

**DELAWARE TITLE INSURANCE
RATING BUREAU**

RATING MANUAL

**EFFECTIVE AS AMENDED
THROUGH MARCH 1, 2006**

**MANUAL OF
DELAWARE TITLE INSURANCE
RATING BUREAU**

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NOTICE

**THIS RATE MANUAL HAS BEEN APPROVED BY
THE DELAWARE DEPARTMENT OF INSURANCE
AS AMENDED THROUGH MARCH 1, 2006**

**TITLE INSURANCE RATE MANUAL
STATE OF DELAWARE**

This Manual sets forth the definitions, general rules, rating systems, coverages, schedule of Rates and approved policy forms, endorsements and other forms for use by members of and subscribers to the Delaware Title Insurance Rating Bureau (“DTIRB”).

DTIRB is licensed by the Delaware Insurance Department pursuant to section 2511 of the Delaware Insurance Code, 18 Del. C.

This Manual and its contents have been filed with and approved by the Delaware Insurance Department. The provisions of this Manual are binding upon all members of and subscribers to DTIRB and their agents and must be used on and after the effective date hereof unless a specific deviation from this Manual has been filed by an individual member or subscriber company with and has been approved by the Delaware Insurance Department.

MEMBERS OF DTIRB AS OF THE EFFECTIVE DATE OF THIS MANUAL ARE:

Censtar Title Insurance Company
Chicago Title Insurance Company
Commonwealth Land Title Insurance Company
Conestoga Title Insurance Company
Fidelity National Title Insurance Company
First American Title Insurance Company
Investors Title Insurance Company
Lawyers Title Insurance Corporation
Old Republic National Title Insurance Company
Stewart Title Guaranty Company
T. A. Title Insurance Company
The Security Title Guarantee Corporation of Baltimore
Ticor Title Insurance Company
Transnation Title Insurance Company
United General Title Insurance Company

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1. DEFINITIONS

- 1.1 “Insured” is the party to whom coverage is extended by the terms of the policy.
- 1.2 “Insurer” is a title insurance company which is a member of or subscriber to DTIRB. Unless otherwise indicated, “Insurer” includes all who are expressly authorized to act on behalf of the Insurer, including its employees and Agents.
- 1.3 “Agent” is a person, firm, association, corporation, partnership, cooperative or joint stock company expressly authorized by written contract with an Insurer to solicit risks, collect fees, and may prepare Commitments and/or title insurance policies on its behalf and who is licensed by the Insurance Department of the State of Delaware (“Department”).
- 1.4 “Commitment”, as used herein, is the agreement of an Insurer to issue its policy or policies of title insurance to a proposed Insured, as owner or mortgagee of an estate or interest in the land described therein, all subject to the provisions set forth in the Schedules and Conditions and Stipulations of said Commitment.
- 1.5 “Rate(s)” for title insurance, as used herein, are for title insurance premiums related to coverage in policies and endorsements, and do not include charges for searches, abstracts, attorney’s fees, escrow or closing services or other services charged by attorneys, abstractors, etc. All premiums are filed and approved by the Department.

2. GENERAL RULES

- 2.1 All Rates for title insurance coverage provided by the approved policies and endorsements must be made as set forth in this Manual. The Rates herein quoted are for title insurance premium only and do not include charges for searches, abstracts, Commitments, attorney's fees, or settlement/closing fees. Nothing contained herein shall preclude either Insurer or Agent from imposing charges ancillary to the issuance of a title insurance policy.
- 2.2 Insurer, upon notification to its applicant, may decline to search, examine, issue its Commitment or insure any title, or to issue any endorsement to a policy. Insurer may, at any time, in its sole discretion, refuse an application or cancel any unclosed application of the applicant, without liability on the part of Insurer.
- 2.3 Nothing herein shall prohibit Insurer from charging additional Rates for affirmative risk coverage(s) not contained in this Manual. Agents are responsible for the filing of information about such Rates with the Insurer within 90 days after the policy becomes effective. The Insurer will provide information to DTIRB concerning such Rates for reporting to the Department.
- 2.4 Insurer may withhold delivery of the policy of title insurance and have no liability until all applicable Rates, set forth in this Manual, have been paid in full and all conditions of the Insurer's Commitment satisfied.
- 2.5 All Rates made pursuant to this Manual must be paid at the time of closing, unless otherwise agreed to by Insurer or as otherwise set forth in this Manual.
- 2.6 No policy, endorsement or other coverage may be issued which varies the terms, conditions, stipulations or exclusions of a policy unless first approved by the Department. Affirmative coverages will be given only by endorsement to the policy. Approved policies and endorsements are for use by members of and subscribers to DTIRB as set forth in Sections 4 and 5 of this Manual.
- 2.7 To compute any insurance premium on a fractional \$1,000.00 of insurance, consider any fraction of \$1,000.00 as a full \$1,000.00.

2.8 Sections 3.3 and 3.7 of this Manual provide that reduced rates are applicable when evidence of previous insurance is provided within a specified period of time. As evidence of previous insurance, an Insurer shall rely upon any of the following documents produced by or on behalf of the purchaser of the title insurance policy:

- (1) a copy of the prior policy;
- (2) a copy of the marked-up commitment; or
- (3) a settlement sheet showing payment of a title insurance premium.

2.9 A written notice must be provided to every purchaser of a title insurance policy prior to day of closing, which shall be signed by the purchaser of the title insurance policy, and shall include language substantially in the following form:

IF THIS CONVEYANCE OR REFINANCE OCCURS WITHIN FIVE YEARS OF PREVIOUS TITLE INSURANCE OF THE SAME PROPERTY, YOU WILL BE ENTITLED TO A REDUCED TITLE INSURANCE RATE IF THE INSURER IS PROVIDED AT OR PRIOR TO CLOSING WITH A COPY OF A:

- (A) PREVIOUS TITLE INSURANCE POLICY;
- (B) MARKED-UP TITLE INSURANCE COMMITMENT; OR
- (C) SETTLEMENT SHEET THAT EVIDENCES PAYMENT OF A TITLE INSURANCE PREMIUM.

3. POLICIES AND RATES

3.1 OWNER’S TITLE INSURANCE

- A. An owner’s policy issued at the time of the purchase of the property shall be based on the full consideration, which shall include the aggregate unpaid principal sum of any mortgage(s) or other liens, claims, taxes and any other municipal charge not being paid, and any amount in excess of the full consideration the purchaser may request.
- B. Where an owner desires that an owner’s policy be issued after acquisition of title, the Rate shall be based upon any amount the owner may request but not less than the present fair market value of the property as of the time the owner’s policy is issued.
- C. When the lender insured under a loan policy acquires title to the land by foreclosure or by voluntary conveyance in extinguishment of the debt and requests owner’s title insurance, such lender may be issued an owner’s policy and the applicable Rate shall be based upon the fair market value of the property at the time the owner’s policy is issued.

3.2 ORIGINAL TITLE INSURANCE RATES FOR OWNER’S POLICIES

The Rate for Original Owner’s Policy coverage shall be:

Minimum Rate	\$100.00
	Per Thousand
Up to \$100,000 of liability written	\$3.50
Over \$100,000 and up to \$1,000,000 add	\$3.00
Over \$1,000,000 and up to \$5,000,000 add	\$2.50
Over \$5,000,000 and up to \$10,000,000 add	\$1.75
Over \$10,000,000 and up to \$15,000,000 add	\$1.50
Over \$15,000,000 add	\$1.25

3.3 REISSUE TITLE INSURANCE RATES FOR OWNER'S POLICIES

The Rate for Reissue Owner's Policy coverage shall apply up to the liability amount of the previously issued title insurance policy by any company for the same property within five (5) years prior to the application for the new policy, provided there is evidence of previous insurance as set forth in Section 2.8. The Rate for Original Owner's Policy coverage would apply to that portion of the liability which exceeds the liability amount of the previously issued policy.

The Rate for Reissue Owner's Policy coverage shall be:

Minimum Rate	\$100.00
	Per Thousand
Up to \$100,000 of liability written	\$2.10
Over \$100,000 and up to \$1,000,000 add	\$1.80
Over \$1,000,000 and up to \$5,000,000 add	\$1.50
Over \$5,000,000 and up to \$10,000,000 add	\$1.05
Over \$10,000,000 and up to \$15,000,000 add	\$0.90
Over \$15,000,000 add	\$0.75

3.4 LEASEHOLD TITLE INSURANCE

When title insurance is issued for a leasehold estate by the issuance of an owner's policy and/or loan policy with ALTA Endorsement 13 and/or ALTA Endorsement 13.1 attached, the amount of insurance shall be equal to:

- (a) the aggregate of the total rentals payable under the lease; or
- (b) a reasonable statement of estimated rents on percentage leases as established to the satisfaction of the Insurer; or
- (c) the appraised value at the time of insuring the premises as established to the satisfaction of the Insurer; or
- (d) the land and total projected costs of such proposed improvements in the case of proposed construction; or
- (e) the purchase price of the estate when insuring an assignment of a leasehold estate, including all obligations assumed.

The Rate for the issuance of an owner’s policy with the ALTA 13 Leasehold Owner’s Endorsement attached and/or the issuance of a loan policy with the ALTA 13.1 Leasehold Loan Endorsement attached shall be the same Rate for the issuance of a policy insuring a fee simple estate under this Manual.

3.5 MORTGAGE TITLE INSURANCE

- A. A loan policy cannot be issued in an amount less than the full principal debt secured by real property unless it is issued in an amount equal to the fair market value of the real property securing the debt. A policy may be issued in an amount in excess of the debt where agreed to by the Insurer and the Insured.
- B. A loan policy insuring a mortgage on a loan which provides for negative amortization may not be issued in an amount less than the maximum principal amount (including interest which may be added to principal) which may be secured by such mortgage.
- C. When a loan policy insures a mortgage of real property, personal property and personal property affixed to the realty, the Rate shall be based on the amount of the mortgage loan attributable to real property and personal property affixed to the realty as certified by the mortgagee.

3.6 ORIGINAL TITLE INSURANCE RATES FOR LOAN POLICIES

The Rate for Original Loan Policy coverage shall be:

Minimum Rate	\$100.00
	Per Thousand
Up to \$100,000 of liability written	\$2.50
Over \$100,000 and up to \$1,000,000 add	\$2.00
Over \$1,000,000 and up to \$5,000,000 add	\$1.75
Over \$5,000,000 and up to \$10,000,000 add	\$1.50
Over \$10,000,000 and up to \$15,000,000 add	\$1.25
Over \$15,000,000 add	\$1.00

3.7 REISSUE TITLE INSURANCE RATES FOR LOAN POLICIES

The Rate for Reissue Loan Policy coverage shall apply up to the liability amount of the previously issued title insurance policy by any company for the same property within five (5) years prior to the application for the new loan policy, provided there is evidence of previous insurance as set forth in Section 2.8. The Rate for Original Loan Policy coverage would apply to that portion of the liability which exceeds the liability amount of the previously issued policy.

The Rate for Reissue Loan Policy coverage shall be:

Minimum Rate	\$100.00
	Per Thousand
Up to \$100,000 of liability written	\$1.50
Over \$100,000 and up to \$1, 000,000 add	\$1.20
Over \$1,000,000 and up to \$5,000,000 add	\$1.05
Over \$5,000,000 and up to \$10,000,000 add	\$0.90
Over \$10,000,000 and up to \$15,000,000 add	\$0.75
Over \$15,000,000 add	\$0.60

3.8 ALTA SHORT FORM RESIDENTIAL LOAN POLICY

This policy insures the lender making a mortgage loan on a one-to-four family residence or condominium unit. This policy is an abbreviated short form version of the current ALTA Loan Policy, incorporating all of the terms and provisions of the ALTA Loan Policy, which is designed to be delivered to the lender at closing, and therefore rated in the same manner as loan policies issued under Sections 3.6 and 3.7 of this Manual. This policy contains blanket exceptions to taxes, covenants and restrictions, easements, reservations of minerals or mineral rights, and offers certain affirmative assurances with respect to these exceptions desired by lenders, including certain affirmative assurances with respect to survey matters. This policy also includes an Addendum, which can be used to set forth additional exceptions or to limit the affirmative assurances. This policy is designed so that certain ALTA endorsement forms may be specified, and thus incorporated, by checking appropriate boxes, and charging the appropriate endorsement Rate(s) in accordance with this Manual.

3.9 ENHANCED COVERAGE RESIDENTIAL POLICIES

- A. The ALTA Homeowner's Policy of Title Insurance (For a One-to-Four Family Residence) (hereinafter the "Homeowner's Policy") provides coverage beyond that included in the ALTA Owner's Policy (10/17/92) and is often referred to as the "Enhanced Coverage Homeowner's Policy". The Homeowner's Policy may only be issued to a homeowner who will reside on a premises improved by a one-to-four family residence. The Rate for the Homeowner's Policy is the applicable Rate for the stated amount of insurance in Schedule A, together with an additional 20% Rate, which is to be calculated by applying that percentage to the applicable Rate.
- B. The ALTA Expanded Coverage Residential Loan Policy (For a One-to-Four Family Residence) (hereinafter the "Expanded Coverage Loan Policy") is the companion loan policy to the Homeowner's Policy. The Expanded Coverage Loan Policy incorporates the following endorsement coverages within its body by reference without the need to issue endorsements: ALTA Form 4.1, ALTA Form 5.1, ALTA Form 6, ALTA Form 6.2, ALTA Form 8.1, and ALTA Form 9. The Rate for the Expanded Coverage Loan Policy is the applicable Rate for the stated amount of insurance in Schedule A, together with an additional 20% Rate, which is to be calculated by applying that percentage to the applicable Rate. When this policy form is used, there can be no separate Rate for the endorsements described above.

3.10 ASSIGNMENT OF MORTGAGE

- A. When the mortgage being assigned was not previously insured, the Rate for a policy shall be based on the amount of the unpaid principal balance. There is no additional Rate when the mortgage or the assignment of mortgage is part of a single transaction being insured.
- B. When an assignee desires an endorsement to an existing policy changing the name of the Insured only and neither requires a change in the effective date of the policy nor requires that the assignment be included as an insured instrument, the Rate shall be \$25.00.
- C. When an Assignment is made of a mortgage which was previously insured by a title policy of the same Insurer, either a new policy or an endorsement to the existing policy shall be issued providing coverage through the recording date of the Assignment at the following Rate:

Minimum Rate	\$100.00
	Per Thousand
Up to \$100,000 of liability	\$1.00
Over \$100,000 and up to \$1, 000,000 add	\$0.50
Over \$1,000,000 and up to \$5,000,000 add	\$0.40
Over \$5,000,000 and up to \$10,000,000 add	\$0.25
Over \$10,000,000 and up to \$15,000,000 add	\$0.15
Over \$15,000,000 add	\$0.10

3.11 EXTENSION OR MODIFICATION OF AN INSURED MORTGAGE

When a mortgage which was previously insured by the same Insurer is to be amended by an extension or modification agreement, either an endorsement to the existing policy or a new policy may be issued which covers the recording date of the extension or modification agreement.

- A. The Rate for a new policy or endorsement to an existing policy issued in conjunction with an extension or modification agreement shall be calculated on the unpaid principal loan balance existing immediately prior to the extension or modification agreement in accordance with the following applicable Rate:

Minimum Rate	\$100.00
AGE OF EXISTING POLICY	RATE
Up to 5 years from original date of policy	50% of the Rate for Reissue Loan Policy Coverage

For any increase in the unpaid principal balance of the loan in connection with the extension or modification agreement, the Rate shall be calculated at the Rate for Original Loan Policy coverage.

- B. If no Owner's Policy is being purchased and an extension or modification of an insured construction mortgage results in the addition of new property(ies) within the same subdivision (but not an increase in the original principal amount of the mortgage), the Rate for a new policy or endorsement to an existing policy issued in conjunction with such extension or modification agreement shall be calculated on the then current fair market value of the unimproved new property(ies) in accordance with the following applicable Rate:

Minimum Rate	\$100.00
Age of Existing Loan	Per Thousand
Up to 5 years from original date of policy	\$0.25

3.12 SIMULTANEOUS ISSUE

A. Owner's and Loan Policy

When an owner's and a loan policy are issued simultaneously and insuring the identical real property, the Rate for the loan policy will be \$25.00 for the amount of insurance not in excess of the liability amount on the owner's policy. The Rate applied for loan policy liability amounts in excess of the owner's policy shall be the Rate for Original Loan Policy coverage.

B. Owner's Policies – Fee Simple, Contract Purchaser and/or Leasehold Estates

When owner's policies insuring fee simple, contract purchaser and/or leasehold estates covering identical land are to be issued simultaneously, the Rate for the owner's policy insuring the contract purchaser or leasehold estate will be thirty percent (30%) of the applicable Rate for the owner's policy insuring the fee simple estate, plus a \$25.00 simultaneous issue Rate. For contract purchaser or leasehold amounts in excess of the owner's policy amount insuring the fee simple estate, the Rate applied shall be the Rate for Original Owner's Policy coverage.

C. Multiple Loan Policies

When separate loan policies are issued simultaneously insuring two or more mortgages on the same property, the applicable Rate shall be based on the aggregate liability of the loan policies, plus a \$25.00 simultaneous issue Rate for each policy after the first.

D. Enhanced Coverage Residential Policies

When the ALTA Homeowner's Policy and the Expanded Coverage Loan Policy are simultaneously issued on the same property, they shall be treated as a single policy and the Rate shall be based on the policy with the highest limits, together with an additional 20% Rate to be calculated by applying that percentage to the applicable Rate, and a \$25.00 simultaneous issue Rate.

E. 1992 ALTA Owner's Policy and ALTA Expanded Coverage Loan Policy

When the 1992 ALTA Owner's Policy is issued simultaneously with the Expanded Coverage Loan Policy, the additional 20% Rate shall be based on the loan policy liability amount, and a \$25.00 simultaneous issue Rate.

F. ALTA Homeowner's Policy and 1992 ALTA Loan Policy

When the ALTA Homeowner's Policy is issued simultaneously with a 1992 ALTA Loan Policy, the additional 20% Rate shall be based on the owner's policy liability amount, plus a \$25.00 simultaneous issue Rate.

3.13 ACQUISITION BY STATE OF DELAWARE OR ANY OF ITS POLITICAL SUBDIVISIONS

When the State of Delaware or any of its departments, agencies or political subdivisions undertakes any project involving the acquisition of real estate, the Rate to be applied for title insurance may be the subject of competitive bidding or a negotiated agreement without regard to the Rates established by this Manual. In no case shall such Rate exceed the Rates established by this Manual.

3.14 UNITED STATES GOVERNMENT ACQUISITIONS

When the United States Government undertakes any project involving the acquisition of real estate by one of its departments or agencies, including the Postal Service, the Rate to be applied for title insurance may be the subject of competitive bidding or a negotiated agreement without regard to the Rates established by this Manual. In no case shall such Rate exceed the Rates established by this Manual.

3.15 CHARITABLE OR EDUCATIONAL ACQUISITIONS OR FINANCING

When a charitable or educational entity, which is entitled to the benefits of Section 501(c) or (d) of the Internal Revenue Code of 1954, as amended, undertakes any project involving the acquisition of real estate, the Rate to be applied for title insurance may be the subject of competitive bidding or a negotiated agreement without regard to the Rates established by this Manual. In no case shall such Rate exceed the Rates established by this Manual.

4. ENDORSEMENTS AND RATES

The Rate for an endorsement set forth in this Manual shall be charged each time an endorsement is attached to a policy regardless of the number of policies issued in a particular transaction; provided, however, the Rate for endorsements priced as a percentage shall only be made once in transactions where multiple loan policies are issued in accordance with Manual Section 3.12 C.

- ACCESS AND ENTRY ENDORSEMENT (DIRECT)
(ALTA ENDORSEMENT 17) DTIRB-35 (03/01/2006)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to vehicular and pedestrian access to the insured property. The Rate for this endorsement is \$50.00.

- ACCESS AND ENTRY ENDORSEMENT (INDIRECT)
(ALTA ENDORSEMENT 17.1) DTIRB-36 (03/01/2006)

Owner's and/or Loan Policy

This endorsement provides coverage for vehicular and pedestrian access indirectly to the insured property. The Rate for this endorsement is \$135.

- BALLOON (FNMA) ENDORSEMENT
DTIRB-01(02/01/2004)

Loan Policy Only

This endorsement insures a lender against the invalidity or unenforceability or loss of priority of the insured mortgage resulting from provisions which provide for a conditional right to refinance and a change in the rate of interest as set forth in the mortgage. The Rate for this endorsement is \$50.00.

- CONDOMINIUM ENDORSEMENT
(ALTA ENDORSEMENT 4.1) DTIRB-02 (02/01/2004)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Condominium Regime and Documentation, when affixed to a policy in which the insured land is a condominium unit together with its percentage interest in the common elements. The Rate for this endorsement is \$50.00.

- CONTIGUITY ENDORSEMENT
(ALTA ENDORSEMENT 19 as modified by DTIRB) DTIRB-39 (03/01/2006)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of the insured premises. The Rate for this endorsement is \$50.00.

- CREDITORS' RIGHTS ENDORSEMENT
(ALTA ENDORSEMENT 21) DTIRB-41 (03/01/2006)

Owner's and/or Loan Policy

This endorsement is designed to eliminate the creditors' rights exclusion contained in the 1992 ALTA Owner's Policy and/or the 1992 ALTA Loan Policy. The Rate for this endorsement is \$50.00.

- ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT
(ALTA ENDORSEMENT 8.1) DTIRB-05 (02/01/2004)

Loan Policy Only (Primarily Residential Property)

This endorsement provides coverage to a lender by insuring the lien priority of the insured mortgage over those environmental protection liens recorded in the land records except with respect to environmental protection liens provided for by certain statutes identified in the endorsement. The Rate for this endorsement is \$50.00.

- ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT - NON-RESIDENTIAL
DTIRB-06 (02/01/2004)

Loan Policy Only

This endorsement is the same as the ALTA Endorsement 8.1, except it has been modified so it can be issued with policies insuring all types of property including commercial, industrial and unimproved land. The Rate for this endorsement shall be \$50.00 on each loan policy issued.

- FAIRWAY ENDORSEMENT - PARTNERSHIP
DTIRB-07 (02/01/2004)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability under the policy by reason of partners changing in a partnership. The Rate for this endorsement is \$500.00.

- FAIRWAY ENDORSEMENT – LIMITED LIABILITY COMPANY
DTIRB-08 (02/01/2004)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability under the policy by reason of members changing in a limited liability company. The Rate for this endorsement is \$500.00.

- FIRST LOSS - MULTIPLE PARCEL TRANSACTIONS - ENDORSEMENT
(ALTA ENDORSEMENT 20) DTIRB-40 (03/01/2006)

Loan Policy Only

This endorsement provides, under certain conditions, that the amount which the insurer shall be liable to pay under the policy shall be determined without requiring maturity of the indebtedness by acceleration or otherwise. The Rate for this endorsement is 10% of the applicable original or reissue Rate with a minimum Rate of \$75.00.

- FUTURE ADVANCE - LETTER OF CREDIT - ENDORSEMENT
(ALTA ENDORSEMENT 14.2) DTIRB-30 (03/01/2006)

Loan Policy Only

This endorsement provides limited insurance for loan advances made pursuant to a letter of credit, surety agreement or reimbursement agreement. The Rate for this endorsement is \$50.00.

- FUTURE ADVANCE - PRIORITY - ENDORSEMENT
(ALTA ENDORSEMENT 14) DTIRB-29 (03/01/2006)

Loan Policy Only

This endorsement provides limited insurance that loan advances made subsequent to the date of policy will maintain the same priority as advances that were made as of the date of the policy. The Rate for this endorsement is \$50.00.

- GENERAL ENDORSEMENT
DTIRB-10 (02/01/2004)

Owner's Policy and/or Loan Policy

This endorsement is to be used only for purposes of correcting and/or amending previously issued policies or for granting affirmative coverage not otherwise covered by the other endorsements set forth in this Manual.

This endorsement may not be used to provide the following coverages: Truth-in-Lending; Doing Business; Usury; Tie-In Interstate; or Subdivision.

- INTER VIVOS TRUST ENDORSEMENT
DTIRB-11 (02/01/2004)

Owner's Policy Only

This endorsement expands the definition of "Insured" in the Policy to include trustees under an inter vivos trust subject to certain conditions identified in the endorsement. The Rate for this endorsement is \$125.00.

- LAST DOLLAR ENDORSEMENT
DTIRB-12 (02/01/2004)

Loan Policy Only

This endorsement provides that if the insured lender applies all payments by the mortgagors to the release of security other than the land insured under the policy (as shown on Schedule A), until such time as the aggregate principal indebtedness is reduced to the amount of the policy, coverage under the policy will not be reduced by such payment. The Rate for this endorsement shall be 10% of the applicable original or reissue Rate with a minimum Rate of \$75.00.

- LEASEHOLD OWNER'S ENDORSEMENT
(ALTA ENDORSEMENT 13) DTIRB-13 (02/01/2004)

Owner's Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Owner's Policy (10/17/92). The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the policy and the items covered by the issuance of the endorsement. The Rate for the issuance of the endorsement, together with the ALTA Owner's Policy (10/17/92), is set forth in Section 3.4 of this Manual.

- LEASEHOLD LOAN ENDORSEMENT
(ALTA ENDORSEMENT 13.1) DTIRB-14 (02/01/2004)

Loan Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Loan Policy (10/17/92). The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the policy and the items covered by the issuance of the endorsement. The Rate for the issuance of the endorsement, together with the ALTA Loan Policy (10/17/92), is set forth in Section 3.4 of this Manual.

- MANUFACTURED HOUSING UNIT ENDORSEMENT
(ALTA ENDORSEMENT 7) DTIRB-15 (02/01/2004)

Owner's Policy and/or Loan Policy

This endorsement amends the definition of "land" in the policy to include a manufactured housing unit located on the land on the date of the policy. The Rate for this endorsement is \$50.00.

- MEZZANINE FINANCING ENDORSEMENT
(ALTA ENDORSEMENT 16) DTIRB-34 (03/01/2006)

Owner's Policy Only

This endorsement provides certain coverages to a mezzanine lender under an Owner's Policy. The Rate for this endorsement is 20% of the applicable original or reissue rate, with a minimum Rate of \$135.

- MORTGAGE MODIFICATION ENDORSEMENT
(ALTA ENDORSEMENT 11 as modified by DTIRB) DTIRB-28 (03/01/2006)

Loan Policy Only

This endorsement insures against loss arising from the invalidity of the lien of the insured mortgage resulting from modification of the insured mortgage. The Rate for the endorsement is set forth in Section 3.11 of this Manual.

- MULTIPLE TAX PARCEL ENDORSEMENT
(ALTA ENDORSEMENT 18.1 as modified by DTIRB) DTIRB-38 (03/01/2006)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as multiple tax parcels. The Rate for this endorsement is \$135.00.

- NON-IMPUTATION - ADDITIONAL INSURED - ENDORSEMENT
(ALTA ENDORSEMENT 15.1) DTIRB-32 (03/01/2006)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (additional insureds) as a result of the Insured having knowledge imputed to it in partnership, corporate or limited liability company transactions. This endorsement may be issued subsequent to the issuance of the Owner's Policy. The Rate for this endorsement is 20% of the applicable original or reissue Rate, with a minimum Rate of \$135.00.

- NON-IMPUTATION - FULL EQUITY TRANSFER - ENDORSEMENT
(ALTA ENDORSEMENT 15) DTIRB-31 (03/01/2006)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a full equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate or limited liability company transactions. This endorsement may only be issued with a simultaneously issued Owner's Policy. The Rate for this endorsement is 20% of the applicable original or reissue Rate, with a minimum Rate of \$135.00.

- NON-IMPUTATION - PARTIAL EQUITY TRANSFER - ENDORSEMENT
(ALTA ENDORSEMENT 15.2) DTIRB-33 (03/01/2006)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a partial equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate or limited liability company transactions. This endorsement may only be issued with a simultaneously issued Owner's Policy. The Rate for the endorsement is 20% of the applicable original or reissue Rate, with a minimum Rate of \$135.00.

- PLANNED UNIT DEVELOPMENT ENDORSEMENT
(ALTA ENDORSEMENT 5.1) DTIRB-17 (02/01/2004)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Planned Unit Development Regime and Documentation, when affixed to a policy in which the insured land is a Planned Unit Development. The Rate for this endorsement is \$50.00.

- RESTRICTIONS, ENCROACHMENTS & MINERALS ENDORSEMENT
(ALTA ENDORSEMENT 9) DTIRB-18 (02/01/2004)

Loan Policy Only

This endorsement offers the lender a variety of additional affirmative coverages, including, but not limited to, insurance that there are no covenants, conditions or restrictions under which the lien of the mortgage can be divested, subordinated or extinguished, or its validity, priority or enforceability impaired; insurance against present violations of covenants, conditions or restrictions; and insurance against encroachments and against damage to existing improvements which encroach upon easement areas or damage resulting from the right to use the surface of the land for the extraction of minerals. The Rate for this endorsement is \$50 when issued on a one-to-four family dwelling; when issued in connection with other property the Rate is 10% of the applicable original or reissue Rate with a minimum Rate of \$75.00.

- RESTRICTIONS, ENCROACHMENTS & MINERALS ENDORSEMENT
(ALTA ENDORSEMENT 9.1) DTIRB-19 (02/01/2004)

Owner's Policy Only – Unimproved Land

This endorsement offers the Insured a variety of additional affirmative coverages, including, but not limited to, insurance that there are no present violations on the land of covenants, conditions, restrictions or statutory setback requirements; insurance that there are no encroachments onto the land from adjoining land; insurance that there are no notices of environmental violation recorded; and insurance against damage to buildings constructed on the land after the date of the policy from the exercise of the right to extract or develop minerals. The Rate for the endorsement is 10% of the applicable original or reissue Rate, with a minimum Rate of \$75.00.

- RESTRICTIONS, ENCROACHMENTS & MINERALS
(ALTA ENDORSEMENT 9.2) DTIRB-20 (02/01/2004)

Owner's Policy Only – Improved Land

This endorsement offers the Insured a variety of additional affirmative coverages, including, but not limited to, insurance that there are no present violations on the land of covenants, conditions, restrictions or statutory setback requirements; insurance that there are no encroachments onto the land from adjoining land; insurance that there are no notices of environmental violation recorded; and insurance against damage to existing buildings resulting from the exercise of a right of easement or a right to extract or develop minerals. The Rate for the endorsement is 10% of the applicable original or reissue Rate, with a minimum Rate of \$75.00.

- REVERSE ANNUITY MORTGAGE ENDORSEMENT
DTIRB-42 (03/01/2006)

Loan Policy Only

This endorsement provides coverage to a lender in conjunction with a reverse annuity mortgage. The Rate for the endorsement is \$50.00.

- SINGLE TAX PARCEL ENDORSEMENT
(ALTA ENDORSEMENT 18) DTIRB-37 (03/01/2006)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as a single tax parcel. The Rate for the endorsement is \$50.00.

- TIE-IN ENDORSEMENT (INTRASTATE ONLY)
(ALTA Endorsement 12) DTIRB-22 (02/01/2004)

Loan Policy Only

This endorsement may be issued when the contemplated indebtedness is secured by multiple mortgages which are insured by multiple policies. This endorsement allows the cumulative liabilities of the various policies to be tied together and be available to any one or more properties for any given loss. This endorsement may only be used to tie-in policies of Insurer covering Delaware property. The Rate for this endorsement shall be \$50.00.

- VARIABLE RATE INTEREST ENDORSEMENT
(ALTA ENDORSEMENT 6) DTIRB-23 (02/01/2004)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms. The Rate for this endorsement is \$50.00.

- VARIABLE RATE - NEGATIVE AMORTIZATION ENDORSEMENT
(ALTA ENDORSEMENT 6.2) DTIRB-24 (02/01/2004)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms, including negative amortization. The Rate for this endorsement is \$50.00.

- WAIVER OF ARBITRATION ENDORSEMENT
DTIRB-25 (02/01/2004)

Loan Policy Only

This endorsement amends the 1992 ALTA Loan Policy by deleting Paragraph 13 of the Conditions and Stipulations Section of the policy, relating to arbitration. The Rate for this endorsement is \$50.00.

- ZONING ENDORSEMENT - UNIMPROVED LAND
(ALTA ENDORSEMENT 3) DTIRB-26 (02/01/2004)

Owner's or Loan Policy

This endorsement provides limited insurance concerning zoning matters applicable to the land which is unimproved at the date of the policy. The Rate for this endorsement shall be 25% of the applicable Rate with a minimum Rate of \$135.

- ZONING ENDORSEMENT - IMPROVED LAND
(ALTA ENDORSEMENT 3.1) DTIRB-27 (02/01/2004)

Owner's or Loan Policy

This endorsement provides limited insurance concerning zoning matters applicable to the land which is improved at the date of the policy. The Rate for this endorsement shall be 25% of the applicable Rate with a minimum Rate of \$135.

5. APPROVED POLICY FORMS

- ALTA Owner's Policy (10/17/92)
- ALTA Loan Policy (10/17/92)
- ALTA U.S. Policy (9/28/91)
- ALTA Short Form Residential Loan Policy (10/21/00)
- ALTA Homeowner's Policy of Title Insurance (For a One-to-Four Family Residence)
(10/17/98) - as revised by DTIRB
- ALTA Expanded Coverage Residential Loan Policy (For a One-to-Four Family Residence)
(10/13/01) - as revised by DTIRB

6. APPROVED ENDORSEMENT FORMS

- Access and Entry Endorsement (Direct) - Owner's and/or Loan Policy
(ALTA Endorsement 17) DTIRB-35 (03/01/2006)
- Access and Entry Endorsement (Indirect) - Owner's and/or Loan Policy
(ALTA Endorsement 17.1) DTIRB-36 (03/01/2006)
- Balloon (FNMA) Endorsement - Loan Policy
DTIRB-01 (02/01/2004)
- Condominium Endorsement - Owner's and/or Loan Policy
(ALTA Endorsement 4.1) DTIRB-02 (02/01/2004)
- Contiguity Endorsement - Owner's and/or Loan Policy
(ALTA Endorsement 19) DTIRB-39 (03/01/2006)
- Creditors' Rights Endorsement - Owner's and/or Loan Policy
(ALTA Endorsement 21) DTIRB-41 (03/01/2006)
- Environmental Protection Lien Endorsement – Loan Policy
(ALTA Endorsement 8.1) DTIRB-05 (02/01/2004)
- Environmental Protection Lien Endorsement – Non Residential – Loan Policy
DTIRB-06 (02/01/2004)
- Fairway Endorsement – Partnership - Owner's Policy
DTIRB-07 (02/01/2004)
- Fairway Endorsement – Limited Liability Company – Owner's Policy
DTIRB-08 (02/01/2004)
- First Loss - Multiple Parcel - Endorsement – Loan Policy
(ALTA Endorsement 20) DTIRB-40 (03/01/2006)
- Future Advance - Letter of Credit - Endorsement - Loan Policy
(ALTA Endorsement 14.2) DTIRB-30 (03/01/2006)
- Future Advance - Priority - Endorsement - Loan Policy
(ALTA Endorsement 14) DTIRB-29 (03/01/2006)
- General Endorsement – Owner's and/or Loan Policy
DTIRB-10 (02/01/2004)

- Inter Vivos Trust Endorsement – Owner’s Policy
DTIRB-11 (02/01/2004)
- Last Dollar Endorsement – Loan Policy
DTIRB-12 (02/01/2004)
- Leasehold Owner’s Endorsement
(ALTA Endorsement 13) DTIRB-13 (02/01/2004)
- Leasehold Loan Endorsement
(ALTA Endorsement 13.1) DTIRB-14 (02/01/2004)
- Manufactured Housing Unit Endorsement – Owner’s and/or Loan Policy
(ALTA Endorsement 7) DTIRB-15 (02/01/2004)
- Mezzanine Financing Endorsement - Owner’s Policy
(ALTA Endorsement 16) DTIRB-34 (03/01/2006)
- Mortgage Modification Endorsement - Loan Policy
(ALTA Endorsement 11 as modified by DTIRB) DTIRB-28 (03/01/2006)
- Multiple Tax Parcel Endorsement - Owner’s and/or Loan Policy
(ALTA Endorsement 18.1 as modified by DTIRB) DTIRB-38 (03/01/2006)
- Non-Imputation - Additional Insured - Endorsement - Owner’s Policy
(ALTA Endorsement 15.1) DTIRB-32 (03/01/2006)
- Non-Imputation - Full Equity Transfer - Endorsement - Owner’s Policy
(ALTA Endorsement 15) DTIRB-31 (03/01/2006)
- Non-Imputation - Partial Equity Transfer - Endorsement - Owner’s Policy
(ALTA Endorsement 15.2) DTIRB-33 (03/01/2006)
- Planned Unit Development Endorsement – Owner’s and/or Loan Policy
(ALTA Endorsement 5.1) DTIRB-17 (02/01/2004)
- Restrictions, Encroachments & Minerals Endorsement – Loan Policy
(ALTA Endorsement 9) DTIRB-18 (02/01/2004)
- Restrictions, Encroachments & Minerals Endorsement – Owner’s Policy – Unimproved
Land (ALTA Endorsement 9.1) DTIRB-19 (02/01/2004)

- Restrictions, Encroachments & Minerals Endorsement – Owner’s Policy – Improved Land (ALTA Endorsement 9.2) DTIRB-20 (02/01/2004)
- Reverse Annuity Mortgage Endorsement - Loan Policy DTIRB-42 (03/01/2006)
- Single Tax Parcel Endorsement - Owner’s and/or Loan Policy (ALTA Endorsement 18) DTIRB-37 (03/01/2006)
- Tie-In Endorsement (Intrastate Only) – Loan Policy (ALTA Endorsement 12) DTIRB-22 (02/01/2004)
- Variable Rate Interest Endorsement – Loan Policy (ALTA Endorsement 6) DTIRB-23 (02/01/2004)
- Variable Rate – Negative Amortization Endorsement – Loan Policy (ALTA Endorsement 6.2) DTIRB-24 (02/01/2004)
- Waiver of Arbitration Endorsement – Loan Policy DTIRB-25 (02/01/2004)
- Zoning Endorsement – Unimproved Land – Owner’s or Loan Policy (ALTA Endorsement 3) DTIRB-26 (02/01/2004)
- Zoning Endorsement – Improved Land – Owner’s or Loan Policy (ALTA Endorsement 3.1) DTIRB-27 (02/01/2004)

POLICY OF TITLE INSURANCE

Issued by

BLANK TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, BLANK TITLE INSURANCE COMPANY, a Blank corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.
[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY: _____
PRESIDENT

BY: _____
SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SCHEDULE B

[File No.] Policy No.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1.

[POLICY MAY INCLUDE REGIONAL EXCEPTIONS IF SO

2.

DESIRED BY ISSUING COMPANY]

[VARIABLE EXCEPTIONS SUCH AS TAXES, EASEMENTS, CC & Rs, ETC.]

3.

4.

CONDITIONS AND STIPULATIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule [A][C], and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule [A][C], nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy

unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as

confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

- (i) To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.
- (ii) Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

- (i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or
- (ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

- (i) the Amount of Insurance stated in Schedule A; or,
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule [A][C] consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at (fill in).

NOTE: Bracketed [] material optional

POLICY OF TITLE INSURANCE

Issued by

BLANK TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, BLANK TITLE INSURANCE COMPANY, a Blank corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
 - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
 - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY: _____
PRESIDENT

BY: _____
SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

- (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
- (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
- (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SCHEDULE A

[File No.]]

Policy No.

Amount of Insurance \$

[Premium \$]

a.m.

Date of Policy_____

[at p.m.]

1. Name of Insured:

2. The estate or interest in the land which is encumbered by the insured mortgage is:

3. Title to the estate or interest in the land is vested in:

4. The insured mortgage and assignments thereof, if any, are described as follows:

[5. The land referred to in this policy is described as follows:]

If Paragraph 5 is omitted, a Schedule C, captioned the same as Paragraph 5, must be used.

SCHEDULE B

[File No.] Policy No.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

PART I

1.

[POLICY MAY INCLUDE REGIONAL EXCEPTIONS IF SO

2.

DESIRED BY ISSUING COMPANY]

[VARIABLE EXCEPTIONS SUCH AS TAXES, EASEMENTS, CC & Rs, ETC.]

3.

4.

Note: If there are matters which affect the title to the estate or interest in the land described in Schedule [A][C], but which are subordinate to the lien of the insured mortgage, Part II of Schedule B must be added, or Part I of Schedule B must contain the following statement:

"Matters which affect the title to the estate or interest, but which are subordinate to the lien of the insured mortgage"

PART II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule [A][C] is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate or interest:

CONDITIONS AND STIPULATIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A. The term "insured" also includes
 - (i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);
 - (ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;
 - (iii) the parties designated in Section 2(a) of these Conditions and Stipulations.
- (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.
- (d) "land": the land described or referred to in Schedule [A][C], and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule [A][C], nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

- (a) **After Acquisition of Title.** The coverage of this policy shall continue in force as of Date of Policy in favor of (i) an insured who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest

pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) After Conveyance of Title. The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

(c) Amount of Insurance. The amount of insurance after the acquisition or after the conveyance shall in neither event exceed the least of:

(i) the Amount of Insurance stated in Schedule A;

(ii) the amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) the amount paid by any governmental agency or governmental instrumentality, if the agency or instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

- (i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of either of the options provided for in paragraphs a(i) or (ii), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2 (c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. However, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of the insurance afforded under this policy except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company except as provided in Section 2(a) of these Conditions and Stipulations.

10. LIABILITY NONCUMULATIVE.

If the insured acquires title to the estate or interest in satisfaction of the indebtedness secured by the insured mortgage, or any part thereof, it is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy.

11. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction

of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

(b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by the insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of the insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy. The Company's right of subrogation shall not be avoided by acquisition of the insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of

\$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. SEVERABILITY.

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at (fill in).

NOTE: Bracketed [] material option

UNITED STATES OF AMERICA
POLICY OF TITLE INSURANCE

Issued by

BLANK TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, BLANK TITLE INSURANCE COMPANY, a Blank corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.
5. In instances where the insured acquires title to the land by condemnation, failure of the commitment for title insurance, as updated to the date of the filing of the *lis pendens* notice or the Declaration of Taking, to disclose the parties having an interest in the land as disclosed by the public records.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

BLANK TITLE INSURANCE COMPANY

By: _____
PRESIDENT

By: _____
SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under the policy;
 - (c) resulting in no loss or damage to the insured claimant; or
 - (d) attaching or created subsequent to Date of Policy.
4. This policy does not insure against the invalidity or insufficiency of any condemnation proceeding instituted by the United States of America, except to the extent set forth in insuring provision 5.

SCHEDULE A

[File No.] Policy No.

Amount of Insurance \$

[Premium \$]

a.m.

Date of Policy _____

[at p.m.]

1. Name of Insured:

2. The estate or interest in the land which is covered by this policy is:

3. Title to the estate or interest in the land is vested in:

[4. The land referred to in this policy is described as follows:]

If Paragraph 4 is omitted, a Schedule C, captioned the same as Paragraph 4, must be used.

CONDITIONS AND STIPULATIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule [A][C], and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule [A][C], nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(e) Notwithstanding Conditions and Stipulations Section 4(a-d), the Attorney General of the United States shall have the sole right to authorize or to undertake the defense of any matter which would constitute a claim under the policy, and the Company may not represent the insured without authorization. If the Attorney General elects to defend at the Government's expense, the Company shall, upon request, cooperate and render all reasonable assistance in the prosecution or defense of the proceeding and in prosecuting any related appeals. If the Attorney General shall fail to authorize and permit the Company to defend, all liability of the Company with respect to that claim shall terminate; provided, however, that if the Attorney General shall give the Company timely notice of all proceedings and an opportunity to suggest defenses and actions as it shall recommend should be taken, and the Attorney General shall present the defenses and take the actions of which the Company shall advise the Attorney General in writing, the liability of the Company shall continue and, in any event, the Company shall cooperate and render all reasonable assistance in the prosecution or defense of the claim and any related appeals.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured

under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Unless prohibited by law or governmental regulation, failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) Subject to the prior written approval of the Attorney General, to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs 6(b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation. Failure of the Attorney General to give the approval called for in 6(b)(i) shall not prejudice the rights of the insured unless the Company is prejudiced thereby, and then only to the extent of the prejudice.

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the

insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule [A][C] consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy or an accurate facsimile for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

(c) No Subrogation to the Rights of the United States.

Notwithstanding the provisions of Conditions and Stipulations Section 13(a) and(b), whenever the Company shall have settled and paid a claim under this policy, the Company shall not be subrogated to the rights of the United States. The Attorney General may elect to pursue any additional remedies which may exist, and the Company may be consulted. If the Company agrees in writing to reimburse the United States for all costs, attorneys' fees and expenses, to the extent that funds are recovered they shall be applied first to reimbursing the Company for the amount paid to satisfy the claim, and then to the United States.

14. ARBITRATION ONLY BY AGREEMENT.

Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters shall be arbitrated only when agreed to by both the Company and the Insured.

The law of the United States, or if there be no applicable federal law, the law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at (fill in).

NOTE: Bracketed [] material optional

SHORT FORM RESIDENTIAL

LOAN POLICY -- ONE-TO-FOUR FAMILY
Issued by
BLANK TITLE INSURANCE COMPANY

SCHEDULE A

Amount of Insurance: [Premium:]

[File Number:] Mortgage Amount: Policy Number:
Loan Number: Mortgage Date: Date of Policy: or date of recording of insured mortgage, whichever is later.

Name of Insured:
Name of Borrower(s):
Property Address:
County and State:

The estate or interest in the land identified in this Schedule A and which is encumbered by the insured mortgage is fee simple and is at Date of Policy vested in the borrower(s) shown in the insured mortgage and named above.

The land referred to in this policy is described as set forth in the insured mortgage and is identified as the property address shown above.

This policy consists of [one] page[, including the reverse side hereof,] unless an addendum is attached and indicated below:

Addendum attached No addendum attached

The ALTA endorsements indicated below are incorporated herein:

- ENDORSEMENT 4.1 (Condominium)
- ENDORSEMENT 5.1 (Planned Unit Development)
- ENDORSEMENT 6 (Variable Rate)
- ENDORSEMENT 6.2 (Variable Rate--Negative Amortization)
- ENDORSEMENT 7 (Manufactured Housing Unit)
- ENDORSEMENT 8.1 (Environmental Protection Lien) referring to the following state statute(s):

ENDORSEMENT 9 (Restrictions, Encroachments, Minerals)

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY: _____
PRESIDENT

BY: _____
SECRETARY

[bracketed material optional]

SUBJECT TO THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B BELOW, AND ANY ADDENDUM ATTACHED HERETO, BLANK TITLE INSURANCE COMPANY, A _____ CORPORATION, HEREIN CALLED THE "COMPANY," HEREBY INSURES THE INSURED IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, EXCLUSIONS, CONDITIONS AND STIPULATIONS SET FORTH IN THE AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92), ALL OF WHICH ARE INCORPORATED HEREIN. ALL REFERENCES TO SCHEDULES A AND B SHALL REFER TO SCHEDULES A AND B OF THIS POLICY.

SCHEDULE B

EXCEPTIONS FROM COVERAGE AND
AFFIRMATIVE ASSURANCES

Except to the extent of the affirmative insurance set forth below, this policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Those taxes and special assessments which become due and payable subsequent to Date of Policy.
2. Covenants, conditions and restrictions, if any, appearing in the public records; however, this policy insures against loss or damage arising from:
 - a. the violation of any covenants, conditions and restrictions on or prior to Date of Policy, except that this affirmative insurance does not extend to covenants, conditions and restrictions relating to environmental protection, unless a notice of a violation thereof has been recorded or filed in the public records and is not referenced in an addendum attached to this policy;
 - b. a forfeiture or reversion of title from a future violation of any covenants, conditions and restrictions appearing in the public records, including any relating to environmental protection; and
 - c. any provisions in any covenants, conditions and restrictions under which the lien of the insured mortgage can be extinguished, subordinated or impaired.
3. Any easements or servitudes appearing in the public records; however, this policy insures against loss or damage arising from (a) the encroachment, at Date of Policy, of the improvements on any easement; and (b) any interference with or damage to existing improvements, including lawns, shrubbery and trees, resulting from the use of the easements for the purposes granted or reserved.
4. Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records; however, this policy insures against loss or damage arising from: (a) any affect on or impairment of the use of the land for residential one-to-four family dwelling purposes by reason of such lease, grant, exception or reservation of minerals or mineral rights; and (b) any damage to existing improvements, including lawns, shrubbery and trees, resulting from the future exercise of any right to use the surface of the land for the extraction or development of the minerals or mineral rights so leased, granted, excepted or reserved. Nothing herein shall insure against loss or damage resulting from subsidence.
5. This policy insures against loss or damage by reason of any violation, variation, encroachment or adverse circumstance affecting the title that would have been disclosed by an accurate survey. The term "encroachment" includes encroachments of existing improvements located on the land onto adjoining land, and encroachments onto the land of existing improvements located on adjoining land.

ADDENDUM TO SHORT FORM
RESIDENTIAL LOAN POLICY

[File Number:

] Addendum to Policy Number:

SCHEDULE B (Continued)

IN ADDITION TO THE MATTERS SET FORTH ON SCHEDULE B OF THE POLICY TO WHICH THIS
ADDENDUM IS ATTACHED, THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE BY REASON OF
THE FOLLOWING:

BLANK TITLE INSURANCE COMPANY
HOMEOWNER'S POLICY OF TITLE INSURANCE
FOR A ONE-TO-FOUR FAMILY RESIDENCE

OWNER'S INFORMATION SHEET

Your Title Insurance Policy is a legal contract between You and Us.

It applies only to a one-to-four family residence and only if each insured named in Schedule A is a Natural Person. If the Land described in Schedule A of the Policy is not an improved residential lot on which there is located a one-to-four family residence, or if each insured named in Schedule A is not a Natural Person, contact Us immediately.

The Policy insures You against actual loss resulting from certain Covered Risks. These Covered Risks are listed beginning on page ___ of the Policy. The Policy is limited by:

- Provisions of Schedule A
- Exceptions in Schedule B
- Our Duty To Defend Against Legal Actions On Page _____
- Exclusions on page ___
- Conditions on pages ___ and ___.

You should keep the Policy even if You transfer Your Title to the Land.

If You want to make a claim, see paragraph 3 under Conditions on page ___.

You do not owe any more premiums for the Policy.

This sheet is not Your insurance Policy. It is only a brief outline of some of the important Policy features. The Policy explains in detail Your rights and obligations and Our rights and obligations. Since the Policy--and not this sheet--is the legal document,

YOU SHOULD READ THE POLICY VERY CAREFULLY.

If You have any questions about Your Policy, contact:

BLANK TITLE INSURANCE COMPANY

BLANK TITLE INSURANCE COMPANY
HOMEOWNER'S POLICY OF TITLE INSURANCE
FOR A ONE-TO-FOUR FAMILY RESIDENCE

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BLANK TITLE INSURANCE COMPANY
HOMEOWNER'S POLICY OF TITLE INSURANCE
FOR A ONE-TO-FOUR FAMILY RESIDENCE

OWNER'S COVERAGE STATEMENT

This Policy insures You against actual loss, including any costs, attorneys' fees and expenses provided under this Policy, resulting from the Covered Risks set forth below, if the Land is an improved residential lot on which there is located a one-to-four family residence and each insured named in Schedule A is a Natural Person.

Your insurance is effective on the Policy Date. This Policy covers Your actual loss from any risk described under Covered Risks if the event creating the risk exists on the Policy Date or, to the extent expressly stated, after the Policy Date.

Your insurance is limited by all of the following:

- The Policy Amount shown in Schedule A
- For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A
- ☞ Exceptions in Schedule B
- Our Duty To Defend Against Legal Actions
- ☞ Exclusions on page
- ☞ Conditions on pages ____ and ____.

COVERED RISKS

The Covered Risks are:

1. Someone else owns an interest in Your Title.
2. Someone else has rights affecting Your Title arising out of leases, contracts, or options.
3. Someone else claims to have rights affecting Your Title arising out of forgery or impersonation.
4. Someone else has an easement on the Land.
5. Someone else has a right to limit Your use of the Land.
6. Your Title is defective.
7. Any of Covered Risks 1 through 6 occurring after the Policy Date.
8. Someone else has a lien on Your Title, including a:
 - a. Mortgage;

- b. judgment, state or federal tax lien, or special assessment;
 - c. charge by a homeowner's or condominium association; or
 - d. lien, occurring before or after the Policy Date, for labor and material furnished before the Policy Date.
9. Someone else has an encumbrance on Your Title.
10. Someone else claims to have rights affecting Your Title arising out of fraud, duress, incompetency or incapacity.
11. You do not have both actual vehicular and pedestrian access to and from the Land, based upon a legal right.
12. You are forced to correct or remove an existing violation of any covenant, condition or restriction affecting the Land, even if the covenant, condition or restriction is excepted in Schedule B.
13. Your Title is lost or taken because of a violation of any covenant, condition or restriction, which occurred before You acquired Your Title, even if the covenant, condition or restriction is excepted in Schedule B.
14. Because of an existing violation of a subdivision law or regulation affecting the Land:
- a. You are unable to obtain a building permit;
 - b. You are required to correct or remove the violation; or
 - c. someone else has a legal right to, and does, refuse to perform a contract to purchase the Land, lease it or make a Mortgage loan on it.

The amount of Your insurance for this Covered Risk is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

15. You are forced to remove or remedy Your existing structures, or any part of them - other than boundary walls or fences - because any portion was built without obtaining a building permit from the proper government office. The amount of Your insurance for this Covered Risk is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
16. You are forced to remove or remedy Your existing structures, or any part of them, because they violate an existing zoning law or zoning regulation. If You are required to remedy any portion of Your existing structures, the amount of Your insurance for this Covered Risk is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
17. You cannot use the Land because use as a single-family residence violates an existing zoning law or zoning regulation.
18. You are forced to remove Your existing structures because they encroach onto Your neighbor's land. If the encroaching structures are boundary walls or fences, the amount of Your insurance for this Covered Risk is subject to Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
19. Someone else has a legal right to, and does, refuse to perform a contract to purchase the Land, lease it or make a Mortgage loan on it because Your neighbor's existing structures encroach onto the Land.
20. You are forced to remove Your existing structures which encroach onto an easement or over a building set-back line, even if the easement or building set-back line is excepted in Schedule B.
21. Your existing structures are damaged because of the exercise of a right to maintain or use any easement affecting the Land, even if the easement is excepted in Schedule B.

- 22. Your existing improvements (or a replacement or modification made to them after the Policy Date), including lawns, shrubbery or trees, are damaged because of the future exercise of a right to use the surface of the Land for the extraction or development of minerals, water or any other substance, even if those rights are excepted or reserved from the description of the Land or excepted in Schedule B.
- 23. Someone else tries to enforce a discriminatory covenant, condition or restriction that they claim affects Your Title which is based upon race, color, religion, sex, handicap, familial status, or national origin.
- 24. A taxing authority assesses supplemental real estate taxes not previously assessed against the Land for any period before the Policy Date because of construction or a change of ownership or use that occurred before the Policy Date.
- 25. Your neighbor builds any structures after the Policy Date -- other than boundary walls or fences -- which encroach onto the Land.
- 26. Your Title is unmarketable, which allows someone else to refuse to perform a contract to purchase the Land, lease it or make a Mortgage loan on it.
- 27. A document upon which Your Title is based is invalid because it was not properly signed, sealed, acknowledged, delivered or recorded.
- 28. The residence with the address shown in Schedule A is not located on the Land at the Policy Date.
- 29. The map, if any, attached to this Policy does not show the correct location of the Land according to the Public Records.

OUR DUTY TO DEFEND AGAINST LEGAL ACTIONS

We will defend Your Title in any legal action only as to that part of the action which is based on a Covered Risk and which is not excepted or excluded from coverage in this Policy. We will pay the costs, attorneys' fees, and expenses We incur in that defense.

We will not pay for any part of the legal action which is not based on a Covered Risk or which is excepted or excluded from coverage in this Policy.

We can end Our duty to defend Your Title under paragraph 4 of the Conditions.

This Policy is not complete without Schedules A and B.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY: _____
PRESIDENT

BY: _____
SECRETARY

BLANK TITLE INSURANCE COMPANY
HOMEOWNER'S POLICY OF TITLE INSURANCE
FOR A ONE-TO-FOUR FAMILY RESIDENCE

SCHEDULE B

EXCEPTIONS

In addition to the Exclusions, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division;
 - f. environmental protection.

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they appeared in the Public Records at

- the Policy Date;
- c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
- a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

BLANK TITLE INSURANCE COMPANY
HOMEOWNERS POLICY OF TITLE INSURANCE
FOR A ONE-TO-FOUR FAMILY RESIDENCE
CONDITIONS

1. DEFINITIONS

- a. Easement - the right of someone else to use the Land for a special purpose.
- b. Known - things about which You have actual knowledge. The words "Know" and "Knowing" have the same meaning as Known.
- c. Land - the land or condominium unit described in paragraph 3 of Schedule A and any improvements on the Land which are real property.
- d. Mortgage - a mortgage, deed of trust, trust deed or other security instrument.
- e. Natural Person - a human being, not a commercial or legal organization or entity. Natural Person includes a trustee of a Trust even if the trustee is not a human being.
- f. Policy Date - the date and time shown in Schedule A. If the insured named in Schedule A first acquires the interest shown in Schedule A by an instrument recorded in the Public Records later than the date and time shown in Schedule A, the Policy Date is the date and time the instrument is recorded.
- g. Public Records - records that give constructive notice of matters affecting Your Title, according to the state statutes where the Land is located.
- h. Title - the ownership of Your interest in the Land, as shown in Schedule A.
- i. Trust - a living trust established by a human being for estate planning.
- j. We/Our/Us - Blank Title Insurance Company.
- k. You/Your - the insured named in Schedule A and also those identified in paragraph 2.b. of these Conditions.

2. CONTINUATION OF COVERAGE

- a. This Policy insures You forever, even after You no longer have Your Title. You cannot assign this Policy to anyone else.
- b. This Policy also insures:
 - (1) anyone who inherits Your Title because of Your death;
 - (2) Your spouse who receives Your Title because of dissolution of Your marriage;
 - (3) the trustee or successor trustee of a Trust to whom You transfer Your Title after the Policy Date; or
 - (4) the beneficiaries of Your Trust upon Your death.

- c. We may assert against the insureds identified in paragraph 2.b. any rights and defenses that We have against any previous insured under this Policy.

3. HOW TO MAKE A CLAIM

a. Prompt Notice Of Your Claim

- (1) As soon as You Know of anything that might be covered by this Policy, You must notify Us promptly in writing.
- (2) Send Your notice to **Blank Title Insurance Company**,
, Attention: Claims Department. Please include the Policy number shown in Schedule A ,
and the county and state where the Land is located. Please enclose a copy of Your policy, if
available.
- (3) If You do not give Us prompt notice, Your coverage will be reduced or ended, but only to the
extent Your failure affects Our ability to resolve the claim or defend You.

b. Proof Of Your Loss

- (1) We may require You to give Us a written statement signed by You describing Your loss
which includes:
 - (a) the basis of Your claim;
 - (b) the Covered Risks which resulted in Your loss;
 - (c) the dollar amount of Your loss; and
 - (d) the method You used to compute the amount of Your loss.
- (2) We may require You to make available to Us records, checks, letters, contracts, insurance
policies and other papers which relate to Your claim. We may make copies of these papers.
- (3) We may require You to answer questions about Your claim under oath.
- (4) If you fail or refuse to give Us a statement of loss, answer Our questions under oath, or make
available to Us the papers We request, Your coverage will be reduced or ended, but only to
the extent Your failure or refusal affects Our ability to resolve the claim or defend You.

4. OUR CHOICES WHEN WE LEARN OF A CLAIM

- a. After We receive Your notice, or otherwise learn, of a claim that is covered by this Policy, Our choices
include one or more of the following:
- (1) Pay the claim;
 - (2) Negotiate a settlement;
 - (3) Bring or defend a legal action related to the claim;
 - (4) Pay You the amount required by this Policy;
 - (5) End the coverage of this Policy for the claim by paying You Your actual loss resulting from

the Covered Risk, and those costs, attorneys' fees and expenses incurred up to that time which We are obligated to pay;

- (6) End the coverage described in Covered Risk 14, 15, 16 or 18 by paying You the amount of Your insurance then in force for the particular Covered Risk, and those costs, attorneys' fees and expenses incurred up to that time which We are obligated to pay;
- (7) End all coverage of this Policy by paying You the Policy Amount then in force, and those costs, attorneys' fees and expenses incurred up to that time which We are obligated to pay;
- (8) Take other appropriate action.

b. When We choose the options in paragraphs 4.a. (5), (6) or (7), all Our obligations for the claim end, including Our obligation to defend, or continue to defend, any legal action.

c. Even if We do not think that the Policy covers the claim, We may choose one or more of the options above. By doing so, We do not give up any rights.

5. HANDLING A CLAIM OR LEGAL ACTION

- a. You must cooperate with Us in handling any claim or legal action and give Us all relevant information.
- b. If You fail or refuse to cooperate with Us, Your coverage will be reduced or ended, but only to the extent Your failure or refusal affects Our ability to resolve the claim or defend You.
- c. We are required to repay You only for those settlement costs, attorneys' fees and expenses that We approve in advance.
- d. We have the right to choose the attorney when We bring or defend a legal action on Your behalf. We can appeal any decision to the highest level. We do not have to pay Your claim until the legal action is finally decided.
- e. Whether or not We agree there is coverage, We can bring or defend a legal action, or take other appropriate action under this Policy. By doing so, We do not give up any rights.

6. LIMITATION OF OUR LIABILITY

a. After subtracting Your Deductible Amount if it applies, We will pay no more than the least of:

- (1) Your actual loss;
- (2) Our Maximum Dollar Limit of Liability then in force for the particular Covered Risk, for claims covered only under Covered Risk 14, 15, 16 or 18; or
- (3) the Policy Amount then in force;

and any costs, attorneys' fees and expenses which We are obligated to pay under this Policy.

b. (1) If We remove the cause of the claim with reasonable diligence after receiving notice of it, all Our obligations for the claim end, including any obligation for loss You had while We were removing the cause of the claim.

(2) Regardless of 6.b. (1) above, if You cannot use the Land because of a claim covered by this Policy:

- (a) You may rent a reasonably equivalent substitute residence and We will repay You for

the actual rent You pay, until the earlier of:

- (1) the cause of the claim is removed; or
 - (2) We pay You the amount required by this Policy. If Your claim is covered only under Covered Risk 14, 15, 16 or 18, that payment is the amount of Your insurance then in force for the particular Covered Risk.
- (b) We will pay reasonable costs You pay to relocate any personal property You have the right to remove from the Land, including transportation of that personal property for up to twenty-five (25) miles from the Land, and repair of any damage to that personal property because of the relocation. The amount We will pay You under this paragraph is limited to the value of the personal property before You relocate it.
- c. All payments We make under this Policy reduce the Policy Amount, except for costs, attorneys' fees and expenses. All payments We make for claims which are covered only under Covered Risk 14, 15, 16 or 18 also reduce Our Maximum Dollar Limit of Liability for the particular Covered Risk, except for costs, attorneys' fees and expenses.
- d. If We issue, or have issued, a Policy to the owner of a Mortgage that is on Your Title and We have not given You any coverage against the Mortgage, then:
- (1) We have the right to pay any amount due You under this Policy to the owner of the Mortgage, and any amount paid shall be treated as a payment to You under this Policy, including under paragraph 4.a. of these Conditions;
 - (2) Any amount paid to the owner of the Mortgage shall be subtracted from the Policy Amount of this Policy; and
 - (3) If Your claim is covered only under Covered Risk 14, 15, 16 or 18, any amount paid to the owner of the Mortgage shall also be subtracted from Our Maximum Dollar Limit of Liability for the particular Covered Risk.
- e. If You do anything to affect any right of recovery You may have against someone else, We can subtract from Our liability the amount by which You reduced the value of that right.

7. TRANSFER OF YOUR RIGHTS TO US

- a. When We settle Your claim, We have all the rights You have against any person or property related to the claim. You must transfer these rights to Us when We ask, and You must not do anything to affect these rights. You must let Us use Your name in enforcing these rights.
- b. We will not be liable to You if We do not pursue these rights or if We do not recover any amount that might be recoverable.
- c. We will pay any money We collect from enforcing these rights in the following order:
 - (1) to Us for the costs, attorneys' fees and expenses We paid to enforce these rights;
 - (2) to You for Your loss that You have not already collected;
 - (3) to Us for any money We paid out under this Policy on account of Your claim; and
 - (4) to You whatever is left.
- d. If You have rights under contracts (such as indemnities, guaranties, bonds or other policies of

insurance) to recover all or part of Your loss, then We have all of those rights, even if those contracts provide that those obligated have all of Your rights under this Policy.

8. ENTIRE CONTRACT

This Policy, with any endorsements, is the entire contract between You and Us. To determine the meaning of any part of this Policy, You must read the entire Policy. Any changes to this Policy must be agreed to in writing by Us. Any claim You make against Us must be made under this Policy and is subject to its terms.

9. INCREASED POLICY AMOUNT

The Policy Amount will increase by ten percent (10%) of the Policy Amount shown in Schedule A each year for the first five years following the Policy Date shown in Schedule A, up to one hundred fifty percent (150%) of the Policy Amount shown in Schedule A. The increase each year will happen on the anniversary of the Policy Date shown in Schedule A.

10. SEVERABILITY

If any part of this Policy is held to be legally unenforceable, both You and We can still enforce the rest of this Policy.

11. ARBITRATION

- a. If permitted in the state where the Land is located, You or We may demand arbitration.
- b. The arbitration shall be binding on both You and Us. The arbitration shall decide any matter in dispute between You and Us.
- c. The arbitration award may be entered as a judgment in the proper court.
- d. The arbitration shall be under the Title Insurance Arbitration Rules of the American Arbitration Association. You may choose current Rules or Rules in existence on Policy Date.
- e. The law used in the arbitration is the law of the place where the Land is located.
- f. You can get a copy of the Rules from Us.

AMERICAN LAND TITLE ASSOCIATION
EXPANDED COVERAGE RESIDENTIAL LOAN POLICY

For a one-to-four family residence

Issued By

BLANK TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, Blank Title Insurance Company, a[n] _____ corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A (and, to the extent expressly stated below, after Date of Policy), against loss or damage, not exceeding one hundred twenty-five percent (125%) of the Amount of Insurance stated in Schedule A, sustained or incurred by the Insured by reason of any of the following Covered Risks:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of both actual pedestrian and vehicular access to and from the land based on a legal right;
5. The invalidity or unenforceability of the lien of the Insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Real property taxes and assessments of any governmental authority due or payable at Date of Policy have not been paid.
8. Lack of priority of the lien of the insured mortgage as to each and every advance of proceeds of the loan secured by the insured mortgage, which at Date of Policy the insured has made or is legally obligated to make, over:
 - (a) Any defect in or lien or encumbrance on the title attaching or created before, on or after Date of Policy;
 - (b) Any defect in or lien or encumbrance on the title attaching or created subsequent to Date of Policy and prior to the recording of the insured mortgage in the public records;
 - (c) Any statutory lien for services, labor or material, arising before, on or after Date of Policy, from an improvement or work related to the land which was contracted for or commenced before, on or after Date of Policy;
 - (d) Any environmental protection lien that comes into existence before, on or after Date of Policy pursuant to any federal statute in effect at Date of Policy; and
 - (e) Any assessment for street improvements under construction or completed at Date of Policy.
9. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, and the failure of any assignment shown in Schedule A to vest title to the insured mortgage in the named assignee free and clear of all liens;
10. The failure of the land to have the street address shown in Schedule A;
11. The failure of the land to be improved with a one-to-four family residential structure or, if stated in the description of the land covered by this policy, a residential condominium unit;
12. The failure of the land to be zoned to permit a one-to-four family residential structure or, if stated in the description of the land covered by this policy, a residential condominium unit;

13. The forced removal, modification or replacement of any existing one-to-four family residential structure or residential condominium unit located on the land resulting from the violation of any of the following requirements of any applicable zoning ordinance: Area or dimensions of the land as a building site; floor space area of the structure; height of the structure; or distance of the structure from the boundary lines of the land;
14. The failure of the land to be a lawfully created one-to-four family residential parcel according to state statutes governing subdivision of land and local ordinances adopted pursuant thereto;
15. The assessment or taxation of the land by governmental authority as part of a larger parcel.
16. The failure of the existing one-to-four family residential structure or residential condominium unit or any portion thereof or a future modification or replacement thereof to have been constructed with a valid building permit from the appropriate local government issuing office or agency;
17. Any violation, variation, or adverse circumstance affecting the title that would have been disclosed by an accurate survey, not otherwise covered by the terms of this policy.
18. The inability to use the existing one-to-four family residential structure or residential condominium unit or any portion thereof or a future modification or replacement thereof for one-to-four family residential purposes because that use violates a restriction shown in Schedule B;
19. The encroachment onto the land of an improvement constructed after Date of Policy;
20. Encroachment of improvements constructed on the land after Date of Policy onto adjoining property or over any easement or building setback line on the land.
21. Damage to improvements, lawns, shrubbery or trees constructed or planted on the land before, on or after Date of Policy resulting from the future exercise of any right to use the surface of the land for the extraction or development of minerals, water or any other substance;
22. Forgery after Date of Policy of
 - (a) any instrument purporting to subordinate, assign, release or reconvey the insured mortgage; and
 - (b) any instrument purporting to convey or encumber the title to the estate or interest acquired by the insured;
23. The invalidity, unenforceability or lack of priority of the lien of the insured mortgage as to advances made or changes in the rate of interest charged subsequent to any modification of the terms of the insured mortgage made after Date of Policy which are, by the terms of the insured mortgage as modified, secured thereby;
24. Damage to improvements, lawns, shrubbery or trees constructed or planted on the land before, on or after Date of Policy occasioned by the exercise of the right to use or maintain any easement referred to in Schedule B.
25. Interference with the use for one-to-four family residential purposes of the improvements constructed on the land before, on or after Date of Policy occasioned by the exercise of the right to use or maintain any easement referred to in Schedule B.
26. Supplemental real estate taxes, including those caused by construction or a change of ownership or use that occurred before Date of Policy, not previously assessed against the land for any period before Date of Policy.
27. The invalidity or unenforceability of the lien of the Insured Mortgage upon the title based upon a violation of the usury laws of the state where the land is located if no other mortgage is shown as an exception in Schedule B.

Unless stated to the contrary in Schedule B, the Company incorporates the following American Land Title Association endorsements into this policy by this reference as if these endorsements had been attached hereto:

- (a) ALTA Form 4 (Condominium), if a condominium unit is referred to in the description of the land in Schedule A;
- (b) ALTA Form 5 (Planned Unit Development);
- (c) ALTA Form 6 (Variable Rate Mortgage);
- (d) ALTA Form 6.2 (Variable Rate Mortgage - Negative Amortization); and
- (e) ALTA Form 8.1 (Environmental Protection Lien) subject to the statutes, if any, shown in Schedule B specifically for this endorsement.
- (f) ALTA Form 9 (Restrictions, Encroachments, Minerals).

The Company will also pay the costs, attorneys' fees and expenses incurred in the defense of the title or the lien of the Insured Mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY: _____
PRESIDENT

BY: _____
SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:
 - (a) The time of the advance; or
 - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.

9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

SCHEDULE A

File No.

Policy No.

Amount of Insurance: \$

[Premium: \$]

Date of Policy: am/pm or the date of recording of the Insured Mortgage, whichever is later.

Street Address of the Land:

1. Name of Insured:
2. The estate or interest in the Land which is encumbered by the Insured Mortgage is:
3. Title to the estate or interest in the Land is vested in:
4. The Insured Mortgage and assignments thereof, if any, are described as follows:
5. The Land referred to in this Policy is described as follows:

SCHEDULE B - PART I

File No.

Policy No.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

[1. The following state statutes, reference to which are made part of the ALTA 8.1 Environmental Protection Lien Endorsement incorporated into this Policy following item [27/28] of COVERED RISKS: _____.]

SCHEDULE B - PART II

In addition of the matters set forth in Part I of the Schedule, the title to the estate or interest in the land described or referred to in Schedule (A) Is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate or interest:

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Insured": the Insured named in Schedule A. The term "Insured" also includes:
- (i) the owner of the indebtedness secured by the Insured Mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the Land);
 - (ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the Insured Mortgage, or any part thereof, whether named as an Insured herein or not;
 - (iii) the parties designated in Section 2(a) of these Conditions and Stipulations.
- (b) "Insured Claimant": an insured claiming loss or damage.
- (c) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice which may be imputed to an Insured by reason of the Public Records as defined in this policy or any other records which impart constructive notice of matters affecting the Land.
- (d) "Land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "Land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the Land is insured by this policy.
- (e) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the Land is located.
- (g) "Unmarketability of the title": an alleged or apparent matter affecting the title to the Land, not excluded or excepted from coverage, which would enable a purchaser of the estate or interest described in Schedule A or the insured Mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

- (a) After Acquisition of Title. The coverage of this policy shall continue in force as of Date of Policy in favor of (i) an Insured who acquires all or any part of the estate or interest in the Land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the Insured Mortgage; (ii) a transferee of the estate or interest so acquired from an Insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the Insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor Insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the Insured Mortgage.
- (b) After Conveyance of Title. The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured only so long as the Insured retains an estate or interest in the Land, or holds an indebtedness secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of covenants of warranty made by the Insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an indebtedness secured by a purchase money Mortgage given to the Insured.
- (c) Amount of insurance. The amount of insurance after the acquisition or after the conveyance shall in neither event exceed the least of:
- (i) one hundred twenty-five percent (125%) of the Amount of Insurance stated in Schedule A;
 - (ii) the amount of the principal of the indebtedness secured by the Insured Mortgage, at the time of acquisition of the estate or interest, interest thereon, expenses of foreclosure, amounts advanced pursuant to the Insured Mortgage to assure compliance with laws or to protect the lien of the insured Mortgage prior to the time of acquisition of the estate or interest in the Land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or
 - (iii) the amount paid by any governmental agency or governmental instrumentality, if the agency or instrumentality is the Insured Claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case Knowledge shall come to an Insured hereunder of any claim that might cause loss or damage for which the Company may be liable by virtue of this policy or (iii) if title to the estate or interest or the lien of the Insured Mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the Insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall, in no case prejudice the rights of any Insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the Insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim adverse to the insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the Insured Mortgage, as insured or to prevent or reduce loss to the insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the Insured Claimant shall be furnished to the Company within 90 days after the Insured Claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Insured Claimant to provide the required proof of loss or damage, the Company's obligations to the Insured under this policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the Insured Claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following options:

(a) To Pay or Tender Payment of One Hundred Twenty-Five percent (125%) of the Amount of Insurance or to Purchase the Indebtedness.

(i) to pay or tender payment of one hundred twenty-five percent (125%) of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) to purchase the indebtedness secured by the Insured Mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by Insured Claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the Insured Mortgage, together with any collateral security, to the Company upon payment therefore.

Upon the exercise by the Company of either of the options provided for in paragraphs (a)(i) or (ii), all liability and obligations to the Insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) one hundred twenty-five percent (125%) of the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2(e) of these Conditions and Stipulations.

(ii) the amount of the unpaid principal indebtedness secured by the insured Mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien, encumbrance or other matter insured against by this policy; provided, however, that this Section 7(a)(iii) shall not apply when the defect, lien, encumbrance or other matter insured against by this policy results in a total failure of the lien of the Insured Mortgage to attach to the insured estate or interest.

(b) In the event the Insured has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien, encumbrance, or other matter, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketability of title, or otherwise establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or interest of the Insured or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable for: (i) any indebtedness created subsequent to Date of Policy except for advances covered under Covered Risk 23 and those made to protect the lien of the Insured Mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to

Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land which at Date of Policy were secured by the Insured Mortgage and which the Insured was and continued to be obligated to advance at and after Date of Policy.

9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto. However, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of insurance afforded under this policy except to the extent that the payments reduce the amount of indebtedness secured by the Insured Mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the Insured Mortgage, or any voluntary partial satisfaction or release of the Insured Mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made pursuant to the terms of the Insured Mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than one hundred twenty-five percent (125%) of the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2(a) and Section 9(b) of these Conditions and Stipulations.

10. LIABILITY NONCUMULATIVE.

If the Insured acquires title to the estate or interest in satisfaction of the indebtedness secured by the Insured Mortgage, or any part thereof, it is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy.

11. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation. Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the Insured Claimant. The Company shall be subrogated to and be entitled to all rights and remedies which the Insured Claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the Insured Claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights or remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall be subrogated to all rights and remedies of the Insured Claimant after the insured Claimant shall have recovered its principal, interest, and costs of collection.

(b) The Insured's Rights and Limitations. Notwithstanding the foregoing, the owner of the indebtedness secured by the Insured Mortgage, provided the priority of the lien of the Insured Mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the Insured Mortgage, or release any collateral security for the indebtedness. When the permitted acts of the Insured Claimant occur and the Insured has Knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of the Insured Mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-Insured Obligors. The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1 (a)(ii) of these Conditions and Stipulations) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. ARBITRATION.

Unless prohibited by applicable law, either the Company or the Insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the Land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the Land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the Insured Mortgage or of any other matters insured against by this policy or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. SEVERABILITY.

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company _____ .

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures against loss or damage sustained by the insured if, at Date of Policy: (i) the land does not abut and have both actual vehicular and pedestrian access to and from [insert name of street, road, or highway], a physically open road publicly maintained, or (ii) the insured has no right to use existing curb cuts or entries.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures against loss or damage sustained by the insured if, at Date of Policy: (i) the easement identified [as Parcel _____] in Schedule [A][C] (the "Easement") does not provide that portion of the land identified [as Parcel _____] in Schedule [A][C] both actual vehicular and pedestrian access to and from [insert name of street, road, or highway] (the "Street"), (ii) the Street is not physically open and publicly maintained, or (iii) the insured has no right to use existing curb cuts or entries along that portion of the Street abutting the Easement.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

Company insures the insured mortgagee against loss or damage by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for a Conditional Right to Refinance and a change in the rate of interest as set forth in the Mortgage Rider.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest thereon, which loss of priority is caused by the exercise of the conditional Right to Refinance and the extension of the loan term to the New Maturity Date set forth on the Rider and a change in the rate of interest, provided that all the conditions set forth in paragraphs 2 and 5 of the Balloon Mortgage Rider have been met, and there are no other liens, defects, and encumbrances, or other adverse matters affecting title arising subsequent to Date of Policy.

This endorsement does not insure against loss or damage based upon (a) usury or (b) any consumer credit protection or truth in lending law or (c) bankruptcy.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

Company insures against loss or damage by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. Any charges or assessments provided for in the condominium statutes and condominium documents due and unpaid at Date of Policy.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures against loss or damage sustained by the insured by reason of:

- (1) the failure of the land described in the Policy as Parcels (insert A, B, C) to be contiguous to each other along the common boundary lines; or
- (2) the presence of any gaps, strips or gores separating any of the contiguous boundary lines described above.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

The Company insures against loss or damage sustained by the insured by reason of the avoidance in whole or in part, or a court order providing some other remedy, based on the voidability of any estate, interest, or mortgage shown in Schedule A because of the occurrence on or before Date of Policy of a fraudulent transfer or a preference under federal bankruptcy, state insolvency or similar creditors' rights laws.

The coverage provided by this endorsement shall include the payment of costs, attorneys' fees and expenses necessary to defend the insured against those counts, and no others, of any litigation seeking a court order which will result in loss or damage against which this endorsement provides insurance to the extent provided in the Conditions and Stipulations.

This endorsement does not insure against loss or damage if the insured: (a) knew when it acquired any estate, interest, or mortgage shown in Schedule A that the transfer, conveyance, or mortgage was intended to hinder, delay, or defraud any creditor; or (b) is found by a court not to be a transferee or purchaser in good faith.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the Insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

- (a) any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in Schedule B; or
- (b) any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes:

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the Insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in Schedule B.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The said Policy is hereby amended in the following manner:

The Company hereby insures the insured partnership that this Policy and the coverage provided to the Insured hereunder shall not be deemed to have lapsed, or to have been forfeited, or to have terminated because of the occurrence, subsequent to the Date of Policy, if either of the following events occurs, as long as any amended certificate required has been duly and timely filed pursuant to the laws of the State of Delaware and provided that the insured partnership has not been dissolved or discontinued pursuant to the laws of the State of Delaware:

- (a) the admission or withdrawal of any individual or entity as a member in the insured partnership, or
- (b) a change in any member's interest in capital or profits of, as a limited or general partner in, the insured partnership.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The said Policy is hereby amended in the following manner:

The Company hereby insures the insured limited liability company (LLC) that this Policy and the coverage provided to the Insured hereunder shall not be deemed to have lapsed, or to have been forfeited, or to have terminated because of the occurrence, subsequent to the Date of Policy, if either of the following events occurs, as long as any amended certificate required has been duly and timely filed pursuant to the laws of the State of Delaware and provided that the insured LLC has not been dissolved or discontinued pursuant to the laws of the State of Delaware:

- (a) the admission or withdrawal of any individual or entity as a member in the insured LLC, or
- (b) a change in any member's interest in capital or profits of the insured LLC.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

This endorsement is effective only if the Collateral includes at least two parcels of real property.

1. For the purposes of this endorsement:
 - (a) "Indebtedness" means all monetary obligations evidenced by the loan documents at Date of Policy as secured by the insured mortgage, but limited to the balance outstanding at the time the claim is made.
 - (b) "Collateral" means all property, including the land, given as security for the Indebtedness.
 - (c) "Material Impairment Amount" means the amount by which any matter covered by this policy for which a claim is made diminishes the value of the Collateral below the Indebtedness.

2. Subject to the provisions of Section 8 of the Conditions and Stipulations, in the event of a claim resulting from a matter insured against by this policy, the Company agrees to pay that portion of the Material Impairment Amount that does not exceed the limits of liability imposed by Sections 2 and 7 of the Conditions and Stipulations without requiring:
 - (a) maturity of the Indebtedness by acceleration or otherwise;
 - (b) pursuit by the insured of its remedies against the Collateral;
 - (c) pursuit by the insured of its remedies under any guaranty, bond or other insurance policy.

3. Nothing in this endorsement shall impair the Company's right of subrogation. However, the Company agrees that its right of subrogation shall be subordinate to the rights and remedies of the insured. The Company's right of subrogation shall include the right to recover the amount paid to the insured pursuant to paragraph 2 from any debtor or guarantor of the Indebtedness, after payment or other satisfaction of the remainder of the Indebtedness and other obligations secured by the lien of the insured mortgage. The Company shall have the right to recoup from the insured claimant any amount received by it in excess of the Indebtedness up to the amount of the payment under paragraph 2.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

First Loss – Multiple Parcel Transactions - Endorsement (ALTA Endorsement 20)
Loan Policy Only
DTIRB-40 (03/01/2006)

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

1. The insurance for Advances added by Section 2 of this endorsement is subject to: the exclusions in Section 3 of this endorsement and the Exclusions from Coverage in the Policy, except Exclusion 3(d); the provisions of the Conditions and Stipulations, except Section 9(b); and the Exceptions contained in Schedule B.
 - a. "Agreement," as used in this endorsement, shall mean the letter of credit, surety agreement or reimbursement agreement, the repayment of Advances under which are secured by the insured mortgage.
 - b. "Advances," as used in this endorsement, shall mean only those advances of principal indebtedness made after the Date of Policy as provided in the Agreement, including expenses of foreclosure, amounts advanced pursuant to the insured mortgage to pay taxes and insurance, assure compliance with laws or to protect the lien of the insured mortgage before the time of acquisition of the estate or interest in the land and reasonable amounts expended to prevent deterioration of improvements, together with interest on those advances.
2. The Company insures against loss or damage to the insured as a result of:
 - a. The invalidity or unenforceability of the lien of the insured mortgage as security for each Advance.
 - b. The priority of any lien or encumbrance over the lien of the insured mortgage as security for each Advance.
 - c. The invalidity or unenforceability or loss of priority of the lien of the insured mortgage as security for the unpaid principal indebtedness, Advances and unpaid interest resulting from (i) re-Advances and repayments of indebtedness; (ii) earlier periods of no indebtedness owing during the term of the mortgage; or (iii) the insured mortgage not complying with the requirements of state law of the state in which the land is located to secure Advances.
3. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) resulting from the loss of priority of Advances to:
 - a. Real estate taxes or assessments imposed on the land by governmental authority arising after the Date of Policy; or
 - b. Any federal or state environmental protection lien.
4. The Amount of Insurance defined in Section 2(c)(ii) of the Conditions and Stipulations shall include Advances.
5. Section 8(d) of the Conditions and Stipulations shall not apply to Advances.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

Future Advance – Letter of Credit (ALTA Endorsement 14.2)
Loan Policy Only
DTIRB-30 (03/01/2006)

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

1. The insurance for Advances added by Sections 2 and 3 of this endorsement is subject to: the exclusions in Section 4 of this endorsement and the Exclusions from Coverage in the Policy, except Exclusion 3(d); the provisions of the Conditions and Stipulations, except Section 9(b); and the Exceptions contained in Schedule B.
 - a. "Agreement," as used in this endorsement, shall mean the note or loan agreement secured by the insured mortgage or the insured mortgage.
 - b. "Advances," as used in this endorsement, shall mean only those advances of principal indebtedness made after the Date of Policy as provided in the Agreement, including expenses of foreclosure, amounts advanced pursuant to the insured mortgage to pay taxes and insurance, assure compliance with laws or to protect the lien of the insured mortgage before the time of acquisition of the estate or interest in the land and reasonable amounts expended to prevent deterioration of improvements, together with interest on those advances.
2. The Company insures against loss or damage to the insured as a result of:
 - a. The invalidity or unenforceability of the lien of the insured mortgage as security for each Advance.
 - b. The lack of priority of the lien of the insured mortgage as security for each Advance over any lien or encumbrance on the title.
 - c. The invalidity or unenforceability or loss of priority of the lien of the insured mortgage as security for the unpaid indebtedness and Advances resulting from: (i) re-Advances and repayments of indebtedness; (ii) lack of outstanding indebtedness before an Advance; or (iii) failure to comply with the requirements of state law to secure Advances.
3. The Company also insures against loss or damage to the insured as a result of:
 - a. The invalidity or unenforceability of the lien of the insured mortgage resulting from any provisions of the Agreement that provide for: (i) interest on interest; (it) changes in the rate of interest; or (iii) the addition of unpaid interest to the principal indebtedness.
 - b. Loss of priority of the lien of the insured mortgage as security for the principal indebtedness, including any unpaid interest which was added to principal in accordance with any provisions of the Agreement, interest on interest, or interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by (i) changes in the rate of interest; (it) interest on interest; or (iii) increases in the unpaid principal indebtedness resulting from the addition of unpaid interest.

"Changes in the rate of interest," as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to a formula provided in the insured mortgage at Date of Policy.
4. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) resulting from:
 - a. Advances made after a Petition for Relief under the Bankruptcy Code (11 U.S.C.) has been filed by or on behalf of the mortgagor.

- b. The loss of priority of Advances to real estate taxes or assessments imposed on the land by governmental authority arising after the Date of Policy.
 - c. The loss of priority to a federal tax lien of any Advance made more than forty-five days after a notice of federal tax lien has been filed in the public records.
 - d. The loss of priority of Advances to any federal or state environmental protection lien.
 - e. Usury, or any consumer credit protection or truth-in-lending law.
5. The Amount of Insurance defined in Section 2(c)(ii) of the Conditions and Stipulations shall include Advances.
6. Section 8(d) of the Conditions and Stipulations shall not apply to Advances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

This endorsement is made part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The provisions of the Conditions and Stipulations of the Policy are amended as follows:

1. DEFINITION OF TERMS

The following terms when used in this Policy mean:

(a) "Insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors, and trustees under inter vivos trusts provided that (1) the insured was (i) the settlor and (ii) a beneficiary of the trust for a term or for life, and (2) at the end of the term the assets of the trust are distributable either to the estate of the settlor or to the beneficiaries of the trust, provided that they are related to the settlor.

This endorsement is made a part of the Policy and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

Paragraph 9(b) of the Conditions and Stipulations of the Policy is amended to provide that the Company, by the issuance of the Policy in an amount which is less than the face amount of the mortgage insured and described in Schedule A, agrees that, if the Insured applies all payments by the mortgagor to the release of security other than the land described in Schedule A, until such time as the aggregate principal indebtedness outstanding is reduced to the amount of this Policy, the amount of coverage afforded under this Policy will not be reduced by such payments.

Any subsequent payments which would have the effect of reducing the indebtedness below the amount of this Policy will concurrently reduce the coverage under this Policy by \$1.00 for each \$1.00 of principal reduction hereafter made.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

1. As used in this endorsement, the following terms shall mean:

a. "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession insured by this Policy, contrary to the terms of the Lease or (b) the lawful prevention of the use of the land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a matter covered by this Policy.

b. "Lease": the lease agreement described in Schedule A.

c. "Leasehold Estate": the right of possession for the Lease Term.

d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.

e. "Personal Property": chattels located on the land and property which, because of their character and manner of affixation to the land, can be severed from the land without causing appreciable damage to themselves or to the land to which they are affixed.

f. "Remaining Lease Term": the portion of the Lease Term remaining after the Insured has been Evicted as a result of a matter covered by this Policy.

g. "Tenant Leasehold Improvements": Those improvements, including landscaping, required or permitted to be built on the land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

2. The provisions of subsection (b) of Section 7 of the Conditions and Stipulations shall not apply to any Leasehold Estate covered by this Policy.

3. Valuation of Estate or Interest Insured

If, in computing loss or damage, it becomes necessary to value the estates or interests of the Insured as the result of a covered matter that results in an Eviction, then that value shall consist of the value for the Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The insured claimant shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

4. Additional items of loss covered by this endorsement:

If the Insured is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the estates or interests insured by this Policy.

a. The reasonable cost of removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the land at the time of Eviction, the cost of transportation of that Personal Property for the initial one hundred miles incurred in connection with the relocation, and the reasonable cost of repairing the Personal Property damaged by reason of the removal and relocation.

b. Rent or damages for use and occupancy of the land prior to the Eviction which the Insured as owner of the Leasehold Estate is obligated to pay to any person having paramount title to that of the lessor in the Lease.

c. The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.

d. The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.

e. Damages that the Insured is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction

f. Reasonable costs incurred by the Insured to secure a replacement leasehold equivalent to the Leasehold Estate.

g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, landscaping costs and fees, costs and interest on loans for the acquisition and construction.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

1. As used in this endorsement, the following terms shall mean:

a. "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession insured by this Policy, contrary to the terms of the Lease or (b) the lawful prevention of the use of the land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a matter covered by this Policy.

b. "Lease": the lease agreement described in Schedule A.

c. "Leasehold Estate": the right of possession for the Lease Term.

d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.

e. "Personal Property": chattels located on the land and property which, because of their character and manner of affixation to the land, can be severed from the land without causing appreciable damage to themselves or to the land to which they are affixed.

f. "Remaining Lease Term": the portion of the Lease Term remaining after the Insured has been Evicted as a result of a matter covered by this Policy.

g. "Tenant": the tenant under the Lease and, after acquisition of all or any part of the estate or interest in the land described in Schedule A in accordance with the provisions of Section 2(a) of the Conditions and Stipulations of this Policy, the insured claimant.

h. "Tenant Leasehold Improvements": Those improvements, including landscaping, required or permitted to be built on the land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Insured

If, in computing loss or damage, it becomes necessary to value the estates or interests insured by this Policy as the result of a covered matter that results in an Eviction of the Tenant, then that value shall consist of the value for the Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The insured claimant shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Additional items of loss covered by this endorsement:

If the Insured acquires all or any part of the estate or interest in the land described in Schedule A in accordance with the provisions of Section 2(a) of the Conditions and Stipulations of this Policy and

thereafter is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the estates or interests insured by this Policy.

a. The reasonable cost of removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the land at the time of Eviction, the cost of transportation of that Personal Property for the initial one hundred miles incurred in connection with the relocation, and the reasonable cost of repairing the Personal Property damaged by reason of the removal and relocation.

b. Rent or damages for use and occupancy of the land prior to the Eviction which the Insured as owner of the Leasehold Estate may be obligated to pay to any person having paramount title to that of the lessor in the Lease.

c. The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.

d. The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease made by Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold.

e. Damages that the Insured is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease made by the Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction

f. Reasonable costs incurred by the Insured to secure a replacement leasehold equivalent to the Leasehold Estate.

g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, and landscaping costs.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The term "land" as defined in this Policy includes the manufactured housing unit located on the land at Date of Policy.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

1. The Mezzanine Lender is:
and each successor in ownership of its loan ("Mezzanine Loan") reserving, however, all rights and defenses as to any successor that the Company would have had against the Mezzanine Lender, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this Policy as affecting title to the estate or interest in the land.
2. The insured:
 - (a) Assigns, as additional collateral for the Mezzanine Loan, the right to receive any amount otherwise payable to the insured under this Policy to the Mezzanine Lender; and
 - (b) agrees that in the event of loss under the Policy and the acquisition by Mezzanine Lender of any interest in the insured, under a pledge of ownership interests, or any other document or instrument securing the Mezzanine Loan, the amount which the Company shall be liable to pay shall be paid without requiring the Mezzanine Lender to pursue its remedies against other collateral securing the Mezzanine Loan.
3. Having been so instructed by the insured, the Company agrees that loss payable to the insured for a claim under this Policy will be paid directly to the Mezzanine Lender.
4. This agreement on the part of the Company does not impart any right to the Mezzanine Lender to participate in the negotiation or settlement with the insured under this Policy without the written consent of the insured, nor does the Company waive any defenses that it may have against the insured, except as expressly stated in this endorsement.
5. In the event of a loss under the Policy, the Company agrees that it will not assert the provisions of Exclusions from Coverage 3(a), (b), (c), or (e) to refuse payment to the Mezzanine Lender solely by reason of the action or inaction or knowledge, as of Date of Policy, of the insured, provided:
 - (a) the Mezzanine Lender had no actual knowledge of the defect, lien, encumbrance or other matter creating or causing loss on Date of Policy.
 - (b) this limitation on the application of Exclusions from Coverage 3(a), (b), (c), and (e) shall:
 - (1) apply whether or not the Mezzanine Lender has acquired an interest in the insured either on or after Date of Policy, and
 - (2) benefit the Mezzanine Lender only without benefiting any other individual or entity that holds an interest (direct or indirect) in the insured or the land.
6. In the event of a loss under the Policy, the Company also agrees that it will not deny liability to the Mezzanine Lender on the ground that any or all of the ownership interests in the insured have been transferred to or acquired by the Mezzanine Lender directly or indirectly, either on or after the Date of Policy.
7. The Mezzanine Lender acknowledges:
 - (a) that the amount of insurance under this Policy shall be reduced by any amount the Company may pay under any Policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this Policy; and
 - (b) that the Company shall have the right to insure mortgages or other conveyances of an interest in the land, without the consent of the Mezzanine Lender.
8. If the insured, the Mezzanine Lender or others have conflicting claims to all or part of the loss payable under the Policy, the Company may interplead the amount of the loss into Court. The insured and the Mezzanine Lender shall be jointly and severally liable for the Company's cost for the interpleader and subsequent proceedings, including attorneys' fees. The Company shall be entitled to payment of the sums for which the insured and Mezzanine Lender are liable under the preceding sentence from the funds deposited into Court, and it may apply to the Court for their payment.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

AGREED AND CONSENTED TO:

(Insert name of Insured)

(Insert name of Mezzanine Lender)

By: _____

By: _____

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number _____

File Number _____

Schedule A of the above Policy is amended as follows:

1. Item 4 is amended to add the following as on insured document:
[Identify Agreement] between _____ and _____
dated _____ and recorded on _____ in Book _____ page _____.
2. The date of this Policy is changed to _____.
3. The amount of this Policy is changed to _____.

Schedule B of the above Policy is amended as follows:

[Specify additional exceptions or items that may no longer apply, if any]

This endorsement does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, by reason of any claim which arises out of the transaction creating the Modification, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

- (a) the Modification being deemed a fraudulent conveyance or fraudulent transfer; or
- (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination because of the Modification; or
- (c) the Modification being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures against loss or damage sustained by the insured by reason of those portions of the land identified below not being assessed for real estate tax purposes under the listed tax identification numbers or those tax identification numbers including any additional land:

Parcel:

Tax Identification Numbers:

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

For purposes of the coverage provided by this endorsement,

[identify the “incoming” partner, member or shareholder]

(“Additional Insured”) is added as an insured under the Policy. By execution below, the insured named in Schedule A acknowledges that any payment made under this endorsement shall reduce the amount of insurance as provided in Section 10 of the Conditions and Stipulations.

The Company agrees that it will not assert the provisions of Exclusions from Coverage 3(a), (b), or (e) to deny liability for loss or damage otherwise insured against under the terms of the Policy solely by reason of the action or inaction or knowledge, as of Date of Policy, of

[identify, as applicable, the existing and/or exiting partner(s) of the insured partnership entity, member(s) or manager(s) of the insured limited liability company entity, or officer(s) and/or director(s) of the insured corporate entity]

imputed to the Additional Insured by operation of law, to the extent of the percentage interest in the insured acquired by Additional Insured as a purchaser for value without actual knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the Policy.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

AGREED AND CONSENTED TO:

INSURED

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number _____ File Number _____

The Company agrees that it will not assert the provisions of Exclusions from Coverage 3(a), (b), or (e) to deny liability for loss or damage otherwise insured against under the terms of the Policy solely by reason of the action or inaction or knowledge, as of Date of Policy, of

[identify exiting or contributing partner(s) of the insured partnership entity, member(s) or manager(s) of the insured limited liability company entity, or officer(s) and/or director(s) of the insured corporate entity]

imputed to the insured by operation of law, provided

[identify the "incoming" partners, members or shareholders]

acquired the insured as a purchaser for value without actual knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the Policy.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company agrees that it will not assert the provisions of Exclusions from Coverage 3(a), (b), or (e) to deny liability for loss or damage otherwise insured against under the terms of the Policy solely by reason of the action or inaction or knowledge, as of Date of Policy, of

[identify, as applicable, the existing and/or exiting partner(s) of the vestee partnership entity, member(s) or manager(s) of the vestee limited liability company entity, or officer(s) and/or director(s) of the vestee corporate entity]

imputed to the entity identified in paragraph 3 of Schedule A or to the insured by operation of law, but only to the extent that the insured acquired the insured's interest in entity as a purchaser for value without actual knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the Policy.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the Insured against loss or damage sustained by reason of:

1. Present violations of any restrictive covenants referred to in Schedule B which restrict the use of the land, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public Records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
2. Any charges or assessments in favor of any association of homeowners which are provided for in any document referred to in Schedule B due and unpaid at Date of Policy.
3. The enforced removal of any existing structure on the land (other than a boundary wall or fence) because it encroaches onto adjoining land or onto any easements.
4. The failure of title by reason of a right of first refusal to purchase the land which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of:

1. The existence at Date of Policy of any of the following:
 - (a) Covenants, conditions or restrictions under which the lien of the mortgage referred to in Schedule A can be divested, subordinated or extinguished, or its validity, priority or enforceability impaired.
 - (b) Unless expressly excepted in Schedule B:
 - (1) Present violations on the land of any enforceable covenants, conditions or restrictions, or any existing improvements on the land which violate any building setback lines shown on a plat of subdivision recorded or filed in the Public Records.
 - (2) Any instrument referred to in Schedule B as containing covenants, conditions or restrictions on the land which, in addition, (i) establishes an easement on the land; (ii) provides a lien for liquidated damages; (iii) provides for a private charge or assessment; (iv) provides for an option to purchase, a right of first refusal or the prior approval of a future purchaser or occupant.
 - (3) Any encroachment of existing improvements located on the land onto adjoining land, or any encroachment onto the land of existing improvements located on adjoining land.
 - (4) Any encroachment of existing improvements located on the land onto that portion of the land subject to any easement excepted in Schedule B.
 - (5) Any notices of violation of covenants, conditions and restrictions relating to environmental protection recorded or filed in the Public Records.
2. Any future violation on the land of any existing covenants, conditions or restrictions occurring prior to the acquisition of title to the estate or interest in the land by the Insured, provided the violation results in:
 - (a) invalidity, loss of priority, or unenforceability of the lien of the insured mortgage;
or
 - (b) loss of title to the estate or interest in the land if the Insured shall acquire title in satisfaction of the indebtedness secured by the insured mortgage.

3. Damage to existing improvements, including lawns, shrubbery or trees:
 - (a) which are located on or encroach upon that portion of the land subject to any easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved;
 - (b) resulting from the future exercise of any right to use the surface of the land for the extraction or development of minerals excepted from the description of the land or excepted in Schedule B.
4. Any final court order or judgment requiring the removal from any land adjoining the land of any encroachment excepted in Schedule B.
5. Any final court order or judgment denying the right to maintain any existing improvements on the land because of any violation of covenants, conditions or restrictions or building setback lines shown on a plat of subdivision recorded or filed in the Public Records.

Wherever in this endorsement the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or limitations contained in an instrument creating a lease.

As used in paragraphs 1(b)(1) and 5, the words "covenants, conditions or restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the Insured against loss or damage sustained by reason of:

1. The existence, at Date of Policy, of any of the following unless expressly excepted in Schedule B:

- (a) Present violations on the land of any enforceable covenants, conditions or restrictions, or any existing improvements on the land which violate any building setback lines shown on a plat of subdivision recorded or filed in the Public Records.
- (b) Any instrument referred to in Schedule B as containing covenants, conditions or restrictions on the land which, in addition, (i) establishes an easement on the land; (ii) provides for an option to purchase, a right of first refusal or the prior approval of a future purchaser or occupant; or (iii) provides a right of reentry, possibility of reverter or right of forfeiture because of violations on the land of any enforceable covenants, conditions or restrictions.
- (c) Any encroachment onto the land of existing improvements located on adjoining land.
- (d) Any notices of violation of covenants, conditions and restrictions relating to environmental protection recorded or filed in the Public Records.

2. Damage to buildings constructed on the land after Date of Policy resulting from the future exercise of any right existing at Date of Policy to use the surface of the land for the extraction or development of minerals excepted from the description of the land or excepted in Schedule B.

Wherever in this endorsement the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or limitations contained in an instrument creating a lease.

As used in paragraph 1(a), the words "covenants, conditions or restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the Insured against loss or damage sustained by reason of:

1. The existence, at Date of Policy, of any of the following unless expressly excepted in Schedule B:
 - (a) Present violations on the land of any enforceable covenants, conditions or restrictions, or any existing improvements on the land which violate any building setback lines shown on a plat of subdivision recorded or filed in the Public Records.
 - (b) Any instrument referred to in Schedule B as containing covenants, conditions or restrictions on the land which, in addition, (i) establishes an easement on the land; (ii) provides for an option to purchase, a right of first refusal or the prior approval of a future purchaser or occupant; or (iii) provides a right of reentry, possibility of reverter or right of forfeiture because of violations on the land of any enforceable covenants, conditions or restrictions.
 - (c) Any encroachment of existing improvements located on the land onto adjoining land, or any encroachment onto the land of existing improvements located on adjoining land.
 - (d) Any encroachment of existing improvements located on the land onto that portion of the land subject to any easement excepted in Schedule B.
 - (e) Any notices of violation of covenants, conditions and restrictions relating to environmental protection recorded or filed in the Public Records.
2. Damage to existing buildings:
 - (a) Which are located on or encroach upon that portion of the land subject to any easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved;
 - (b) Resulting from the future exercise of any right existing at Date of Policy to use the surface of the land for the extraction or development of minerals excepted from the description of the land or excepted in Schedule B.
3. Any final court order or judgment requiring the removal from any land adjoining the land of any encroachment excepted in Schedule B.

4. Any final court order or judgment denying the right to maintain any existing improvements on the land because of any violation of covenants, conditions or restrictions or building setback lines shown on a plat of subdivision recorded or filed in the Public Records.

Wherever in this endorsement the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or limitations contained in an instrument creating a lease.

As used in paragraphs 1(a) and 4, the words "covenants, conditions or restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

- A. The Company acknowledges that the insured mortgage secures a reverse annuity (RAM) and insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of:
1. The invalidity or unenforceability of the lien of the Insured mortgage resulting from the provisions therein which provide for: (a) changes in the rate of interest; (b) interest on interest; or (c) the addition of unpaid interest to the principal balance of the loan.
 2. Loss of priority of the lien of the insured mortgage as security for the principal balance of the loan, including any unpaid interest which was added to the principal in accordance with the provisions of the insured mortgage, interest on interest or interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by (a) changes in the rate of interest; (b) interest on interest; or (c) increases in the unpaid balance of the loan resulting from the addition of unpaid interest.
- B. Notwithstanding paragraph 8(d) of the Conditions and Stipulations of this Policy, but subject to paragraph 7 of the Conditions and Stipulations, the amount of liability of the Company under the above numbered Policy shall fluctuate to equal the outstanding principal indebtedness and interest not exceeding the Amount of Insurance, secured by the insured mortgage as sums are advanced, readvanced, paid and repaid pursuant to the terms and provisions of the RAM. Furthermore, notwithstanding item 3(d) of the Exclusions from Coverage, this Policy insures that the lien of the insured mortgage as it secures sums advanced and readvanced pursuant to and in accordance with the terms and provisions of the RAM after the Date of Policy shall have the same priority over liens, encumbrances and other matters as if such advances had been made as of the original Date of Policy except for:
1. Taxes and assessments;
 2. Federal tax liens, notice of which is filed prior to the date of such advances;
 3. Liens or charges created under any environmental protection laws, ordinances or regulations;
 4. Liens, encumbrances, or other matters, the existence of which are actually known to the insured prior to the date of such advances; or
 5. Any statutory lien for services, labor or material.
- C. Provided, however, this endorsement is subject to the Exclusions from Coverage, the exceptions in Schedule B of the Policy and does not insure the validity, enforceability or priority of the lien of the insured mortgage with respect to:
1. Any sums advanced after the filing of a petition for relief under the Bankruptcy Code, 11 USC, by, or on behalf of or with respect to the mortgagor;
 2. Usury or any consumer credit protection or truth-in-lending law;
 3. The failure of the note or mortgage to state a definite term;
 4. The failure of the mortgage to state the maximum of principal and interest that it secures;
 5. The expiration of a statute of limitations or period of laches; or
 6. The failure to provide counseling as defined in 26 CFR Part 206 from a housing counseling agency approved by the U.S. Department of Housing and Urban Development.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is not subject to Section 3(d) of the Exclusions From Coverage nor Section 8(d) of the Conditions and Stipulations. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the amount of insurance.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

Reverse Annuity Mortgage Endorsement
Loan Policy Only
DTIRB-42 (03/01/2006)

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures against loss or damage sustained by the insured by reason of the land being taxed as part of a larger parcel of land or failing to constitute a separate tax parcel for real estate taxes.

This endorsement is issued as part of the Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the Policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the Policy and of any prior endorsements to it.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

BY: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made part of Policy Number _____

File Number _____

The following policies are issued in conjunction with one another:

POLICY NUMBER:	COUNTY:	STATE:	AMOUNT:

Notwithstanding the provisions of Section 7(a)(i) of the Conditions and Stipulations of this policy, the amount of insurance available to cover the Company's liability for loss or damage under this policy at the time of payment of loss hereunder shall be the aggregate of the amount of insurance under this policy and the other policies identified above. At no time shall the amount of insurance under this policy and the other policies identified above exceed in the aggregate \$_____. Subject to the provisions of Section 9(a) of the Conditions and Stipulations of the policies, all payments made by the Company under this policy or any of the other policies identified above, except the payments made for costs, attorneys' fees and expenses, shall reduce the aggregate amount of insurance pro tanto.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
 Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

Company insures against loss or damage by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for changes in the rate of interest.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by said changes in the rate of interest.

“Changes in the rate of interest”, as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the insured mortgage at Date of Policy.

The coverage provided by this endorsement shall not extend to loss or damage arising from the failure of the Insured to comply with applicable Federal and/or State statutes or regulations and any amendments thereto concerning mortgages which provide for changes in the rate of interest.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is not subject to paragraph 3(d) of the Exclusions From Coverage. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

Company insures against loss or damage by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for interest on interest and/or changes in the rate of interest and/or the addition of unpaid interest to the principal balance of the loan.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, including any unpaid interest which was added to principal in accordance with the provisions of the insured mortgage, interest on interest and/or interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by said changes in the rate of interest and/or interest on interest and/or increases in the unpaid principal balance of the loan resulting from the addition of unpaid interest.

“Changes in the rate of interest”, as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the insured mortgage at Date of Policy.

This endorsement does not insure against loss or damage based upon (a) usury, or (b) any consumer credit protection or truth in lending law.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is subject to neither paragraph 3(d) of the Exclusions From Coverage nor paragraph 8(d) of the Conditions and Stipulations. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

This Policy is amended by deleting therefrom Condition and Stipulation Paragraph 13, relating to arbitration.

This Endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY
ENDORSEMENT

Attached to and made a part of Policy Number

File Number

The Company insures the insured against loss or damage sustained in the event that, at Date of Policy:

1. According to applicable zoning ordinances and amendments thereto, the land is not classified Zone _____.
2. The following use or uses are not allowed under that classification:

There shall be no liability under this endorsement based on:

- (a) Lack of compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments thereto mentioned above, including but not limited to the failure to secure necessary consents or authorizations as a prerequisite to the use or uses.
- (b) The invalidity of the ordinances and amendments thereto mentioned above until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.
- (c) The refusal of any person to purchase, lease or lend money on the estate or interest covered by this policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

BLANK TITLE INSURANCE COMPANY

ENDORSEMENT

Attached to and made a part of Policy Number

File Number

1. The Company insures the insured against loss or damage sustained in the event that, at Date of Policy:
- (a) According to applicable zoning ordinances and amendments thereto, the land is not classified Zone __.
 - (b) The following use or uses are not allowed under that classification:

and there shall be no liability under this paragraph 1 (b) if the use or uses are not allowed as a result of any lack of compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments thereto mentioned above, including but not limited to the failure to secure necessary consents or authorizations as a prerequisite to the use or uses.

2. The Company further insures against loss or damage arising from a [mal decree of a court of competent jurisdiction
- (a) prohibiting the use of the land, with any structure presently located thereon, as specified in paragraph 1 (b); or
 - (b) requiring the removal or alteration of the structure

on the basis that, at Date of Policy, the ordinances and amendments thereto have been violated with respect to any of the following matters:

- (i) Area, width or depth of the land as a building site for the structure;
- (ii) Floor space area of the structure;
- (iii) Setback of the structure from the property lines of the land;
- (iv) Height of the structure; or
- (v) Number of parking spaces.

There shall be no liability under this endorsement based on:

- (a) The invalidity of the ordinances and amendments thereto mentioned above until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.
- (b) The refusal of any person to purchase, lease, or lend money on the estate or interest covered by this policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Officer or Licensed Agent

Zoning Endorsement – ALTA Endorsement 3.1
Owner's or Loan Policy – Improved Land
DTIRB-27 (02/01/2004)