

Policy Commitment Reminders

When to issue Policy Commitments (PC's):

Commitments are issued for all Owner policies and for long form Mortgagee policies. They may also be issued to a lender prior to closing with a Short Form policy issued at closing.

Schedule A

1. Effective Date = Date of title search.
2. Policy or Policies to be issued: Select the types of policies to be issued (Owner and/or Loan) and Standard or Expanded coverage.

Note: issue Expanded coverage for 1-4 Family Residential properties only. Issue Standard coverage for vacant land, commercial, construction and leasehold properties.

Schedule B – Section I (Requirements)

This is a general list of things are required to take place prior to the issuance of a final policy. A more detailed list of transaction-specific requirements will be listed on the Continuation Sheet.

Schedule B, Continuation (Requirements)

A more specific list of what must take place prior to the issuance of a final policy, such as:

- Execute and record a new deed, mortgage and/or power of attorney;
- Payoff and discharge all liens, existing mortgages and/or HELOC's;
- Execute and record a subordination agreement for any mortgages being subordinated to the insured (new) mortgage.

Think of this list as a checklist for issuing your final policy. It can be very helpful if you have forgotten specific details of a transaction that took place months ago. This section must be completed if using the VATC Update Service.

Schedule B – Section II (Exceptions)

This is a general list of exceptions to the policy. A more detailed list of property-specific requirements should be listed on the Continuation Sheet.

Schedule B, Continuation (Exceptions)

Schedule B, Exceptions should contain anything on the title that BURDENS the subject property (i.e. easements, rights of way, etc.). If an easement both burdens and benefits the property, it should appear in Schedule B and in the Property Description.

Property Description

The property description should reflect the most recent conveyance of the property, listing the deed to the current owner. Reference deed type, date, recording date, Book/Page, and town of recording.

NOTE: VATC does not receive a copy of the Commitment.