

# COMMITMENT ABC'S

**THE COMMITMENT FOR TITLE INSURANCE (T-7)** is our commitment to insure your transaction and issue a title policy if all conditions are met. A title commitment contains four separate schedules, A through D. The best way to understand your title commitment is to understand the purpose of each schedule:

- A** Schedule A is all about **ACTUAL FACTS**. In other words, this is the “who, what, where and how much” of the transaction. You’ll want to check the names of the seller and buyer, description of the property, the sales price, and the name of the lender, if any.
- B** Schedule B is for **BUYER NOTIFICATION** of items which other parties have some interest or control of the use of the property. An example might be a utility easement, where the city would have a part of the land reserved for their use, or a building setback requirement that prevents the homeowner from building within a certain distance from the front, side or back of the property. These items are not covered by the title policy.
- C** Think **CLEAR IN ORDER TO CLOSE** when you see Schedule C. These issues are required to be resolved before title can be transferred to the new owner. These may be things like a mortgage or home improvement liens to be paid, unpaid taxes, or that another person (i.e., an heir or former spouse) participate in the closing.
- D** Schedule D is for **DISCLOSURE**. This last section outlines all parties who will share any part of the insurance premium, including underwriters, title agents and attorneys.