

HERE TO PROTECT YOU



By having title coverage through Iowa Title Guaranty, you can rest easy knowing that your homeownership investment is protected. If a title issue arises, Iowa Title Guaranty will be there to step in and assume attorneys' fees, costs and expenses associated with defending the title to your home.

As Iowa's provider of title coverage for lenders and buyers, Iowa Title Guaranty operates as a title assurance underwriter and maintains reserves to pay claims.

Iowa Title Guaranty, a division of the Iowa Finance Authority, is self-funded and keeps all revenues in excess of operating expenses in Iowa to support affordable housing programs.

HOW TO GET TITLE PROTECTION



Tell your real estate professional and your lender that you would like Owner's Coverage from Iowa Title Guaranty. At closing, you will be asked to sign a Composite Mortgage Affidavit requesting Owner's Coverage and specifying the purchase price of the property. Title issues don't happen often, but if an issue arises, you'll be glad you're covered.



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

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IowaTitleGuaranty.gov

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Des Moines, Iowa 50312



IOWA TITLE GUARANTY
RESIDENTIAL



**WE HAVE YOUR BACK,
SO YOU CAN KEEP
MOVING FORWARD.**

COST OF OWNER'S COVERAGE

Coverage is FREE on home purchases, if the following criteria apply:

- Home value is \$500,000 or less
- Buyer's lender has requested Iowa Title Guaranty Lender's Coverage
- Buyer intends to occupy the home as their primary residence

Even if these criteria do not apply, Owners' Coverage is still available, often for only \$110.

HOW IT WORKS

Iowa Title Guaranty uses a process designed to uncover title problems before you have a financial interest in the property.

- An abstract of title is prepared or updated prior to closing. The abstract identifies all recorded documents for a particular property, including easements, deeds, mortgages and liens against previous title holders.
- A licensed Iowa attorney reviews the abstract and issues a written title opinion or Iowa Title Guaranty Commitment. The Commitment summarizes the status of the title and identifies the current owner and any title issues that should be resolved prior to closing.
- Once any title issues are resolved, the transaction may be closed and the buyer takes the title to the property.

By using Iowa Title Guaranty, you can be assured that a real estate attorney has reviewed the title to your home. Correcting deficiencies before closing reduces the chance of having problems later on.

WHAT IMPACTS A CLEAR TITLE?

While title defects are not common in Iowa, they do occur. Some of the more frequent issues include:

- Divorce and child support judgements
- Mistakes in public records
- Fraud and Forgery
- Mistakes in researching public records
- Judgements against a previous owner
- Unreleased, but paid off mortgages
- Lack of a right of access
- Unrecorded legal documents

These issues are not common, but if any of them should arise, Iowa Title Guaranty will become your legal defense and work with you to ensure a smooth and timely solution to the problem.



**TITLE PROTECTION SHOULD BE THE
LAST THING ON YOUR MIND.
BECAUSE IT'S THE FIRST THING ON OURS.**

AT YOUR SERVICE

Q | What does an Iowa Title Guaranty Certificate cover?

A | OWNERS are covered for valid title, any defects in or lien or encumbrance on the title, unmarketable title, fraud or forgery, mistakes in abstracting or title examination, errors in public records and lack of access. Owners may also be covered for mechanic's liens at an additional cost.

A | LENDERS are covered for valid, enforceable mortgage, loss due to other prior liens, fraud or forgery, mistakes in abstracting or title examination, errors in public records and lack of access.

Q | If the lender requires coverage, why would the borrower also need it?

Lender's coverage is exactly that – coverage for the lender. It does not cover buyers.

A | Typically, a lender's claim arises when a property is foreclosed on and the lender sustains a loss due to a title issue. The same issue may exist for a buyer, but if the property does not go into foreclosure, it may not show up until the buyer is ready to refinance or sell the property. That's when Owner's Coverage is a helpful tool to the buyer.

Q | Does the coverage need to be renewed?

A | No. This is a one-time premium that covers lenders as long as the mortgage is in effect. Owner's Coverage protects the home buyer and their heirs for as long as they have an interest in the property.

Q | I am refinancing my home. If the lender uses Iowa Title Guaranty, can I get free Owner's Coverage?

A | No. Owner's Coverage is only available at the time of purchase, however, if you chose Owner's Coverage at that time, it will continue in force even though you have refinanced.



**WE PUT WHAT WE MAKE RIGHT
BACK INTO IOWA'S COMMUNITIES.
BECAUSE IT'S OUR HOME, TOO.**