



Removal of Standard Title Insurance Policy Exceptions for the State of Missouri

Overview

The following is a list of Standard Exceptions that must appear on any Title Insurance Policy issued on behalf of WFG in the State of Missouri. Beneath each Standard Exception is the criteria for their removal depending on the policy and property type. The Commitment Only Exception, commonly known as the "Gap Exception" listed in the WFG Standard Title Insurance Policy Exceptions for Missouri should never appear in any final Title Insurance Policy. Generic Exceptions for the State of Missouri that are used for 1-4 family residential property Loan Policies in lieu of exceptions based on a standard title search cannot be deleted or modified in any way.

When reviewing transactions for possible removal of standard exceptions, agents are expected to use sound judgment and underwriting practices. Any review is expected to include a review of the legal descriptions, county records, and any available maps and aerial photos of the property and its immediate surroundings to determine the accuracy of any surveys and affidavits provided in connection with removal of standard exceptions. Any obvious discrepancies between any information provided to the agent and discovered by the agent during the course of their review should be accounted for prior to removing any standard exceptions.

Please contact WFG's underwriting counsel for Missouri if you have any questions regarding any of the above.

Qualified Survey: An as-built boundary line survey created by a licensed surveyor that discloses the boundary lines and any structures located on the property including encroachments. Lender location surveys and plat maps are not sufficient for this purpose. Any survey used for this purpose must be no less than six (6) months old and must be accompanied by a survey affidavit signed by the current owner indicating that there have been no changes with regard to any matters shown on the survey.

Qualified Affidavit: A standard affidavit that includes, at a minimum, all of the matters listed in a standard Seller's Affidavit for a sale or a standard Borrower's Affidavit for a refinance. This includes, at a minimum, a sworn statement by all of the current owners of the property that the property is free and clear of any liens other than those disclosed by the Commitment, that the property is in the full possession of the owners, that no construction has occurred on the property in the last six (6) months, and that the owners are not aware of any other encroachments, boundary line disputes, or claims to the property by any other parties other than those disclosed by the Commitment. In addition, the affidavit must include a statement that the affiants have the full authority and power to sell or encumber the property and that they are aware that the affidavit is being given to induce the agent and WFG to insure the transaction.

Standard Exceptions

1. Rights or claims of parties in possession not recorded in the Public Records.

Owner's Policies and Loan Policies (1-4 family residential): This exception may be removed from an Owner's Policy or Loan Policy upon obtaining a Qualified Affidavit.

2. Easements or claims of easements not recorded in the Public Records.

Owner's Policies and Loan Policies (1-4 family residential): This exception may be removed from an Owner's Policy of Loan Policy upon obtaining a Qualified Affidavit.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance that would be disclosed by an inspection or an accurate and complete land survey of the Land.

Owner's Policy (1-4 family residential): This exception may only be removed from an Owner's Policy if a Qualified Survey of the property is obtained. Any Qualified Survey used to remove this exception must then be "read into" the policy as an exception by identifying the title of the survey, name of the survey, date of survey, and any job number or other reference number used by the surveyor.

Loan Policies (1-4 family residential): This exception may be removed from a Loan Policy upon obtaining a Qualified Affidavit.

4. Any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land and not recorded in the Public Records.

Loan Policies (1-4 family residential): This exception may be removed from a Loan Policy upon obtaining a Qualified Affidavit. This may not be removed when insuring any construction loan or other loan being given for construction or renovation purposes. Any obvious indication that a property has recently been under construction or where construction is about to start will prohibit this exception from being removed without written permission from WFG underwriting.

5. Liens for real estate taxes, assessments and other charges imposed by a governmental authority that are not shown as existing liens by its records.

Owner's Policies and Loan Policies (1-4 family residential): This exception may be deleted upon making an inquiry of all governmental departments or other bodies that can levy taxes, assessments, or other charges and determining that either no amounts are currently owed or by paying off and bringing current any pending or outstanding charges as part of the insured transaction. Please note that Missouri law enables many municipal authorities to impose assessments that become liens from the date of assessment that do not need to be filed in the Public Records to become effective.

6. **(a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.**

This exception may not be deleted.

7. **Any Services, installation or connection charge for sewer, water or electricity.**

This exception may not be deleted.

8. **Any right, title, or interest in any minerals, mineral rights, or related matters, including but not limited to oil, gas, coal, and other hydrocarbons.**

Owner's Policies and Loan Policies (1-4 family residential): This exception may be only deleted with written approval of WFG underwriting. Depending on the location and type of real estate, the WFG may require an extended search of the Public Records dating back to a warranty deed for value recorded prior to 1850.