12B, a participating abstractor must perform personal lien searches against all proposed titleholders. Except any and all matters revealed by the personal lien searches by adding them as exceptions on Schedule B. Consult with an examining participating attorney to satisfactorily resolve matters that impair the titleholders' interest or the priority of the guaranteed mortgage prior to closing.

## XXI. REAL ESTATE INSTALLMENT CONTRACT

1. **Real Estate Installment Contract:** Real Estate Installment Contract from {legal titleholder(s)/contract seller(s)}, and spouse(s), if any, conveying the Land described in Schedule A to {equitable titleholder(s)/contract buyer(s)}. The marital status of the legal titleholder(s)/contract seller(s) of the Real Estate Installment Contract must be shown on the Real Estate Installment Contract.

## XXII. RELEASES

1. **Release and Satisfaction (Assignment of Rents):** Release and satisfaction of the Assignment of Rents described in Special Exception {special exception number} form Part II.
2. **Release and Satisfaction (Child/Spousal Support):** Release and satisfaction of the support judgment described in Special Exception {special exception number} from Part II. Said release shall evidence that all amounts due and payable have been paid current through the filing date of the deed and guaranteed mortgage. Court costs must be paid in full.
3. **Release and Satisfaction (Judgment):** Release and satisfaction of the judgment described in Special Exception {special exception number} from Part II.
4. **Release and Satisfaction (Mechanic's Lien):** Release and satisfaction of mechanic's lien described in Special Exception {special exception number} from Part II. Said release and satisfaction must be posted to the Mechanic's Notice and Lien Registry ("MNL").
5. **Release and Satisfaction (Mortgage):** Release and satisfaction of the mortgage described in Special Exception {special exception number} from Part II.
6. **Release and Satisfaction (Mortgage, Open-End):** Release and satisfaction of the mortgage described in Special Exception {special exception number} from Part II. Documentation must be provided showing the open-end mortgage has been closed.
7. **Release and Satisfaction (Mortgage, Future Advance):** Release and satisfaction of the mortgage described in Special Exception {special exception number} from Part II. Documentation must be provided showing the future advance mortgage has been closed.
8. **Release and Satisfaction (Mortgage, Revolving):** Release and satisfaction of the mortgage described in Special Exception {special exception number} from Part II. Documentation must be provided showing the revolving mortgage has been closed.
9. **Release and Satisfaction (Property Settlement):** Release and satisfaction of the property settlement described in Special Exception {special exception number} from Part II. Court costs must be paid in full.
10. **Release and Satisfaction (Tax Lien):** Release and satisfaction of the tax lien described in Special Exception {special exception number} from Part II.

## XXIII. SURVEY OR REAL PROPERTY INSPECTION REPORT ("RPIR")

1. **Real Property Inspection Report ("RPIR"):** Prior to the close of escrow, Iowa Title Guaranty ("ITG") must be provided a recent Real Property Inspection Report prepared by a licensed surveyor or engineer showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions and showing no possible encroachments. ITG may amend the commitment to except from coverage in Schedule B of the commitment any adverse matters shown by the Real Property Inspection Report. Further, ITG may except from coverage in Schedule B of the final certificate(s) any adverse matters shown by the Real Property Inspection Report.
2. **Survey:** Prior to the close of escrow, Iowa Title Guaranty ("ITG") must be provided a recent Survey prepared by a licensed surveyor or engineer showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions and showing no possible encroachments. ITG may amend the commitment to except from coverage in Schedule B of the commitment any adverse matters shown by the Survey. Further, ITG may except from coverage in Schedule B of the final certificate(s) any adverse matters shown by the Survey.

3. **Survey or RPIR (lender over \$750,000):** In order for the Lender Certificate to contain a comprehensive endorsement and in order for the Lender Certificate to provide survey coverage by removing Standard Exception No. 2 (matters shown by an accurate survey) and by removing Standard Exception No. 3 (for easements not of record), prior to the close of escrow ITG must be provided a recent Survey or Real Property Inspection Report prepared by a licensed surveyor or engineer showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions and showing no possible encroachments. ITG may amend the commitment to except from coverage in Schedule B of the commitment any adverse matters shown by the Survey or Real Property Inspection Report. Further, ITG may except from coverage in Schedule B of the final certificate(s) any adverse matters shown by the Survey or Real Property Inspection Report.

## XXIV. TAXES

1. **Taxes, Delinquent:** Payment of delinquent real estate taxes and penalty as described in Special Exception {special exception number} from Part II.
2. **Tax Sale Redemption:** Redemption of the Land from tax sale as described in Special Exception {special exception number} from Part II.

## XXV. UCC

1. **Termination of UCC-1 Financing Statement:** Termination of UCC-1 Financing Statement described in Special Exception {special exception number} from Part II.

## XXVI. WAIVERS

1. **Waiver - Right of First Refusal:** Waiver of right of first refusal from {party waiving first right} as described in Special Exception {special exception number} from Part II.
2. **Waiver - Right of First Refusal (Association):** Waiver executed by the duly authorized individual on behalf of the association stating that the association waives its right of first refusal to purchase the premises as provided in the Declaration described in Special Exception {special exception number} from Part II.
3. **Waiver - Option to Purchase:** Waiver of option to purchase from {party waiving option} as described in Special Exception {special exception number} from Part II.

## XXVII. WITHDRAWALS

1. **Withdrawal (Commencement of Work):** Withdrawal of the Commencement of Work described in Special Exception {special exception number} from Part II below. Said withdrawal must be posted to the Mechanic's Notice and Lien Registry ("MNLR").
2. **Withdrawal (Preliminary Notice):** Withdrawal of the Preliminary Notice described in Special Exception {special exception number} from Part II below. Said withdrawal must be posted to the Mechanic's Notice and Lien Registry ("MNLR").