

Chapter 8. Rapid Certificate Program

Through the Rapid Certificate Program, Iowa Title Guaranty (ITG) offers an ITG Field Issuer the ability to issue Iowa Title Guaranty Certificates, despite unreleased prior mortgages and liens. The Participant must have verification that a mortgage or lien has been paid off (i.e. payoff statement, cancelled check, wire receipt) though not yet released of record.

8.1 Prior Mortgage

- An ITG Field Issuer may issue an Iowa Title Guaranty Certificate guaranteeing against actual loss or damage sustained because of the enforcement of a prior mortgage paid at or prior to the current transaction that has not yet been released of record if the following requirements are met:
- Limitations

The mortgage to be released was given to secure a loan in the original principal amount, including any future advances, equal to or less than:

- For a mortgage paid off by an ITG Closer within an ITG Division Closing, \$20,000,000 (unless prior written approval is obtained from the ITG Director).
- For all other mortgages, without prior ITG written approval, \$1,000,000.
- May not be used on mortgages in which the United States government or an agency thereof is the mortgagee or assignee.

- Documentation

The Field Issuer has proof the prior mortgage was paid (i.e. payoff statement, cancelled check, wire confirmation or other documentary evidence of payment as authorized by the Mortgage Release Certificate Statute). *For unreleased prior mortgages that were paid off in a previous transaction the Mortgage Release Certificate Program must be utilized and the accompanying fee paid.

- A “Payoff Statement” showing the unpaid balance of the loan secured by a mortgage, including principal, interest and any other charges properly due under or secured by the mortgage or the amount required to be paid, the address where payment is to be sent or other specific instructions for making a payment and the legal description, street address, or other description sufficient to identify the property that will be released from the mortgage, and
- A copy of the bank check, certified check, escrow account check, real estate broker trust account check or attorney trust account check that was negotiated by the mortgagee or mortgage servicer or other documentary evidence satisfactory to Iowa Title Guaranty of payment to the mortgagee or mortgage servicer. Wiring instructions and a receipt of wire transmittal for payment made by wire is also acceptable.

- If the mortgage is an Open-End or Future Advances mortgage, a direction signed by the borrower(s) to close the line of credit.
- Search Requirements

The ITG Certificate is based on a post-closing abstract certification, Post-Closing Search Certification, or Form 901. If the transaction is covered by a Closing Protection Letter, the method of updating the search through the recording of the closing documents is left to the discretion of the Field Issuer.

8.2 Certificate Issuance – Prior Mortgage

- The Field Issuer raises an exception on Schedule B describing the unreleased prior mortgage by identifying the mortgage type, date, recording date, recording book and page or instrument number, mortgagor, mortgagee and amount of the mortgage indebtedness on the ITG Certificate and attaches an Endorsement Against Loss-Lien (EALL) to the ITG Certificate specifically noting on the endorsement the Schedule B exception number for the prior unreleased mortgage.
- The Field Issuer within four months of closing completes the Showing of Release – Rapid Certificate Program Division Form 801 confirming the prior mortgage release has been recorded.
- If the release is not recorded within four months after closing, the Participant shall submit to the Mortgage Release Certificate Program through the Iowa Title Guaranty for release of mortgage, as provided for in Iowa Code section [16.92](#) and [265 IAC 9.9](#).

8.3 All Other Liens

- An ITG Field Issuer may issue an Iowa Title Guaranty Certificate guaranteeing over a lien that has not yet been released of record if the following requirements are met:
- Limitation

The amount of the lien is \$500,000.00 or less, unless special permission is obtained in writing from Iowa Title Guaranty underwriting department

- Documentation

The participant must have written documentation to obtain a release evidencing the payoff amount of the lien and proof the lien was paid off, i.e. copy of cancelled check or wire receipt.

- Search Requirements

The ITG Certificate is based on a post-closing abstract certification, Post-Closing Search Certification, or Form 901. If the transaction is covered by a Closing Protection Letter, the method of updating the search through the recording of the closing documents is left to the discretion of the Participant.

8.4 Certificate Issuance – All Other Liens

- The Field Issuer raises an exception on Schedule B describing the unreleased lien by identifying the lien type, date, recording date, recording book and page or instrument number/court file number, creditor, debtor and amount of lien on the ITG Certificate and attaches an Endorsement Against Loss-Lien (EALL) to the ITG Certificate specifically noting on the endorsement the Schedule B exception number for the unreleased lien.
- The Field Issuer within four months of closing completes the Showing of Release – Rapid Certificate Program Division Form 801 confirming county recording /filing of the prior lien release and satisfaction.
- The Field Issuer shall make a good faith effort to ensure that the lien is promptly released and satisfied of record.

8.5 Field Issuer Cooperation

- The Field Issuer shall cooperate with and assist Iowa Title Guaranty's staff, or its designee, concerning the administration of the Rapid Certificate Program, or the Director of Iowa Title Guaranty, at the Director's sole discretion, may revoke said Field Issuer's privilege to issue an ITG Certificate under the Rapid Certificate Program.
- Violation of the procedures and requirements of the Rapid Certificate Program by the Field Issuer shall be considered, at a minimum, a violation of Iowa Code and the Administrative Rules promulgated thereunder, and a breach of the Field Issuer's Contract with Iowa Title Guaranty.

**Showing of Release
Rapid Certificate Program Division Form 801**

CERTIFICATE NO.: L-yyxxxxxxx

I, _____, with Iowa Title Guaranty Member Number _____, state that the public records now show the following lien effectively released/satisfied of record according to Iowa law and title standards:

Mortgage [Type] from [Mortgagor(s)] to [Mortgagee], [Date], [Filing Date], [Recorded Information], [Amount of the Mortgage Indebtedness].

By release/satisfaction with the following information:

Grantor Name: _____

Filing Date: _____

Record Information: _____

CERTIFICATE NO.: L-yyxxxxxxx