



TITLE INSURANCE RATE MANUAL
for
NEW YORK STATE

This rate manual has been approved by the Superintendent of the New York State Department of Financial Services and is effective September 1, 1993.

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New York State
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This manual sets forth rules, definitions, classifications of risk, rates for policies of title insurance and approved forms of policies, endorsements and other forms for use by the members and subscribers of the Title Insurance Rate Service Association (TIRSA). The Title Insurance Rate Service Association is licensed by the Superintendent of the New York State Department of Financial Services pursuant to Article 23 of the Insurance Law as a Rate Service Organization.

This manual and its contents have been filed with and approved by the Superintendent of Department of Financial Services in accordance with the Insurance Law of the State of New York. The provisions of this manual are binding upon all members and subscribers of the Title Insurance Rate Service Association 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 company with, and approved by, the Superintendent of the Department of Financial Services.

Members of TIRSA as of January 14, 2021

Ameristract Title Insurance Company
AmTrust Title Insurance Company
CATIC 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
National Title Insurance of New York Inc.
Old Republic National Title Insurance Company
Security Title Guarantee Corporation of Baltimore
Stewart Title Insurance Company
Title Resources Guaranty Company
Westcor Land Title Insurance Company
WFG National Title Insurance Company

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PART I
DEFINITIONS AND RULES

PART I: DEFINITIONS AND RULES

SECTION 1: DEFINITIONS

As used in this manual, the following definitions apply:

Amount of Insurance: the amount of insurance set forth in the Policy.

Bracketed Rate: the rate per thousand, as specified in [Part II](#) of this manual.

Collateral Mortgage: a Mortgage given as additional security for the same indebtedness or obligation secured by a Primary Mortgage on real property located in New York State.

Commercial Real Property: real property, including vacant land, and which is not Residential Real Property, as defined below.

Company: each title insurance corporation to which this manual applies and any title insurance agent acting on behalf of such title insurance corporation in the transactions described herein.

Consideration: anything of value paid or transferred in exchange for the real property or cooperative unit, or interest therein, plus the amount of any lien or encumbrance, whether or not assumed or taken subject to, remaining on the real property or cooperative unit, or interest therein, at the time of transfer, except as otherwise expressly set forth in this manual (see [Section 9\(C\)](#): “Construction Mortgage Insurance, Construction Mortgage Conversion Insurance, Minimum Insurance”; [Section 12\(B\)\(3\)](#) and (D)(3): “Refinance Mortgage and Refinance Construction Mortgage”; [Section 13\(B\)\(3\)](#) and (D)(3): “Mortgage Modification and Construction Mortgage Modification”; and [Section 28](#): “Continuation of Insurance”).

Construction Loan: a building loan, a project loan or any other loan which is advanced in stages and for which a construction loan policy endorsement may be issued upon each advance of loan proceeds.

Construction Mortgage: a Mortgage securing a Construction Loan.

Construction Mortgage Policy: a Loan Policy, including a Leasehold Loan Policy, insuring a Construction Mortgage.

Construction Mortgage Rate: the rate provided in [Section 9\(A\)](#): “Construction Mortgage Insurance, Construction Mortgage Conversion Insurance, Minimum Insurance” of this manual.

Endorsement: an endorsement included in this manual.

Investor: a person or entity acquiring an interest in an entity that is the record owner or lessee of real property or the owner of a cooperative interest.

Leasehold Loan Policy: a Loan Policy with a leasehold Endorsement or a cooperative Endorsement.

Leasehold Owner’s Policy: an Owner’s Policy with a leasehold Endorsement or a cooperative Endorsement.

Loan Policy: a Policy, including a Leasehold Loan Policy, insuring a Mortgage that is not a Construction Mortgage.

Loan Rate: the rate provided for Loan Policies in [Part II](#) of this manual.

Modification Construction Mortgage Rate: the rate provided in [Section 13\(C\)](#): “Mortgage Modification and Construction Mortgage Modification” of this manual.

Modification Rate: the rate provided in [Section 13\(A\)](#): “Mortgage Modification and Construction Mortgage Modification” of this manual.

Mortgage: an instrument creating a security interest on real property or an interest therein, or on a cooperative interest, securing a loan or other obligation.

Owner’s Policy: a Policy, including a Leasehold Owner’s Policy, insuring an ownership interest or a lessee’s interest in real property or a cooperative unit, or an appurtenance thereto.

Owner’s Rate: the rate provided for Owner’s Policies in [Part II](#) of this manual.

Policy: a form of title insurance policy included in this manual.

Primary Mortgage: a Mortgage, other than a Collateral Mortgage, made by a primary obligor or guarantor to secure a loan or other obligation.

Refinance Rate: the rate provided in [Section 12](#): “Refinance Mortgage and Refinance Construction Mortgage” of this manual.

Residential Real Property:

- (A) real property improved by a one- to four-family dwelling; or
- (B) an individual condominium unit used as a dwelling; or
- (C) an individual cooperative apartment/unit used as a dwelling.
- (D) Both (B) and (C) above may include ancillary units (e.g., a maid’s apartment, a parking space or storage unit);
- (E) All of (A) through (C) may include one apartment, unit or space used by the owner of the property as a professional office.

Residential Real Property does not include land which is not improved at the time of the issuance of the Policy. Real property improved by a one- to four-family dwelling used in part (but not entirely) as a professional office shall be deemed to be Residential Real Property. Property with any other kind of mixed use shall not be deemed Residential Real Property.

Simultaneous or Simultaneously: occurring on the same calendar day.

SECTION 2: RULES

- (A) All charges, fees and premiums set forth in this manual, pursuant to Section 2314 of the Insurance Law, are mandatory upon each Company upon approval by the Superintendent of the Department of Financial Services, and cannot be waived, reduced or increased, except as provided in Section 2(H) below or as provided in Section 2339 of the Insurance Law.
- (B) Any rate, premium, fee or other charge set forth in this manual shall apply to any transaction closed on or after the effective date of any change in such rate, premium, fee or other charge, even though application may have been made prior to the effective date of this manual.
- (C) No form of Policy, Endorsement, or other coverage may be issued which varies the covered risks, conditions, or exclusions of a Policy unless first approved by the Superintendent of the Department of Financial Services. Approved Policies and Endorsements are set forth in [Part IV](#) below. No form of Policy not approved by the Department of Financial Services may be issued or updated by Endorsement or otherwise. Notwithstanding the above, nothing herein shall limit a Company from deleting or limiting a covered risk.
- (D) Except as otherwise specifically set forth in this manual, the premium charged may not be less than the minimum premium set forth in [Part II](#) of this manual.
- (E) Premiums for each Policy and each Endorsement shall be charged in whole-dollar amounts, rounded to the nearest dollar. In calculating any premium, a remainder of less than fifty cents shall be rounded down and fifty cents and above shall be rounded up.
- (F) Upon notification to the applicant, a Company may decline to search, examine or insure any title, or to issue any Endorsement. A Company may, at any time, and at its sole discretion, refuse an application or cancel any unclosed application, without liability on the part of the Company.
- (G) Extra charges may be levied at or after the receipt of the application for examination of title which may involve additional tax lots, multiple chains of title, land under water, land in bed of streets, rights-of-way, driveways, easements, strips and gores, foreclosures, proceedings under federal bankruptcy or state insolvency-related statutes, for other unusual difficulties in the examination of title, for unusual travel expenditures, for recording instruments, or for telephone, telegraph or delivery charges. The Company may impose additional charges for closing attendance in excess of two hours and for any closings extending beyond normal business hours for which additional attendees are required or travel arrangements and distance warrant.
- (H) All charges pursuant to this manual must be paid at the time of closing, unless otherwise set forth herein. The Company shall withhold delivery of the Policy and shall have no liability until all applicable charges and the premiums and fees set forth in this manual have been paid in full. A Policy, Endorsement, form, guarantee, certificate of title, title report or other service authorized in this manual which is ordered for use by an agency or department of, and for use by, the United States Government may be delivered prior to payment therefore. Payment for such Policy or other service shall be made by said agency or department of the United States Government not more than 60 days after delivery.

- (I) A Policy other than a Loan Policy shall be issued only in the name of the present owner(s) of the insured estate or as provided in [Section 18](#)(A): “Entity Purchase and Non Imputation Endorsement” and, if the present owner of the insured estate is acting as nominee pursuant to a written agreement, also in the name of the principal on whose behalf the nominee holds title, “as their interests may appear,” provided that the principal holds no other estate or interest in the land. Except as provided in (1) below, no other party holding a separate estate or interest may be named as an insured “as its interest may appear.”
- (1) An Owner’s Policy insuring the United States of America and any of its agencies or departments may be issued in the name of the United States of America and its agency or department, “as their interests may appear.”
- (J) FOR OWNER’S POLICIES: in the absence of a survey acceptable to the Company, the Policy shall contain the following language (or language of similar meaning): “Subject to any state of facts an accurate survey would show.”
- (1) For Residential Real Property only, the Company shall charge to omit, by inspection, an exception for changes subsequent to the date of the existing survey.
- (2) For Commercial Real Property, an exception for changes subsequent to the date of the existing survey shall be omitted only upon receipt of an updated survey acceptable to the Company.
- (K) FOR LOAN POLICIES:
- (1) For Commercial Real Property in the absence of a survey acceptable to the Company, the Policy shall contain the following language (or language of similar meaning):
“Subject to any state of facts an accurate survey would show.”
- (a) Except as provided in (b) below, for Commercial Real Property, an exception for changes subsequent to the date of the existing survey may be omitted without an updated survey.
- (b) For Commercial Real Property, if the Mortgage secures a building loan or a project loan, an exception for changes subsequent to the date of the existing survey shall not be omitted except upon receipt of an updated survey acceptable to the Company.
- (2) For Residential Real Property, nothing herein shall prohibit a Company from raising an exception for any state of facts an accurate survey would show or changes subsequent to the date of an existing survey, as applicable.
- (L) Every Construction Mortgage Policy insuring a construction loan shall contain the following language (or language of similar meaning):
“Pending disbursement of the proceeds of the loan secured by the insured Mortgage described herein, this Policy insures only to the extent of the amount actually disbursed plus interest accrued thereon but increases as disbursements are made in good faith and without knowledge of any defects in, or objections to, the title, up to the face

amount of the Policy. Title must be continued down to the date of each disbursement and the Company shall furnish to the mortgagee a continuation report, stating whether, since the date hereof or since the date of the last preceding continuation report, any liens or encumbrances have been recorded, whether any taxes, assessments or other charges of whatever nature which have become due and payable have not been paid, whether, if an updated survey is furnished, there are survey variations, encroachments or violations of set-back restrictions, and whether there are any additional title exceptions or objections.”

- (M) The Policy forms in this manual for cooperative leasehold insurance are the [ALTA Owners' Policy](#) with the [Cooperative Endorsement \(Owner's\)](#) and the [ALTA Loan Policy](#) with the [Cooperative Endorsement \(Loan\)](#).

SECTION 3: ZONES

- (A) For rate-making purposes, the State of New York is divided into two zones as follows:

Zone 1: Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming, and Yates.

Zone 2: Albany, Bronx, Columbia, Dutchess, Greene, Kings, Nassau, New York, Orange, Putnam, Queens, Rensselaer, Richmond, Rockland, Suffolk, Sullivan, Ulster, and Westchester.

- (B) The rates for Zone 1 do not include the cost of searching incurred by a Company. A separate charge shall be made for any such search.
- (C) The rates for Zone 2 include the cost of searching and the tax search for one tax lot. Additional charges shall be imposed for tax searches on additional tax lots. The cost of one continuation of title and one tax continuation is included. Additional charges may be imposed for subsequent continuations prior to closing.
- (D) The premium for a Policy does not include the cost of any ancillary services, which may include, but are not limited to, searches of municipal departments and other searches provided at the request of and for the information of a proposed insured or its representative.
- (E) When a Policy insures property located in both Zones 1 and 2, the rates and rules for Zone 2 shall apply.

SECTION 4: COINSURANCE

- (A) A coinsurance transaction is a transaction in which more than one insurer insures a risk, and each coinsurer assumes a designated portion of the total Amount of Insurance from the first

dollar and is liable for only such portion of any loss. Each coinsurer shall issue a Policy or the [Co-insurance Endorsement](#) setting forth the amount of liability it assumes.

- (B) Coinsurance with joint and several liability is coinsurance in which the liability for a designated amount of loss or damage from the first dollar is assumed jointly and severally among all of the coinsurers.

Whenever joint and several liability is requested, the [Joint and Several Liability Endorsement](#) will be issued and each coinsuring Company shall charge an additional premium which shall be at the rate of \$1 per \$1,000 of the total Amount of Insurance to which the joint and several liability shall apply.

- (C) The premium for a coinsurance transaction shall be calculated on the total Amount of Insurance by all coinsurers at the applicable rate set forth in [Part II](#) of this manual, and shall be apportioned among all coinsurers in proportion to each coinsurer's designated portion of the total Amount of Insurance.

SECTION 5: MINIMUM INSURANCE: OWNER'S POLICY, ADDITIONAL INSURANCE

- (A) An Owner's Policy shall not be issued for less than the greater of the contract price (including all unpaid liens thereon which the purchaser assumes or takes subject to) or the fair market value of the property, except under the provisions of [Section 4\(A\)](#): "Coinsurance"; [Section 17](#): "Owner's Policy to Foreclosing Lender or to Lender by Deed in Lieu of Foreclosure"; [Section 18](#): "Entity Purchase and Non-imputation Endorsement"; [Section 19](#): "Mezzanine Financing Insurance"; [Section 21](#): "Contract Vendee Insurance, Minimum Insurance"; [Section 22](#): "Option Insurance"; or [Section 11\(B\)](#): "New York City Development Rights Endorsement."
- (B) A Leasehold Owner's Policy with a [Cooperative Endorsement](#) shall not be issued for less than the greater of the contract price (including all unpaid liens thereon which the purchaser assumes or takes subject to) or the fair market value of the cooperative unit.
- (C) A Company may increase the Amount of Insurance of its previously issued Owner's Policy by the issuance of the [Increase in Amount of Insurance Endorsement \(Owner's Policy\)](#) reflecting the revised Amount of Insurance. The rate to be charged for such increase shall be on the additional Amount of Insurance exceeding the Amount of Insurance of the Owner's Policy, as previously issued, computed applying the applicable Bracketed Rates starting at the Amount of Insurance of its previously issued Owner's Policy based on the Owner's Rate in effect at the time of such Endorsement. The revised Amount of Insurance shall not be less than as required by this Section 5(A) or (B). Notwithstanding the issuance of an [Increase in Amount of Insurance Endorsement](#) to a previously issued Owner's Policy, there shall be no change in the date of the Policy and the Simultaneous rate as defined in [Section 10](#) of this manual shall not be applicable.

SECTION 6: MINIMUM INSURANCE: LEASEHOLD INSURANCE

- (A) The rate for a Leasehold Owner's Policy shall be the Owner's Rate and shall be based upon the Amount of Insurance selected by the insured according to one of the following methods:

- (1) For leases having a term of six years or less, an amount equal to the aggregate of the total rents payable under the lease; (on percentage leases, a statement of estimated rent may be used);
 - (2) For leases having a term of more than six years, an amount not less than the aggregate of the total rents for the six years immediately following the closing of the lease transaction (on percentage leases, a statement of estimated rent may be used);
 - (3) Not less than the fair market value of the land and improvements at the time of closing of the leasehold transaction; or
 - (4) As provided in [Section 19](#)(C): “Mezzanine Financing Insurance” of this manual, when applicable.
- (B) The rate for a Leasehold Owner’s Policy insuring an assignment of a leasehold estate shall be the Owner’s Rate, and the Amount of Insurance shall not be less than the greater of:
- (1) The contract price for the leasehold estate, including all unpaid liens thereon which the purchaser assumes or takes subject to; or
 - (2) The amount calculated by the method selected by the insured under subsections (A)(1) through (A)(3) of this Section 6. In the case of proposed construction, the projected cost of improvements may, at the option of the insured, be added to the amount specified in subsections (A)(1) through (A)(3) or (B) of this Section 6.

SECTION 7: SIMULTANEOUS ISSUE OF MULTIPLE OWNER’S POLICIES

- (A) When Policies are Simultaneous or are issued Simultaneously, all such Policies shall have the same date of Policy.
- (B) When multiple Owner’s Policies are issued Simultaneously and they cover different estates or interests in identical property or portions thereof, the rate for the Owner’s Policy insuring the superior estate (superior Policy) shall be at the Owner’s Rate. The rate for each such Owner’s Policy covering a lesser estate shall be 30% of the Owner’s Rate up to the amount of the superior Policy, plus the Owner’s Rate on any amount in excess of the Amount of Insurance of the superior Policy, applying the applicable Bracketed Rates starting at the Amount of Insurance of the superior Policy.
- (C) A fee estate, for example, is superior to a leasehold estate, and a leasehold estate is superior to a sub-leasehold estate.

SECTION 8: MINIMUM INSURANCE: LOAN POLICY, LEASEHOLD LOAN POLICY

- (A) A Loan Policy shall not be issued for less than the maximum principal amount of the loan that is or may be secured by the Mortgage at the date of Policy, except under the provisions of [Section 4](#)(A): “Coinsurance” or [Section 16](#): “Loan Policy, Reverse Mortgages.”

- (B) A Loan Policy insuring a Mortgage that contains a provision for negative amortization shall not be issued in an amount less than the maximum principal amount that is or may be secured by such Mortgage at the date of Policy, including the amount of any interest which may be added to the principal.

SECTION 9: CONSTRUCTION MORTGAGE INSURANCE, CONSTRUCTION MORTGAGE CONVERSION INSURANCE, MINIMUM INSURANCE

- (A) The Construction Mortgage Rate shall be the Owner's Rate. The premium shall include the cost of the first five continuations performed after the closing of the Construction Mortgage. An additional charge of \$200 for each subsequent title continuation search beyond the fifth shall be charged at the time that each such continuation is performed. If during construction the property is subdivided or converted to condominium ownership, resulting in additional tax lots to be examined, extra charges shall be imposed for the additional tax lot searches after the search on the first tax lot on all subsequent continuations, which may include the first five continuations if not previously performed.
- (B) A Construction Mortgage Policy shall not be issued for less than the maximum principal amount of the loan that is or may be secured by the Construction Mortgage at the date of Policy, except under the provisions of [Section 4\(A\)](#): "Coinsurance." The premium, based on the full amount of the Policy, must be paid at the time of the closing of the Construction Mortgage.
- (1) When a Construction Loan is secured by a series of Construction Mortgages which are not to be recorded Simultaneously, and the Construction Mortgage Policy insures the aggregate amount of said mortgages, the premium shall be calculated on the aggregate amount of the Construction Mortgages.
 - (2) When a Construction Loan is secured by a series of Construction Mortgages which are not to be recorded Simultaneously, and a separate Construction Mortgage Policy is issued for each Mortgage, the premium shall be calculated on the amount of each Policy with no aggregation.
- (C) For a Loan Policy insuring a modification of an existing Construction Mortgage to a permanent Mortgage, where there is no change in ownership of the fee or leasehold estate, the rate for such Loan Policy shall be 30% of the Loan Rate up to the unpaid principal balance due on the Construction Mortgage, plus the Refinance Rate on any amount in excess of the unpaid principal balance due on the Construction Mortgage, applying the applicable Bracketed Rates starting at the unpaid principal balance due on the Construction Mortgage.

The acquisition of title for no consideration, regardless of the amount of any liens or encumbrances remaining on the land, by the mortgagor referenced in the Loan Policy insuring the modification of the Construction Mortgage to a permanent Mortgage does not constitute a change of ownership for purposes of this Section 9, provided that the transferee of title from the mortgagor under the Construction Mortgage is one of the following:

- (1) an insured under the ALTA 2006 Owner's Policy;

- (2) an individual or entity who would otherwise be entitled to the benefit of [Section 28](#): “Continuation of Insurance” of this manual, as if the mortgagor under the Construction Mortgage were an insured under an Owner’s Policy;
 - (3) an industrial development agency or other public benefit corporation on a conveyance from the beneficial owner of the property; or
 - (4) the beneficial owner of a property on a conveyance from an Industrial Development Agency or other public benefit corporation.
- (D) For a Loan Policy insuring the modification of an existing Construction Mortgage to a permanent Mortgage, when there is a change in the ownership of the fee estate or leasehold estate for consideration, and an Owner’s Policy is Simultaneously issued, [Section 10](#): “Simultaneous Issue of Owner’s and Loan or Construction Mortgage Policies” shall apply.
- (E) For a Loan Policy insuring the modification of an existing Construction Mortgage to a permanent Mortgage, when there is a change in the ownership of the fee estate or leasehold estate for Consideration, and no Owner’s Policy is Simultaneously issued, the rate for such Loan Policy shall be the Loan Rate.

SECTION 10: SIMULTANEOUS ISSUE OF OWNER’S AND LOAN OR CONSTRUCTION MORTGAGE POLICIES

- (A) When policies are Simultaneous or are issued Simultaneously, all such policies shall have the same date of Policy.
- (B) When an Owner’s Policy and a Loan Policy are issued Simultaneously, the premium for the Owner’s Policy shall be calculated at the Owner’s Rate.
- (C) (1) The premium for a Loan Policy that covers identical property or part of the property described in the Simultaneously issued Owner’s Policy and no additional property shall be calculated at 30% of the Loan Rate for coverage up to the amount insured by the Owner’s Policy and at the Loan Rate for the amount of coverage in excess of the amount insured by the Owner’s Policy.
- (2) The premium for a Loan Policy in an amount of \$475,000 or less that covers identical property or part of the property described in the Simultaneously issued Owner’s Policy and additional property acquired by the mortgagor within ten years of the date of the application for the Loan Policy shall be calculated at:
- (a) 50% of the Loan Rate for the amount of coverage up to the amount insured by Owner’s Policy plus the purchase price or existing Mortgages (as defined in [Section 12](#)) on the additional property; and
 - (b) the Loan Rate for the amount of the coverage in excess of the amount insured by the Owner’s Policy plus the purchase price or existing Mortgage (as defined in [Section 12](#)) or additional property.

- (3) The premium for a Loan Policy in an amount greater than \$475,000 that covers identical property or part of the property described in the Simultaneously issued Owner's Policy and additional property acquired by the mortgagor within ten years of the date of the application for the Loan Policy shall be calculated at:
 - (a) 70% of the Loan Rate for the amount of coverage up to the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in [Section 12](#)) on the additional property; and
 - (b) the Loan Rate for the amount of coverage in excess of the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in [Section 12](#)) on the additional property.
- (D)
 - (1) The premium for a Construction Mortgage Policy which covers identical property or part of the property described in the simultaneously issued Owner's Policy and no additional property shall be calculated at 30% of the Owner's Rate for coverage up to the amount insured in the Owner's Policy and at the Owner's Rate for the coverage in excess of the amount insured by the Owner's Policy.
 - (2) The premium for a Construction Mortgage Policy in an amount of \$475,000 or less that covers identical property or part of the property described in the Simultaneously issued Owner's Policy and additional property acquired by the mortgagor within ten years of the date of the application for the Loan Policy shall be calculated at:
 - (a) 50% of the Owner's Rate for the amount of coverage up to the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in Section 12) on the additional property; and
 - (b) the Owner's Rate for the amount of coverage in excess of the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in [Section 12](#)) on the additional property.
 - (3) The premium for a Construction Mortgage Policy in an amount greater than \$475,000 that covers identical property or part of the property described in the Simultaneously issued Owner's Policy and additional property acquired by the mortgagor within ten years of the date of the application for the Loan Policy shall be calculated at:
 - (a) 70% of the Owner's Rate for the amount of coverage up to the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in Section 12) on the additional property; and
 - (b) the Owner's Rate for the amount of coverage in excess of the amount insured by the Owner's Policy plus the purchase price or existing Mortgages (as defined in [Section 12](#)) on the additional property.
- (E) This Section 10 shall not apply to a Loan Policy or Construction Mortgage Policy issued Simultaneously with an Owner's Policy under [Section 18\(B\)](#): "Partial Equity Transfer."

SECTION 11: NEW YORK CITY DEVELOPMENT RIGHTS

- (A) The purpose of the New York City Development Rights Endorsement is to provide certain insurance with respect to a Declaration of Zoning Lot Restrictions and a ZLDA (as defined in the New York City Development Rights Endorsement) entered into for the benefit of the real property described in Schedule A of the Policy.

If the ZLDA recited in the Endorsement does not contain (a) an easement for light and air and/or (b) a negative covenant for the benefit of the real property described in Schedule A of the Policy, the language in the endorsement insuring an easement for light and air and/or a negative covenant shall be removed from the endorsement.

The charge for the endorsement is \$25 for each New York City Development Rights Endorsement that is included in a Policy. If an Owner's Policy and a Loan Policy are Simultaneously issued, the \$25 charge for each New York City Development Rights Endorsement shall only be charged for the endorsement(s) being issued for the Owner's Policy.

- (B) An Owner's Policy may be issued to provide supplemental or additional insurance to an insured who has acquired rights pursuant to a ZLDA. This supplemental or additional insurance is intended to be for the purpose of providing the benefits of one or more New York City Development Rights Endorsements to an insured under a previously issued Owner's Policy for the real property described in Schedule A of the "supplemental" or "additional" Policy being issued. In such event:
- (1) no such supplemental or additional policy shall be issued in an amount less than the total consideration paid for any development rights transferred pursuant to the ZLDA(s) recited in the endorsement(s); and
 - (2) there shall be no additional charge for the New York City Development Rights Endorsement(s) issued in connection with such supplemental or additional policy.

The foregoing notwithstanding, nothing contained in this section is otherwise intended to override [Part I, Section 5](#): "Minimum Insurance: Owner's Policy" of this manual with respect to an Owner's Policy issued in connection with the purchase of the real property described in Schedule A of such Owner's Policy.

- (C) The New York City Development Rights Endorsements may not be added to a previously issued Owner's Policy or Loan Policy.

SECTION 12: REFINANCE AND SUBORDINATE MORTGAGE AND REFINANCE CONSTRUCTION MORTGAGE

- (A) Whenever a new loan policy is issued in an amount of \$475,000 or less, the premium for the new Loan Policy or Construction Loan Policy shall be 50% of the applicable Bracketed Rate up to the greater of:
- (1) the full consideration paid for the deed(s), lease(s) or assignment(s) of lease vesting title in the owner (the "Vesting Instrument");

- (a) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument(s); or
 - (b) otherwise shown on the Vesting Instrument(s); or
 - (c) shown in the public records; or
- (2) the face amounts of all existing Mortgages of record that are open and have not been paid off prior to the transaction being insured (including the amount of consolidated or modified Mortgages) given by the owner of the fee or leasehold estate created by the Vesting Instrument (the “Existing Mortgage(s)”);
- (3) the face amount of an existing Owner’s or Loan Policy (“Existing Policy”) that may be provided by the Mortgagor;

provided that:

- (4) the Vesting Instrument(s), the Existing Mortgage(s) or the Existing Policy on which the reduced rate is based was created within ten years before the date on which the application for the new Loan Policy was placed; and
- (5) the new Mortgage is to be given by all of the same or by some of the same persons and no additional persons shown as the owners of the fee or leasehold estate in the Vesting Instrument(s), or by all of the same or some of the same persons and no additional persons shown as the mortgagor(s) in the existing Mortgage(s); and
- (6) the new Mortgage describes the same property or some of the same property and no additional property as set forth in the Vesting Instrument(s) or the existing Mortgage(s) or existing Policy,

For any insurance that exceeds the greater of the amounts set forth in (A)(1) or (A)(2) above, the charge for such insurance shall be the applicable Bracketed Rate.

- (B) Whenever a new Loan Policy is issued in an amount greater than \$475,000, the premium for the new Loan Policy or Construction Loan Policy shall be 70% of the applicable Bracketed Rate up to the greater of:
- (1) the full consideration paid for the deed(s), lease(s) or assignment(s) of lease vesting title in the owner (the “Vesting Instrument(s)”):
 - (a) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument(s); or
 - (b) otherwise shown on the Vesting Instrument(s); or
 - (c) shown in the public records; or
 - (2) the face amounts of all existing Mortgages of record that are open and have not been paid off prior to the transaction being insured (including the amount of consolidated or

modified mortgages) given by the owner of the fee or leasehold estate created by the Vesting Instrument(s) (the “Existing Mortgage(s)”);

- (3) the face amount of an existing Owner’s or Loan Policy (“Existing Policy”) that may be provided by the Mortgagor;

provided that:

- (4) the Vesting Instrument(s) or the existing Mortgage(s) or existing Policy or Policies on which the reduced rate is based was created within ten years before the date the application for the new Loan Policy was placed; and
- (5) the new Mortgage is given by all of the same or by some of the same persons and no additional persons shown as the owners of the fee or leasehold estate in the Vesting Instrument(s), or all of the same or some of the same persons shown as the mortgagors in the existing Mortgage(s); and
- (6) the new Mortgage describes all of the same property or some of the same property and no additional property as set forth in the Vesting Instrument(s) or the existing Mortgage(s) or existing Policy or Policies.

For any insurance that exceeds the greater of the amounts set forth in (B)(1) or (B)(2) above, the charge for such insurance shall be the applicable Bracketed Rate.

- (C) Additional discounts may be applicable pursuant to the following [Section 12A](#) and [Section 12B](#).
- (D) With reference to sections (A), (B) and (C) above, if the mortgage being refinanced is a Construction Mortgage then the applicable rate shall be the Construction Mortgage Rate.

SECTION 12A: REFINANCE LOAN, SAME LENDER, SAME BORROWER (RESIDENTIAL ONE- TO FOUR-FAMILY PROPERTY ONLY)

- (A) Whenever a new loan policy is issued insuring Residential Real Property that is owner occupied (by a natural person or persons, and when all of the following conditions are met, the premium for the new loan policy shall be 70% (an additional 30% discount) of the applicable refinance rate calculated under [Section 12](#) of this manual:
- (1) the holder of the loan or the holder of the beneficial interest in the loan being refinanced is the same as the holder of (or the holder of the beneficial interest in) the new loan, including an affiliated entity or successor by merger, but not including a holder by assignment, unless the assignment is to an affiliated entity or successor by merger; and
- (2) the new loan is a refinance of an existing loan by replacement with a new loan or a new loan consolidated with an existing loan; and
- (3) the new loan policy is applied for at any time during the ownership of the property by the person or persons making the new loan; and

- (4) all of the same or some of same persons and no additional persons who executed the existing loan being refinanced are executing the new loan; and
 - (5) the source of title into the parties who executed the loan being refinanced is the same as for the parties executing the new loan; and
 - (6) the new loan policy describes all of the same property or some of the same property and no additional property as is set forth in the loan being refinanced.
- (B) For purpose of calculation of the premium, the 10-year limitation requirement applicable in [Section 12](#) does not apply to this section.

SECTION 12B: REFINANCE LOAN, SAME BORROWER, NEW LENDER (RESIDENTIAL ONE- TO FOUR-FAMILY PROPERTY)

- (A) Whenever a new loan policy is issued at any time insuring Residential Real Property that is owner occupied (by a natural person or persons) and when all of the following conditions are met, the premium for the new loan policy shall be 85% (an additional 15% discount) of the applicable refinance rate calculated under [Section 12](#) of this manual:
- (1) the holder of the loan or the beneficial interest in the loan being refinanced is NOT the same as the holder of the new loan; however, if the holder of the loan being refinanced is a successor by merger or by an assignment to an affiliated entity or a successor by merger of the holder of the loan being refinanced, [Section 12A](#) will apply; and
 - (2) the new loan is a refinance of an existing loan by replacement with a new loan or a new loan consolidated with an existing loan; and
 - (3) the new loan policy is applied for at any time during the ownership of the property by the person or persons executing the new loan; and
 - (4) all of the same or some of same persons and no additional persons who executed the existing loan being refinanced are executing the new loan; and
 - (5) the source of title into the parties who executed the loan being refinanced is the same as for the parties making the new loan; and
 - (6) the new loan policy describes the same property or some of the same property and no additional property as is set forth in the loan being refinanced.
- (B) For purpose of calculation of the premium, the 10-year limitation requirement applicable in [Section 12](#) does not apply to this section.

SECTION 13: MORTGAGE MODIFICATION AND CONSTRUCTION MORTGAGE MODIFICATION (NO NEW MONEY)

- (A) The Modification Rate for the Loan Policy or Construction Loan Policy shall be 50% of the applicable Bracketed Rate.

- (B) The Modification Rate shall apply when:
- (1) An existing Mortgage is being modified;
 - (2) No additional indebtedness or obligation is being secured;
- (3) The Loan Policy covers the identical property as set forth in the Mortgage being modified, or a part thereof, and no additional property; and
- (4)
 - (a) The mortgagor owned the property (that is, the mortgagor did not acquire the mortgaged property Simultaneously with the modification of the Mortgage); or
 - (b) The mortgagor acquired the mortgaged property for no Consideration Simultaneously with the modification of the Mortgage.
- (C) When the insured Mortgage is a Construction Mortgage, the premium shall include the cost of the first five continuations after the issuance of the Policy insuring the Construction Mortgage. An additional charge of \$200 for each subsequent title continuation search beyond the fifth shall be charged at the time of each such continuation. If, during construction, the property is subdivided or converted to condominium ownership resulting in additional tax lots to be examined, extra charges shall be imposed for all subsequent continuations, which may include the first five continuations if not previously performed.
- (D) The Modification Rate applies notwithstanding the identity of the holder of the Mortgage.
- (E) This Section 13 does not apply to the conversion of a Construction Mortgage to a permanent Mortgage, to which [Section 9](#) (Construction Mortgage Insurance Construction Mortgage Conversion Insurance Minimum Insurance) of this Manual applies.

SECTION 14: SIMULTANEOUS ISSUE OF TWO OR MORE LOAN POLICIES (AGGREGATION)

When two or more Loan Policies or Construction Mortgage Policies are issued simultaneously covering identical property, or a part thereof, and no additional property:

- (A) The rate for the first loan policy shall be calculated at the applicable Loan Rate or Construction Loan Rate. Any additional loan policies shall be calculated starting at the amount of the first loan policy and applying one of the following Bracketed Rates, as applicable: Refinance Rate, Construction Mortgage Rate, or Simultaneous rate, as applicable, based on the aggregate amount of the Loan Policies and Construction Mortgage Policies.
- (B) When Loan Policies or Construction Mortgage Policies are aggregated pursuant to this Section 14, the rates for each Policy shall be computed in accordance with the priority of the Mortgages insured [their priority] as reflected in the Policies issued.
- (C) When Mortgages which have equal priority are insured by separate policies, the rate for each Policy shall be computed in accordance with the order in which the Mortgages are to be recorded as directed by the insureds.

SECTION 15: COLLATERAL MORTGAGES

- (A) No additional premium shall be charged by the same Company for a Loan Policy insuring one or more Collateral Mortgages issued Simultaneously with the Loan Policy or Construction Mortgage Policy insuring a Primary Mortgage when the Collateral Mortgages secure no additional indebtedness or obligation. The premium for the Loan Policy or Construction Loan Policy insuring the Primary Mortgage shall be calculated at the Loan Rate, Refinance Rate, Modification Rate, Construction Mortgage Rate, or Simultaneous rates, as applicable.
- (B) Endorsements for each policy insuring a Collateral Mortgage shall be charged at the applicable rate pursuant to [Section 27](#) of this manual.
- (C) When a single Policy or when separate Policies are issued Simultaneously by the same Company insuring a Primary Mortgage and a Collateral Mortgage, a work charge of no less than \$350 (for Residential Real Property) or no less than \$750 (for Commercial Real Property), as applicable, based on the property encumbered by the Collateral Mortgage, shall be charged for each additional parcel of land encumbered by the Collateral Mortgage.
- (D) When the same Company issues separate Loan Policies (including Construction Mortgage Policies) Simultaneously insuring a Primary Mortgage and a Collateral Mortgage, the Loan Policy insuring the Collateral Mortgage and the Loan Policy or Construction Mortgage Policy insuring the Primary Mortgage each shall contain the following:
- This Policy is issued Simultaneously with and in connection with Policy No(s). [Policy number(s)] (collectively, the “Policies”). The total liability under the Policies shall not exceed \$[liability amount]. Any reduction in the liability of any Policy will result in a reduction pro tanto of the liability under the other Policies.*
- (E) When a single Policy or separate Policies are issued Simultaneously by the same Company insuring a Primary Mortgage and a Collateral Mortgage on property located in both Zone 1 and Zone 2, the rates and rules for Zone 2 shall apply.
- (F) In the event that the Company insuring a Collateral Mortgage is not Simultaneously insuring a Primary Mortgage, the Policy insuring the Collateral Mortgage shall be charged at the Loan Rate or Refinance Rate, as applicable.
- (G) A Loan Policy insuring a Collateral Mortgage that is not issued Simultaneously with the Loan Policy or Construction Mortgage Policy insuring the Primary Mortgage shall be charged at the Loan Rate or Refinance Rate, as applicable.

SECTION 16: LOAN POLICY, REVERSE MORTGAGES

- (A) A Loan Policy insuring a Reverse Mortgage (as identified in Section 280 et seq. of the New York Real Property Law) may not be issued in an amount less than the Loan Amount as shown on the HUD/VA Addendum to Uniform Residential Loan Application or the Direct Endorsement Approval for a HUD/VA-Insured Mortgage. In the event that neither the HUD/VA Addendum to Uniform Residential Loan Application or the Direct Endorsement

Approval for a HUD/VA-Insured Mortgage are available, an amount equal to the loan amount as shown on the final loan application shall be used.

- (B) Upon the request of the insured, the Loan Policy may be issued in an amount greater than the minimum Amount of Insurance set forth in (A) above, but:
- (1) no greater than the maximum claim amount on Home Equity Conversion Mortgages (HECM) insured by HUD; or
 - (2) in all other types of reverse Mortgages, no greater than the property's appraised value as used by the lender in connection with the making of the loan.
- (C) The TIRSA Reverse Mortgage Endorsement must be appended to every Loan Policy insuring a Reverse Mortgage loan, as said term is defined under Section 280 et seq. of the New York Real Property Law.

SECTION 17: OWNER'S POLICY TO FORECLOSING LENDER OR TO LENDER BY DEED IN LIEU OF FORECLOSURE

- (A) An Owner's Policy issued to an insured under a Loan Policy when the lender, or its assignee or subsidiary, has acquired title by a referee's deed in foreclosure or conveyance in lieu of foreclosure of the insured Mortgage, shall not be issued in an amount less than the lesser of:
- (1) the fair market value of the real property; or
 - (2) the unpaid principal balance due on the previously insured Mortgage.

For purposes of this Section 17, an insured under a Loan Policy is:

- (a) an insured as defined in the ALTA 2006 Loan Policy; or
 - (b) a person otherwise entitled to the benefit of Subsection (A)(2) of Section 28 (Continuation of Insurance) of this manual, as if the transferor to the proposed insured was an insured under an Owner's Policy.
- (B) The rate for such Owner's Policy shall be 70% of the Owner's Rate up to the unpaid principal balance due on the previously insured Mortgage, plus the Owner's Rate on any amount in excess of the unpaid principal balance due on the previously insured Mortgage applying the applicable Bracketed Rates starting at the unpaid principal balance due on the previously insured Mortgage.
- (C) The provisions of this Section 17 do not apply to the issuance of the TIRSA Owner's Extended Protection Policy.

SECTION 18: ENTITY PURCHASE AND NON-IMPUTATION ENDORSEMENT

There are three different non-imputation Endorsements available to insure an Investor's direct or indirect interest in an entity that owns the estate or interest in the land or the cooperative interest

described in Schedule A of the Owner's Policy (the "Vestee"). Which endorsement is issued will depend on the structure of the transaction by which the Investor acquired its interest. The interest in the land or the cooperative interest described in Schedule A of the Owner's Policy is hereinafter referred to as the "Real Property Interest."

None of the non-imputation Endorsements may be added to a previously issued Owner's Policy.

The three forms of non-imputation Endorsements available are as follows:

- (A) Full Equity Transfer: when this endorsement is issued, the Vestee is the insured named in Schedule A of the Owner's Policy. When using this endorsement, the Owner's Policy shall not be issued for less than the greater of:
- (1) the fair market value of the Real Property Interest; or
 - (2) the Consideration paid for the interests in the Vestee acquired by the Investor, including the amount of any lien or encumbrance on the Real Property Interest at the date of Policy issuance, whether or not such lien or encumbrance was created by, taken subject to, or assumed by the Vestee.
- (B) Partial Equity Transfer: when this endorsement is issued, the Investor is the insured named in Schedule A of the Owner's Policy. When using this endorsement, the Owner's Policy shall not be issued for less than the greater of:
- (1) an amount equal to the fair market value of the Real Property Interest multiplied by the Investor's direct or indirect percentage interest in the Vestee; or
 - (2) the Consideration paid for the interests in the Vestee acquired by the Investor, including the amount equal to any lien or encumbrance on the Real Property Interest at the date of Policy issuance, whether or not such lien or encumbrance was created by, taken subject to, or assumed by the Vestee multiplied by the Investor's direct or indirect percentage interest in the Vestee.

In identifying the Investor as the insured in Schedule A of an Owner's Policy endorsed with a Partial Equity Transfer Endorsement, said insured shall be identified as follows:

[Investor name], which the Company has been advised is the holder of a(n) [interest percent]% interest in [Vestee name], the [owner/lessee] of the estate or interest described herein in the land described herein.

- (C) Additional Insured: when this endorsement is issued, the Vestee is the insured named in Schedule A of the Owner's Policy. The Investor is the additional insured named in the endorsement. When using this endorsement, the Owner's Policy shall not be issued for less than the greater of:
- (1) the fair market value of the Real Property Interest; or
 - (ii) the Consideration paid for the Real Property Interest, including the amount of any lien or encumbrance on the Real Property Interest at the date of Policy issuance, whether or

not such lien or encumbrance was created by, taken subject to, or assumed by the Vestee.

This endorsement must be agreed and consented to by the Vestee/insured as provided in the endorsement.

SECTION 19: MEZZANINE FINANCING INSURANCE

- (A) When a [Mezzanine Financing Endorsement](#) is issued in connection with the issuance of an Owner's Policy, the rate for the Mezzanine Financing Endorsement is 20% of the Owner's Rate based on the amount of the Mezzanine Loan.
- (B) When a Mezzanine Financing Endorsement is to be issued in connection with a loan being made to borrowers having ownership interests in an entity that has previously been issued an Owner's Policy for the identical property, and the Mezzanine Financing Endorsement is to be appended to such previously issued Policy, the rate charged for the Mezzanine Financing Endorsement is 20% of the Owner's Rate in effect on the date of the issuance of the Mezzanine Financing Endorsement, based on the amount of the Mezzanine Loan. Notwithstanding the issuance of a Mezzanine Financing Endorsement to a previously issued Owner's Policy, there shall be no change in the date of the Policy.
- (C) (1) An Owner's Policy may be issued with an Amount of Insurance which is the same as or higher than the amount of a Mezzanine Loan provided that the Mezzanine Financing Endorsement for such Mezzanine loan is issued as part of with the Policy.
- (2) Notwithstanding (C)(1) above of this Section 19, if an Owner's Policy is issued Simultaneously with the acquisition of title for value by the insured record owner, the minimum amount of insurance of the Owner's Policy shall not be less than the greater of the contract price (including all unpaid liens thereon which the purchaser assumes or takes subject to) or the fair market value of the premises.

SECTION 20: TIRSA OWNER'S EXTENDED PROTECTION POLICY FOR RESIDENTIAL REAL PROPERTY

- (A) A TIRSA Owner's Extended Protection Policy may only be issued:
- (1) if the property is improved by Residential Real Property; and
 - (2) if the insured is a natural person or a living trust established by a natural person for estate purposes, even if the trustee is not a natural person.
- (B) The premium for a TIRSA Owner's Extended Protection Policy shall be 120% of the Owner's Rate.

SECTION 21: CONTRACT VENDEE INSURANCE, MINIMUM INSURANCE

- (A) An Owner's Policy with a [Residential Contract Vendee Endorsement](#) (hereafter "Residential Contract Vendee Insurance") insuring an interest under a contract for the purchase of

Residential Real Property shall not be issued in an amount less than the down payment specified in the contract and may be issued in any additional amount, not to exceed the full amount of the purchase price payable under contract plus the cost of contemplated improvements and other development and construction costs, as desired by the purchaser of such insurance. The interest insured under the Residential Contract Vendee Endorsement must be an interest in the same land described in Schedule A of the Owner's Policy. The charge for the Residential Contract Vendee Insurance shall be calculated at the Owner's Rate. The amount paid the insuring Company for Residential Contract Vendee Insurance shall become a credit toward the premium for a subsequent Owner's Policy issued by the same Company that is purchased by the insured, under the Owner's Policy with a Residential Contract Vendee Endorsement, as defined in the ALTA 2006 Owner's Policy, or a person otherwise entitled to the benefit of Subsection (A)(2) of [Section 28](#): "Continuation of Insurance" of this manual, as if the transferor to the purchaser was an Insured under an Owner's Policy.

- (B) An Owner's Policy with a [Commercial Contract Vendee Endorsement](#) (hereafter "Commercial Contract Vendee Insurance") insuring an interest under a contract for the purchase of Commercial Real Property shall not be issued in an amount less than the down payment specified in the contract and may be issued in any additional amount, not to exceed the full amount of the purchase price payable under the contract plus the cost of contemplated improvements and other related costs as provided for in the Commercial Contract Vendee Endorsement, as desired by the purchaser of such insurance. The charge for the Commercial Contract Vendee Insurance shall be calculated at the Owner's Rate for the amount of such insurance purchased. The interest insured under the Commercial Contract Vendee Endorsement must be an interest in the same land described in Schedule A of the Owner's Policy. The amount paid the insuring Company or Companies for such Commercial Contract Vendee Insurance shall become a credit toward the premium for a subsequent Owner's Policy issued by the same Company or Companies and purchased by the insured under the Owner's Policy with a Commercial Contract Vendee Endorsement as defined in the ALTA 2006 Owner's Policy or a person otherwise entitled to the benefit of Subsection (A)(2) of [Section 28](#): "Continuation of Insurance" of this manual, as if the transferor to the purchaser was an insured under an Owner's Policy.
- (C) In the event that Residential Contract Vendee Insurance or Commercial Contract Vendee Insurance is issued Simultaneously with a Leasehold Owner's Policy, the rate for the Residential Contract Vendee Insurance or Commercial Contract Vendee Insurance shall be 30% of the applicable rate set forth in paragraphs (A) and (B) above up to the Amount of Insurance of the Leasehold Owner's Policy plus the applicable rate as set forth in paragraphs (A) and (B) above on the amount in excess of the Amount of Insurance of the Leasehold Owner's Policy applying the applicable Bracketed Rates starting at the Amount of Insurance of the Leasehold Owner's Policy.

SECTION 22: OPTION INSURANCE

Portions of this Section 22 contemplate the Simultaneous issuance of two or more Owner's Policies covering different estates or interests in the land—for example, one such Owner's Policy covering the fee estate in the land, and another covering the leasehold estate in the land. In such circumstances, the Owner's Policy insuring the greatest estate in the land shall be deemed Owner's Policy #1; the

Owner's Policy insuring the next greatest estate in the land shall be deemed Owner's Policy #2; the Owner's Policy insuring the next greatest estate in the land shall be deemed Owner's Policy #3, and so on.

- (A) The [Option Endorsement](#) may be issued either:
- (1) as an endorsement to an Owner's Policy insuring the optionee's interest in and to the land described in Schedule A of such Owner's Policy pursuant to the option; or
 - (2) as an endorsement to an Owner's Policy insuring an estate or interest in the land separate and distinct from the optionee's interest in and to the same land described in Schedule A of such Owner's Policy or a part thereof and no additional property.

The Option Endorsement shall not be issued in an amount less than the amount paid for the option and may be issued in any additional amount, not to exceed the full amount of the purchase price for the land as is set forth in the agreement or lease granting the option plus the cost of contemplated improvements and related costs as provided for in the Option Endorsement, as desired by the purchaser of such insurance. An Option Endorsement shall be issued only as an Endorsement to an Owner's Policy.

- (B) If an Option Endorsement is issued as a part of an Owner's Policy that insures only the optionee's interest in and to the land described in Schedule A of such Owner's Policy, the Amount of Insurance set forth in the Owner's Policy shall be the amount of insurance for the option. Further, the provision in the Endorsement amending paragraph 8(a) of the conditions of the Policy shall be completed to read as follows: "*See Amount of Insurance set forth in Schedule A.*" The rate for such Owner's Policy shall be calculated at the Owner's Rate for the amount of such insurance purchased, with no additional charge for the Option Endorsement.
- (C) If the Option Endorsement is issued with an Owner's Policy insuring an estate or interest in the land that is separate and distinct from the optionee's interest in the same land described in Schedule A of the Owner's Policy or a part thereof and no additional property, the liability amount set forth in the Option Endorsement shall be an amount separate and distinct from the Amount of Insurance set forth in the Owner's Policy. The rate for such Owner's Policy and Option Endorsement shall be calculated as follows:
- (1) the rate for the Owner's Policy shall be calculated at the Owner's Rate based on the Amount of Insurance set forth in Schedule A of the Owner's Policy; and
 - (2) the rate for the Option Endorsement issued as part of such Owner's Policy shall be the sum of:
 - (a) 30% of the Owner's Rate for liability in an amount up to the Amount of Insurance set forth in Schedule A of such Owner's Policy; plus
 - (b) the Owner's Rate for the liability under the Option Endorsement that exceeds the Amount of Insurance set forth in Schedule A of the Owner's Policy applying the applicable Bracketed Rates starting at the Amount of Insurance of the Owner's Policy.

- (D) Upon the Simultaneous issuance of Owner's Policy #1 and Owner's Policy #2, with Owner's Policy #2 being issued with an Option Endorsement insuring an estate or interest in the same land set forth in Schedule A of Owner's Policy #1 or a part thereof and no additional property:
- (1) the rate for Owner's Policy #1 shall be the Owner's Rate; and
 - (2) the rate for Owner's Policy #2 shall be 30% of the Owner's Rate up to the Amount of Insurance of Owner's Policy #1, plus the Owner's Rate on the Amount of Insurance, if any, in excess of the Amount of Insurance of Owner's Policy #1 applying the applicable Bracketed Rates starting at the Amount of Insurance of Owner's Policy #1; and
 - (3) the rate for the Option Endorsement issued as part of Owner's Policy #2 shall be the sum of:
 - (a) 30% of the Owner's Rate for liability in an amount up to the Amount of Insurance set forth in Schedule A of Owner's Policy #2; plus
 - (b) the Owner's Rate for the liability under the Option Endorsement that exceeds the Amount of Insurance set forth in Schedule A of the Owner's Policy #2 applying the applicable Bracketed Rates starting at the Amount of Insurance of the Owner's Policy #2.
- (E) The amount paid the insuring Company or Companies for:
- (1) an Owner's Policy insuring the optionee's interest in and to the land described in Schedule A of such Owner's Policy pursuant to the option; or
 - (2) the Option Endorsement in connection with an Owner's Policy insuring an estate or interest in the land that is separate and distinct from the optionee's interest in the same Land, as applicable;

shall become a credit toward the premium for a subsequent Owner's Policy issued by the same Company or Companies and purchased by the insured under the Option Endorsement and Owner's Policy, as defined in the ALTA 2006 Owner's Policy, or a person otherwise entitled to the benefit of subsection (A)(2) of [Section 28](#): "Continuation of Insurance" of this manual, as if the transferor to the purchaser was an insured under an Owner's Policy.

SECTION 23: TIRSA JUNIOR LOAN POLICY

- (A) A [TIRSA Junior Loan Policy](#) or a [TIRSA Short Form Junior Loan Policy](#) may be issued in connection with a mortgage secured by Residential Real Property. The Amount of Insurance shall not exceed \$150,000.00.
- (1) The premium to be collected for a TIRSA Junior Loan Policy or a TIRSA Short Form Junior Loan Policy with an Amount of Insurance of \$100,000.00 or less shall be \$200.00.

- (2) The premium to be collected for a TIRSA Junior Loan Policy or a TIRSA Short Form Junior Loan Policy with an Amount of Insurance of over \$100,000.00 shall be \$225.00.
- (3) The premiums specified in (A)(1) and (A)(2) above do NOT include attendance at closing, recording of documents or other administrative services.
- (B) The [TIRSA Junior Loan Policy Endorsement 1](#) may be issued only with the TIRSA Junior Loan Policy or the TIRSA Short Form Junior Loan Policy. The rate shall be as set forth in [Section 27\(F\)](#): “Endorsements.”
- (C) The [TIRSA Junior Loan Policy Endorsement 2](#) shall be issued with each TIRSA Junior Loan Policy or TIRSA Short Form Junior Loan Policy. There shall be no charge for this Endorsement. (See [Section 27\(A\)](#): “Endorsements.”)

SECTION 24: MORTGAGE FORECLOSURE GUARANTEE

- (A) The charge for a Mortgage Foreclosure Guarantee shall be \$500 for Residential Real Property and \$500 for Commercial Real Property. This charge does not include charges for filing or recording documents.
- (B) Liability under a Mortgage Foreclosure Guarantee shall be limited to \$10,000.
- (C) No Mortgage Foreclosure Guarantee shall be issued until all charges hereunder have been paid in full.
- (D) There shall be no charge for the first continuation search; each additional continuation search shall be \$200.

SECTION 25: RECORDED DOCUMENT CERTIFICATE AND APPLICATION

- (A) If a [Recorded Document Certificate](#) is issued in conjunction with an open order for an Owner’s Policy, Loan Policy, or Construction Mortgage Policy, the charge for the Recorded Document Certificate shall be \$500 plus \$10 for each instrument reported. A copy of each instrument report shall be delivered with the Certificate.
- (B) If a Recorded Document Certificate is issued other than in conjunction with an open order for an Owner’s Policy, Loan Policy, or Construction Mortgage Policy, the charge for the Recorded Document Certificate shall be \$1,000 plus \$10 for each instrument reported. A copy of each instrument report shall be delivered with the Certificate.
- (C) Liability under a Recorded Document Certificate shall be limited to \$25,000.

SECTION 26: NOTICE OF AVAILABILITY

- (A) When a Company issues a Loan Policy insuring a Mortgage made Simultaneously with the purchase of all or part of the Residential Real Property secured by the Mortgage, and where no Owner’s Policy has been ordered, the Company shall inform the borrower in writing that the mortgagee’s Loan Policy does not protect the borrower, and that the borrower may obtain an

Owner's Policy for their protection. This notice must be provided before disbursement of the loan proceeds and before issuance of the Loan Policy. The notice must be on a form approved by the Superintendent of Insurance.

- (B) If the borrower elects not to purchase an Owner's Policy, the Company shall obtain from the borrower a statement in writing that the notice has been received and that the borrower waives the right to purchase an Owner's Policy. If the buyer refuses to provide the statement and waiver, the Company shall so note in the file. The statement and waiver must be on a form approved by the Superintendent of Insurance and must be retained by the Company for at least five years after receipt.

SECTION 27: ENDORSEMENTS

- (A) There shall be no charge for the following Endorsements: [Construction Loan Endorsement](#), [Policy Authentication Endorsement](#), TIRSA Reverse Mortgage Endorsement, [Standard New York Endorsement \(Loan Policy\)](#), [Standard New York Endorsement \(Owner's Policy\)](#), [Leasehold Endorsement \(Loan Policy\)](#), [Leasehold Endorsement \(Owner's Policy\)](#), [Cooperative Endorsement \(Loan Policy\)](#), and [Cooperative Endorsement \(Owner's Policy\)](#), [TIRSA Junior Loan Policy Endorsement 2](#), and [Coinsurance Endorsement](#).
- (B) The charge for a [Construction Loan Endorsement](#) is included in the charge for the continuation search, as applicable.
- (C) A Company may issue a [General Endorsement](#) (9/1/93) for the purpose of amending or correcting a previously issued Policy.
- (D) The rate for each special risk Endorsement is as follows:
- (1) [Additional Interest Endorsement](#): Loan Rate or Construction Mortgage Rate, as applicable, per thousand for the Amount of Insurance above the face amount of the Policy. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (2) [Contract Vendee Endorsement \(Commercial\)](#): Refer to [Section 21\(B\)](#): "Contract Vendee Insurance" for rate. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (3) [Contract Vendee Endorsement \(Residential\)](#): Refer to [Section 21\(A\)](#): "Contract Vendee Insurance" for rate.
 - (4) [First Loss Endorsement](#): 10% of the Loan Rate or Construction Mortgage Rate, as applicable. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (5) [Increase in Amount of Insurance Endorsement \(Owner's\)](#): Refer to [Section 5\(C\)](#): "Minimum Insurance: Owner's Policy, Additional Insurance" for rate.
 - (6) [Joint and Several Liability Endorsement](#): Refer to [Section 4](#): "Coinsurance" for rate.
 - (7) (a) [Market Value Policy Rider](#): 10% of the Owner's Rate.
 - (b) [Market Value Policy Rider \(TOEPP\)](#): 5% of the Owner's Rate.

- (8) [Mezzanine Endorsement](#): Refer to [Section 19](#): “Mezzanine Financing Insurance” for rate. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (9) [New York City Development Rights Endorsement](#): Refer to [Section 11](#): “New York City Development Rights” for rate. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (10) [Non-imputation Endorsement](#): 20% of the Owner’s Rate. Refer to [Section 18](#): “Entity Purchase and Non-imputation Endorsement.” *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (11) [Option Endorsement](#): Refer to [Section 22](#): “Option Insurance” for rate. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (12) [Partial Release of Mortgaged Premises Endorsement](#): \$150.00.
 - (13) [Restrictions, Encroachments, Minerals Endorsement \(TIRSA 9\)](#): 10% of the Loan Rate or Construction Mortgage Rate, as applicable.
 - (14)
 - (a) Revolving Credit Mortgage Endorsement(s) ([RCE-1](#), [RCE-2](#), [RCE-4](#)): 10% of the Loan Rate.
 - (b) Revolving Credit Mortgage Endorsement ([RCE-3](#)): 20% of the Loan Rate. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
 - (15) [Swap Endorsement](#): Loan Rate or Construction Mortgage Rate, as applicable, per thousand for the Amount of Insurance above the face amount of the Policy. *NYDFS Requires Title Insurer Approval Prior to Issuance.*
- (E) In case of multiple Loan Policies for which an aggregated premium shall be computed pursuant to [Section 14](#): “Simultaneous Issue of Two or More Loan Policies (Aggregation),” the cost of each Endorsement shall be determined as if only that Policy to which it is attached were being issued.
- (F) In the event of a transaction for which multiple policies will be issued by co-insurers, the cost of each special risk Endorsement set forth under subsection (D) of this Section 27 (other than the [Joint and Several Liability Endorsement](#)) shall be pro-rated between or among the co-insurers in ratios equal to the amount by which the Policy liability of each co-insurer bears to the whole amount of each risk insured. All other Endorsements for which there is a charge shall be charged for each policy.
- (G) There shall be a charge of \$50 for the issuance of any other Endorsement not listed in subsections (A), (B), (C), or (D) of this Section 27.

SECTION 28: CONTINUATION OF INSURANCE

- (A) (1) In addition to the provisions for:

- (a) Continuation of Insurance After Conveyance of Title contained in the ALTA Owner's Policy (10/17/92); or
 - (b) Continuation of Coverage contained in the ALTA Owner's Policy (6/17/06) to the extent that the below listed transferees described in subparagraphs (a), (b), and (c) of paragraph (2) of this Subsection (A) are not otherwise included within the definition of an insured in the ALTA Owner's Policy (6/17/06); or
 - (c) Continuation of Coverage in the TIRSA Owner's Extended Protection Policy (TOEPP), and subject to any rights or defenses which an insurer would have had against the named insured, an insurer shall have continuing liability, under an Owner's Policy issued by said insurer, on or after January 28, 1999, to a grantee of an insured, without Endorsement of the Policy, but only as of its original date without liability as to the validity, form and sufficiency of the instrument(s) effectuating the said transfer, and only under the following conditions, as applicable;
- (2) If the estate or interest insured under an Owner's Policy is transferred:
- (a) from a parent company to a wholly-owned subsidiary company; from a wholly-owned subsidiary company to its parent company; from one company to another, each of which are wholly-owned subsidiaries within one corporate group, or each of which have identical stockholders, partners, or members in identical proportion; by a corporation to its stockholders pursuant to a plan of liquidation; by the named insured individual or individuals in exchange for all of the capital stock of a corporation; from a partnership to its partners upon the dissolution of the partnership; by the named insured individual or individuals to a partnership as part of the named insured's capital contribution to the partnership; from a limited liability company to its members upon the dissolution of the limited liability company; by the named insured individual or individuals to a limited liability company as part of the named insured's capital contribution to the limited liability company; by a principal to its nominee; or by a nominee to its principal; provided that as a result of any transfer described above there is no change in the beneficial ownership as the result of such transfer of title, and further provided that any transfer described above is made for no Consideration (for the purposes of this paragraph, "company" is defined as a corporation, partnership, or limited liability company);
 - (b) to a member of the named insured's immediate family as a gift, for no Consideration (for the purpose of this paragraph, "immediate family" is limited to the spouse, "issue" as that term is defined in the New York Estates, Powers and Trust Law, parents, brothers and sisters—but not the issue of brothers and sisters—of the named insured);
 - (c) for no Consideration to a trust created by the named insured in which all of the beneficiaries, lifetime, and remainder are either the insured or members of the insured's immediate family as defined in paragraph (b) above;

- (B) The insurer shall have continuing liability under this section regardless of the number of transfers of the estate or interest insured, provided that the insurer would have had continuing liability as to each transfer as if the insured title had been transferred from the named insured directly to such transferee.
- (C) For purposes of this Section 28, Consideration does not include the amount of any lien or encumbrance remaining on the real property or interest therein or cooperative unit, at the time of transfer.

**PART II
RATES**

PART II: RATES**OWNER'S AND MORTGAGE POLICY RATES****(A) ZONE 1**

Amount of Insurance		Owner's Policy	Loan Policy
First \$35,000 or less		\$338	\$284
<i>Minimum premium (except simultaneously issued policies)</i>			
Each additional \$1,000 (or fraction thereof):			
From	To	Owner's Policy	Loan Policy
35,001	50,000	\$7.52	\$6.28
50,001	100,000	\$4.69	\$3.90
100,001	500,000	\$3.78	\$3.14
500,001	1,000,000	\$3.38	\$2.81
1,000,001	5,000,000	\$3.09	\$2.57
5,000,001	10,000,000	\$2.81	\$2.35
10,000,001	15,000,000	\$2.62	\$2.19
15,000,001	and up	\$2.36	\$1.97

(B) ZONE 2

Amount of Insurance		Owner's Policy	Loan Policy
First \$35,000 or less		\$382	\$327
<i>Minimum premium (except simultaneously issued policies)</i>			
Each additional \$1,000 (or fraction thereof):			
From	To	Owner's Policy	Loan Policy
35,001	50,000	\$6.34	\$5.27
50,001	100,000	\$5.16	\$4.31
100,001	500,000	\$4.14	\$3.46
500,001	1,000,000	\$3.78	\$3.14
1,000,001	5,000,000	\$3.48	\$2.90
5,000,001	10,000,000	\$3.09	\$2.57
10,000,001	15,000,000	\$2.92	\$2.42
15,000,001	and up	\$2.62	\$2.19

**PART III
EXAMPLES**

PART III: EXAMPLES

This section has been deleted and is left intentionally blank.

PART IV
APPROVED FORMS

PART IV: APPROVED FORMS

SECTION 1: CURRENT TITLE INSURANCE POLICY FORMS

Form Title	Date of Filing by NYDFS	Page Number
<u>ALTA Owner's Policy (07/01/2012) with Standard New York Endorsement</u>	Jul. 1, 2012	45
<u>ALTA Loan Policy (07/01/2012) with Standard New York Endorsement</u>	Jul. 1, 2012	58
<u>ALTA Short Form Residential Loan Policy (05/01/2007) with TIRSA Amendments</u>	May 1, 2007	74
<u>TIRSA Owner's Extended Protection Policy (01/11/2001)</u>	Jan. 11, 2001	78
<u>TIRSA Junior Loan Policy (10/21/97)</u>	Oct. 21, 1997	88
<u>TIRSA Short Form Junior Loan Policy (10/21/97)</u>	Oct. 21, 1997	96
<u>ALTA U.S. Policy (12/3/12)</u>	Dec. 3, 2012	98

SECTION 2: CURRENT ENDORSEMENTS

For use with policy forms set forth in Section 1 above.

Form Title	Date of Filing by NYDFS	Page Number
<u>Standard New York Endorsement (Loan Policy) (For ALTA 1/9/18)</u>	Jan. 9, 2018	116
<u>Standard New York Endorsement (Owner's Policy) (For ALTA 1/9/18)</u>	Jan. 9, 2018	118
<u>TIRSA Access Endorsement (1/9/18)</u>	Jan. 9, 2018	119
<u>TIRSA Additional Interest Endorsement (1/31/95)</u>	Jan. 31, 1995	120
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA Cluster Endorsement (5/1/07)</u>	May 1, 2007	121
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA Co-Insurance Endorsement (11/1/08)</u>	Nov. 1, 2008	122
<u>TIRSA Condominium (Endorsement 4) (1/9/18)</u>	May 1, 2007	124
<u>TIRSA Construction Loan Endorsement (1/9/18)</u>	Jan. 9, 2018	125
<u>TIRSA Contiguity Endorsement (12/27/00)</u>	Dec. 27, 2000	126
<u>TIRSA Contract Vendee Endorsement (Commercial) (1/9/18)</u>	Jan. 9, 2018	127
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA Contract Vendee Endorsement (Residential) (1/9/18)</u>	Jan. 9, 2018	130
<u>TIRSA Cooperative Endorsement (Loan Policy) (5/1/07)</u>	May 1, 2007	132
<u>TIRSA Cooperative Endorsement (Owner's Policy) (5/1/07)</u>	May 1, 2007	135
<u>TIRSA EPL (8.1) (1/9/18)</u>	Jan. 9, 2018	138

<u>TIRSA EPL (8.1) (Governmental Agencies) (1/9/18)</u>	Jan. 9, 2018	139
<u>TIRSA EPL (8.1) (New York City Only) (1/9/18)</u>	Jan. 9, 2018	140
<u>TIRSA Fannie Mae Balloon Mortgage Endorsement (1/9/18)</u>	Jan. 9, 2018	141
<u>TIRSA First Loss Endorsement (1/9/18)</u>	Jan 9, 2018	142
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA General Endorsement (9/1/93)</u>	Sep. 1, 1993	144
<u>TIRSA IDA Endorsement (5/1/07)</u>	May 1, 2007	145
<u>TIRSA Increase in Amount of Insurance Endorsement (1/9/18)</u>	Jan. 9, 2018	147
<u>TIRSA Joint & Several Liability Endorsement (9/1/93)</u>	Sep. 1, 1993	148
<u>TIRSA Junior Loan Policy Endorsement 1 (1/9/18)</u>	Jan. 9, 2018	149
<u>TIRSA Junior Loan Policy Endorsement 2 (Revolving Credit/Variable Rate) (1/9/18)</u>	Jan. 9, 2018	150
<u>TIRSA Land Same As Survey Endorsement (1/9/18)</u>	Jan. 9, 2018	152
<u>TIRSA Leasehold Endorsement (Loan Policy) (1/9/18)</u>	Jan. 9, 2018	153
<u>TIRSA Leasehold Endorsement (Owner's Policy) (1/9/18)</u>	Jan. 9, 2018	156
<u>TIRSA Manufactured Housing Unit (Endorsement 7) (6/1/87) NY (5/1/07)</u>	May 1, 2007	159
<u>TIRSA Market Value Policy Rider (1/9/18)</u>	Jan. 9, 2018	160
<u>TIRSA Market Value Policy Rider (Owner's Extended Protection Policy) (4/24/01)</u>	Apr. 24, 2001	162
<u>TIRSA Mezzanine Financing Endorsement (8/15/09)</u>	Aug. 15, 2009	164
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA Mortgage Tax Endorsement (12/27/00)</u>	Dec. 27, 2000	167
<u>TIRSA New York City "Development Rights" Endorsement (4/24/01)</u>	Apr. 24, 2001	168
<u>TIRSA Non-Imputation Additional Insured Endorsement (9/11/20)</u>	Sep. 11, 2020	169
<u>TIRSA Non-Imputation Investors Full Equity Endorsement (9/11/20)</u>	Sep. 11, 2020	171
<u>TIRSA Non-Imputation Investors Partial Equity Endorsement (9/11/20)</u>	Sep. 11, 2020	172
<u>TIRSA Option Endorsement (1/09/18)</u>	Jan. 9, 2018	174
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA Partial Release of Mortgaged Premises Endorsement (12/27/00)</u>	Dec. 27, 2000	177
<u>TIRSA Planned Unit Development Endorsement (5.1) (1/9/18)</u>	Jan. 9, 2018	178
<u>TIRSA Policy Authentication Endorsement (6/24/16)</u>	June 24, 2016	179
<u>TIRSA RCE 1 (1/9/18)</u>	Jan. 9, 2018	180
<u>TIRSA RCE 2 (1/9/18)</u>	Jan. 9, 2018	181
<u>TIRSA RCE 3 (1/9/18)</u>	Jan. 9, 2018	183
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
<u>TIRSA RCE 4 (1/9/18)</u>	Jan. 9, 2018	185
<u>TIRSA Residential Mortgage Endorsement (1/9/18)</u>	Jan. 9, 2018	187
<u>TIRSA Restrictions, Encroachments, Minerals (Endorsement 9) (10/17/98)</u>	May 1, 2007	188
NY (Loan Policy) (5/1/07)		

TIRSA Reverse Mortgage Endorsement (3/16/2020)	Mar. 16, 2020	190
TIRSA Successor in Ownership of Indebtedness Endorsement (1/9/18)	Jan. 9, 2018	192
TIRSA Swap Endorsement (5/1/07)	May 1, 2007	193
<i>NYDFS Requires Title Insurer Approval Prior to Issuance</i>		
TIRSA Tax Parcel Endorsement (single tax lot) (1/9/18)	Jan.9, 2018	194
TIRSA Tax Parcel Endorsement (more than one tax lot) (1/9/18)	Jan.9, 2018	195
TIRSA Variable Rate Mortgage (Endorsement 6) (6/1/87) NY (1/9/18)	Jan. 9, 2018	196
TIRSA Variable Rate Mortgage Endorsement (Fixed Rate Conversion) (1/9/18)	Jan. 9, 2018	197
TIRSA Variable Rate Mortgage - Negative Amortization (Endorsement 6.2) (1/9/18)	Jan. 9, 2019	198
TIRSA Waiver of Arbitration Endorsement (Owner's or Loan Policy) (11/1/08)	Nov. 1, 2008	199

SECTION 3: OTHER CURRENT FORMS

Form Title	Date of Filing by NYDFS	Page Number
TIRSA Mortgage Foreclosure Guarantee (1/9/18)	Jan.9, 2018	202
TIRSA Notice of Availability (9/1/93)	Sep. 1, 1993	208
TIRSA Recorded Document Application and Certificate (9/1/93)	Sep. 1, 1993	209

PART V SAMPLE POLICIES

PART V: SAMPLE POLICIES

<u>ALTA Owner's Policy (07/01/2012) with Standard New York Endorsement</u>	July 1, 2012	45
<u>ALTA Loan Policy (07/01/2012) with Standard New York Endorsement</u>	July 1, 2012	58
<u>ALTA Short Form Residential Loan Policy (05/01/2007) with TIRSA Amendments</u>	May 1, 2007	74
<u>TIRSA Owner's Extended Protection Policy (01/11/2001)</u>	Jan. 11, 2001	78
<u>TIRSA Junior Loan Policy (10/21/97)</u>	Oct 21, 1997	88
<u>TIRSA Short Form Junior Loan Policy (10/21/97)</u>	Oct 21, 1997	96
<u>ALTA U.S. Policy (2012)</u>	Mar 11, 2015	98

OWNER'S POLICY OF TITLE INSURANCE**Issued by
Blank Title Insurance Company**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN [SCHEDULE B](#), AND THE [CONDITIONS](#), BLANK TITLE INSURANCE COMPANY, a Blank corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of

American Land Title Association - Owner's Policy

Adopted 7/1/2012

the Land. 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.

3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records

- (i) to be timely, or
- (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

[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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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 (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or

- (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- 5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) the term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) with regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.

- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "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 Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation 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 warranties in any transfer or conveyance of the Title. 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 obligation 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 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that 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.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, 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 covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters 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. It 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 that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, 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 to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right 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 securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter 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.

- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that 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 of these records in the custody or control of a third party that 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 any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. 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 that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, 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. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that 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 that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (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.

8. 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.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
 - (i) the Amount of Insurance; or
 - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

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 Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (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, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the 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 Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays 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 executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. 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 and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. 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 in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of

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Insurance is \$2,000,000 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 \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it 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 that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

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

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

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Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at [fill in].

NOTE: Bracketed [] material optional

LOAN POLICY OF TITLE INSURANCE**Issued by
Blank Title Insurance Company**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN [SCHEDULE B](#), AND THE [CONDITIONS](#), BLANK TITLE INSURANCE COMPANY, a Blank corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.

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- (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. 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.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
 - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (b) failure of any person or Entity to have authorized a transfer or conveyance;
 - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;

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- (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (g) a defective judicial or administrative proceeding.
10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
- (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. 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.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
- (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records

- (i) to be timely, or
- (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

[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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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 (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that 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 an Insured to comply with applicable doing-business laws of the state where the Land is situated.

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5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that 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 claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) “Amount of Insurance”: The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.
- (b) “Date of Policy”: The date designated as “Date of Policy” in Schedule A.
- (c) “Entity”: A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) “Indebtedness”: The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of
 - (i) the amount of the principal disbursed as of Date of Policy;
 - (ii) the amount of the principal disbursed subsequent to Date of Policy;
 - (iii) the 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 or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;
 - (iv) interest on the loan;
 - (v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;
 - (vi) the expenses of foreclosure and any other costs of enforcement;
 - (vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;
 - (viii) the amounts to pay taxes and insurance; and
 - (ix) the reasonable amounts expended to prevent deterioration of improvements;but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.
- (e) “Insured”: The Insured named in Schedule A.
 - (i) The term "Insured" also includes

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- (A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;
 - (B) the person or Entity who has “control” of the “transferable record,” if the Indebtedness is evidenced by a “transferable record,” as these terms are defined by applicable electronic transactions law;
 - (C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (D) successors to an Insured by its conversion to another kind of Entity;
 - (E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured, or
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;
 - (F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;
- (ii) With regard to (A), (B), (C), (D), and (E) 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, or other matter insured against by this policy.
- (f) "Insured Claimant": An Insured claiming loss or damage.
 - (g) “Insured Mortgage”: The Mortgage described in paragraph 4 of Schedule A.
 - (h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
 - (i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land” does not include any property beyond the lines of the area

described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

- (j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (k) "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 Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (l) "Title": The estate or interest described in Schedule A.
- (m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation 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 warranties in any transfer or conveyance of the Title. 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 obligation 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 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that 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.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, 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 covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters 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. It 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 that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title 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 to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the

Company the right to so prosecute or provide defense in the action or proceeding, including the right 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 securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter 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.

- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that 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 of these records in the custody or control of a third party that 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 any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. 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 that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or
- (ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, 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. In addition, the Company will pay any

costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that 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 that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (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.

8. 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.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of
 - (i) the Amount of Insurance,
 - (ii) the Indebtedness,
 - (iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or
 - (iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

- (d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

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 Unmarketable Title, or 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, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (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, 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 the 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

- (a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.
- (b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall

execute documents to evidence the transfer to the Company of these rights and remedies. 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 and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that 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 Noninsured Obligors

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

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(e)(i)(F) of these Conditions) 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.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. 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 in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 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 \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this

policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it 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 that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

15. SEVERABILITY

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

16. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at [fill in].

NOTE: Bracketed [] material optional

- _____ TIRSA ENDORSEMENT 6 (Variable Rate)
- _____ TIRSA ENDORSEMENT 6.2 (Variable Rate – Negative Amortization)
- _____ TIRSA ENDORSEMENT 8.1 (Environmental Protection Lien)
- _____ TIRSA WAIVER OF ARBITRATION ENDORSEMENT

[Any additional endorsements must be attached.]

Countersigned:

BLANK TITLE INSURANCE COMPANY

Authorized Signatory

President

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 AND CONDITIONS SET FORTH IN THE AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (6-17-06), 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 INSURANCES

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, attorney’s fees, or expenses) which arise by reason of:

1. Covenants, conditions, or restrictions, if any, appearing in the Public Records; however, this policy insures against loss or damage arising from:
 - (a) the violation of those covenants, conditions, or restrictions on or prior to Date of Policy;
 - (b) a forfeiture or reversion of Title from a future violation of those covenants, conditions, or restrictions, including those relating to environmental protection; and
 - (c) provisions in those covenants, conditions, or restrictions, including those relating to environmental protection, under which the lien of the Insured Mortgage can be extinguished, subordinated, or impaired.

As used in paragraph 1(a), the words “covenants, conditions, or restrictions” do not refer to or include any covenant, condition, or restriction (a) relating to obligations of any type to perform maintenance, repair or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances, except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded

or filed in the Public Records at Date of Policy and is not referenced in an addendum attached to this policy.

2. 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.
3. 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.

NOTICES, WHERE SENT: Any notice of claim or other notice or statement in writing required to be given the Company under this policy must be given to the Company at the following address:

**ADDENDUM
TO
SHORT FORM RESIDENTIAL POLICY**

Addendum to Policy Number: _____ File 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 (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEYS' FEES OR EXPENSES) THAT ARISE BY REASON OF THE FOLLOWING:

POLICY OF TITLE INSURANCE

Issued By Blank Title Insurance Company TIRSA Owner's Extended Protection Policy

FOR A ONE-TO-FOUR FAMILY RESIDENCE

OWNER'S COVERAGE STATEMENT

This Policy insures You against actual loss, including any costs, attorney's 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.

This Policy is not complete without Schedules A and B.

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
- Exclusions on page (TO BE DETERMINED)
- Conditions on page (TO BE DETERMINED).

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,

other than vehicular access to a condominium unit, based upon a legal right.

12. You are forced to correct or remove a violation existing at Policy Date of any covenant, condition or restriction affecting the Land, even if the covenant, condition or restriction is excepted in Schedule B, provided that such violation of the covenant, condition or restriction is not 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, provided that such violation of the covenant, condition or restriction is not excepted in Schedule B.
14. Because of a violation of a subdivision law or regulation existing at Policy Date affecting the Land:
 - a. You are unable to obtain a building permit;
 - b. You are forced 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. The cost of the forced removal of Your structures, or any part of them, other than boundary walls or fences, as existing at Policy Date, 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. The cost of the forced removal of Your structures, or any part of them, other than boundary walls or fences, as existing at Policy Date, because they violate an existing zoning law or zoning regulation. 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 a zoning law or zoning regulation existing at Policy Date.
18. You are forced to remove Your structures, or any part of them, as existing at Policy Date, 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 structures, or any part of them, as existing at Policy Date, encroach onto the Land.
20. You are forced to remove Your existing structures because they 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, provided that such encroachment is not excepted in Schedule B.
21. Your existing structures (or a replacement or modification made to them after the Policy Date), or any part of them, other than boundary walls or fences, 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, unless those rights are excepted or reserved from the description of the Land or excepted in Schedule B.

22. 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.
23. 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.
24. Your neighbor builds any structures after the Policy Date, other than boundary walls or fences, which encroach onto the Land.
25. 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.
26. A document upon which Your Title is based is invalid because it was not properly signed, sealed, acknowledged, delivered or recorded.
27. The residence with the address shown in Schedule A is not located on the Land at the Policy Date.
28. The survey map, if any, referred to in Schedule B of this Policy does not show the correct location of the Land according to the Public Records.

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorney's 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 subdivision
- 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 23.

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
 - 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 appear 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, 21, 22, 23 or 24.
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.

7. Any claim which arises out of the transaction vesting in You Title by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that is based upon:
- a. the transaction creating Your Title being deemed a fraudulent conveyance or a fraudulent transfer; or
 - b. the transaction creating Your Title being deemed a preferential transfer except where the preferential transfer results from the failure:
 - i. to timely record the deed to You; or
 - ii. of the recording of the deed to You to be notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS

1. Definitions:

Easement - the right of someone else to use the Land for a special purpose.

Known - things about which You have actual knowledge. The words "Know" and "Knowing" have the same meaning as Known.

Land - the land or condominium unit, and its interest in the common elements, described in paragraph 3 of Schedule A and any improvements on the land which are real property.

Mortgage - a mortgage, deed of trust, trust deed or other security instrument.

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.

Policy Date - the date shown in Schedule A. If the recording date of the instruments creating the insured interest is later than the Policy Date, this policy shall also cover intervening liens or encumbrances, except real estate taxes, assessments, water charges and sewer rents.

Public Records - records that give constructive notice of matters affecting Your Title, according to New York State law. With respect to Section 1.f. of the Exclusions, "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.

Title - the ownership of the interest in the Land, as shown in Schedule A.

Trust - a living trust established by a human being for estate planning.

We/Our/Us - Blank Title Insurance Company.

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 protects You as long as You own Your Title or own a mortgage from anyone who buys Your Land or are liable for any title warranties You make.

You cannot assign this Policy to anyone else.

- b. This Policy also insures:
 - i. anyone who inherits Your Title because of Your death;
 - ii. Your spouse who receives Your Title because of dissolution of Your marriage;
 - iii. the trustee or successor trustee of a Trust to whom You transfer Your Title after the Policy Date; or
 - iv. 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
 - i. As soon as You Know, or could have known, of anything that might be covered by this Policy, You must notify Us promptly in writing.
 - ii. Send your notice to Blank Title Insurance Company, 123 Any Street, Anytown, NY 12345, Attention: Claims Department. Please include the Title number and the Policy number shown in Schedule A, and the county where the Land is located. Please enclose a copy of Your policy if available.
 - iii. 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

- i. 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.
- ii. 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.
- iii. We may require You to answer questions about Your claim under oath.
- iv. 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:
 - i. Pay the claim.
 - ii. Negotiate a settlement.
 - iii. Bring or defend a legal action related to the claim.

- iv. Pay You the amount required by this Policy.
 - v. End the coverage of this Policy for the claim by paying You Your actual loss resulting from the Covered Risk, and those costs, attorney's fees and expenses incurred up to that time which We are obligated to pay.
 - vi. 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, attorney's fees and expenses incurred up to that time which We are obligated to pay.
 - vii. End all coverage of this Policy by paying You the Policy Amount then in force and all those costs, attorney's fees and expenses incurred up to that time which We are obligated to pay.
 - viii. Take other appropriate action.
- b. When We choose the options in paragraphs 4.a. (v), (vi) or (vii), 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, attorney's 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:
 - i. Your actual loss,
 - ii. 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
 - iii. the Policy Amount then in force.
 - b.
 - i. 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.
 - ii. Regardless of 6.b.(1) above, if You cannot use the Land because of a claim covered by this Policy:
- You may rent a reasonably equivalent substitute residence and We will repay You for the actual rent You pay, until the earlier of:

- i. the cause of the claim is removed;
or
 - ii. 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, attorney's 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, attorney's fees and expenses.
 - d. If We issue, or have issued, a policy to the owner of a Mortgage 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 to reduce the amount 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. We will pay any costs, attorney's fees and expenses which We are obligated to pay under this Policy.
 - f. 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. 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, attorney's 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.
8. 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
 - i. to Us for the costs, attorney's fees and expenses We paid to enforce these rights;
 - ii. to You for Your loss that You have not already collected;
 - iii. to Us for any money We paid out under this Policy on account of Your claim; and
 - iv. 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.

9. 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.

10. 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.

11. 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.

12. Arbitration

- a. If permitted in the State of New York, 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 the Policy Date.
- e. The law used in the arbitration is the law of the state of New York.
- f. You can get a copy of the Rules from Us.

SCHEDULE A

Policy No: (Title No.)

Policy Amount: \$ Policy Date:

Deductible Amounts and Maximum Dollar Limits of Liability
For Covered Risk 14, 15, 16 and 18

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 14 (Subdivision Law Violation):	\$2000	\$10,000
Covered Risk 15 (Building Permit):	\$4000	\$25,000
Covered Risk 16 (Zoning):	\$4000	\$25,000
Covered Risk 18 (Encroachment of Boundary Walls Or Fences):	\$1500	\$5,000

Street Address of the Land:

1. Name of Insured:
2. Your interest in the Land covered by this Policy is:
3. The Land referred to in this Policy is described as:

SCHEDULE B

Exceptions

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

BLANK TITLE INSURANCE COMPANY
RESIDENTIAL LIMITED COVERAGE JUNIOR LOAN POLICY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS AND THE CONDITIONS AND STIPULATIONS HEREOF, and provided that the land is a one-to-four family residence or condominium unit, Blank Title Insurance Company, a Corporation, herein called the "Company", insures, as of Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the insured by reason of:

1. The Grantee not being the named grantee on the last document recorded in the public records purporting to vest title to the fee estate in the land or the description of the land in this policy not being the same as that contained in said document.
2. Any monetary lien affecting the title, recorded in the public records.
3. Any real estate taxes, assessments, water and sewer rent charges of any governmental taxing authority which constitute a lien on the title and which appear on Date of Policy in the official tax records where the land is located.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED: BLANK TITLE INSURANCE COMPANY

Policy No.

Premium: \$

Amount of Insurance: \$

Date of Policy:

Name of Insured:

Grantee:

the land referred to in this policy is described as follows:

EXCEPTIONS

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:

TAX INFORMATION:

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. Any invalidity, unenforceability or ineffectiveness of the insured's mortgage.
2. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) known to the insured claimant whether or not disclosed in the public records;
 - (c) resulting in no loss or damage to the insured claimant; or
 - (d) recorded or filed in the public records subsequent to Date of Policy.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "insured": the insured named herein. The term also includes the owner of the indebtedness secured by the insured's mortgage. The Company reserves all rights and defenses against any insured acquiring an interest in the insured's mortgage subsequent to Date of Policy which the Company would have had against the insured named herein or any subsequent insured.
- (b) "insured claimant": an insured claiming loss or damage hereunder.
- (c) "insured's mortgage": the mortgage or deed of trust shown in paragraph B of an TIRSA Junior Loan Policy Endorsement 1 attached to this policy.
- (d) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.
- (e) "land": the land described herein 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 herein, nor any right, title, interest, estate or easement in abutting streets, roads, alleys, avenues, lanes, ways or waterways.
- (f) "monetary lien": any mortgage, deed of trust, judgement lien or other lien affecting the title securing the obligation to pay money, but not including any lien created in any easement, covenant, condition, restriction, or declaration of condominium or planned unit development, except to the extent that a separate notice of enforcement of a specific delinquent charge or assessment affecting the title has been recorded in the public records.

- (g) "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.

2. DEFENSE AND PROSECUTION OF ACTIONS - NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

- (a) Upon written request by the insured and subject to the options contained in Section 4 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 which may cause loss or damage, but only as to those stated causes of action alleging a 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 insured shall notify the Company promptly in writing in case (i) of any litigation as set forth in (a) above, (ii) knowledge shall come to an insured hereunder of any claim which might cause loss or damage for which the Company may be liable by virtue of this policy.

If prompt notice shall not be given to the Company, then all liability of the Company shall cease and terminate in regard to the matter or matters for which prompt notice is required; provided, however, the failure to notify shall in no case prejudice the rights of the insured under this policy unless and except to the extent that the Company shall be prejudiced by such failure.

- (c) 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 prevent or reduce loss or damage insured against by this policy; and the Company may take any appropriate action, whether or not it shall be liable under the terms of this policy, and shall not thereby concede liability or waive any provisions of this policy.
- (d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination in a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.
- (e) 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 hereunder 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 such purpose. Whenever requested by the Company, the insured shall give the Company, at the Company's expense, all reasonable aid (i) in any action or proceeding in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending the action

or proceeding, and (ii) in any other act which in the opinion of the Company may be necessary or desirable to prevent or reduce loss or damage insured against by this policy, including but not limited to executing corrective or other documents.

3. PROOF OF LOSS OR DAMAGE - LIMITATION OF ACTION

In addition to the notices required under Section 2 of these Conditions and Stipulations, 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 or determine the facts giving rise to loss or damage. The proof of loss or damage shall describe the matter insured against by this policy which constitutes the basis of loss or damage, and, when appropriate, state the basis of calculating the amount of the loss or damage.

Should the proof of loss or damage fail to state facts sufficient to enable the Company to determine its liability hereunder, insured claimant, at the written request of Company, shall furnish such additional information as may reasonably be necessary to make such determination.

Failure to furnish the proof of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

4. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the right to exercise the following additional options at any time:

- (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's 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's 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 (a)(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 (b)(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.

5. DETERMINATION AND PAYMENT OF LOSS

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;
 - (ii) the amount of the unpaid principal indebtedness secured by the insured's mortgage at the time the loss or damage insured against by this policy occurs, together with interest thereon; or
 - (iii) if the loss is caused by a lien insured against by this policy, the difference between the value of the estate or interest in the land encumbered by the insured's mortgage without the lien insured against and the value of that estate or interest subject to the lien insured against by this policy.
- (b) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 2 of these Conditions and Stipulations.
- (c) 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.

6. LIMITATION OF LIABILITY

- (a) If the Company removes an alleged matter insured against by this policy 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 insured with respect to matters insured against by this policy.
- (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.

7. REDUCTION OF INSURANCE: TERMINATION OF LIABILITY

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

8. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have paid or settled a claim under this policy, it shall be subrogated to the rights of the insured claimant unaffected by any act of the insured claimant, limited only by the amount paid by the Company. The insured claimant shall cooperate with the Company in enforcing these subrogation rights.

9. 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 shall be arbitrated at the option of either the Company or the insured. Arbitration pursuant to this policy and under the Rules in effect on the date of 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. Judgments upon the award rendered by the Arbitrators 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.

10. LIABILITY LIMITED TO THIS POLICY

- (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, or any action asserting any claim, shall be restricted to the terms and provisions of 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, validating officer or authorized signatory of the Company.
- (d) No payment shall be made without producing this policy for endorsement of the payment unless the policy is lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

11. 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.

12. 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, Attention: Claims Department, _____.

BLANK TITLE INSURANCE COMPANY

**SHORT FORM RESIDENTIAL LIMITED COVERAGE
JUNIOR LOAN POLICY**

BLANK TITLE INSURANCE COMPANY, a _____ Corporation, hereinafter called the "Company", hereby insures the insured in accordance with and subject to the terms, Exceptions, Exclusions From Coverage, Conditions and Stipulations set forth herein and in the TIRSA Residential Limited Coverage Junior Loan Policy, all of which are incorporated herein by reference.

Policy No. Premium: \$

Amount of Insurance: \$ Date of Policy:

Name of Insured:

Grantee:

The land referred to in this policy is described as follows:

EXCEPTIONS:

TAX INFORMATION:

Addendum containing additional exceptions attached.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED: BLANK TITLE INSURANCE COMPANY

NOTICES WHERE SENT. All notices required to be given the Company and any statement in writing required to be furnished to the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department, _____.

**ADDENDUM TO SHORT FORM RESIDENTIAL
LIMITED COVERAGE JUNIOR LOAN POLICY**

File No:

Addendum to Policy No.

EXCEPTIONS (CONTINUED)

In addition to the matters set forth as Exceptions on the TIRSA Short Form Residential Limited Coverage Loan Policy to which this addendum is attached, 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 the following:

**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 */is pendens* notice or the Declaration of Taking, to disclose the parties having an interest in the land as disclosed by the public records.
6. Title to the estate or interest described in Schedule A being vested other than as stated therein or being defective:
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the land occurring prior to the transaction vesting title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the public records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

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 the policy;
 - (c) resulting in no loss or damage to the insured claimant; or
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under insuring provision 6).
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.
5. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the title as shown in Schedule A is:

- (a) a fraudulent conveyance or fraudulent transfer; or
- (b) a preferential transfer for any reason not stated in insuring provision 6.

SCHEDULE A

Name and Address of Title Insurance Company:

[File No. _____ Policy No. _____]

Amount of Insurance \$ [Premium \$]

Date of Policy _____ [at a.m./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.

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

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.

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.

PART VI
SAMPLE ENDORSEMENTS

PART VI: SAMPLE ENDORSEMENTS

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Nov 1, 2008 199

BLANK TITLE INSURANCE COMPANY
STANDARD NEW YORK ENDORSEMENT
(LOAN POLICY)

1. Covered Risk Number 11 is deleted, and the following is substituted:
 11. The lack of priority of the lien of the Insured Mortgage upon the Title
 - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien arising under Article 2 of the New York Lien Law for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
2. Exclusion Number 7 is deleted, and the following is substituted:
 7. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).
3. Exclusions From Coverage is amended by adding a new Exclusion Number 8:
 - 8 Any consumer protection law including, without limitation, New York Banking Law Sections 6-l (“High-Cost Home Loans”) and 6-m (“Subprime Home Loans”), relating to a mortgage on Land improved or to be improved by a structure or structures intended principally for occupancy by one-to-four families.

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.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
STANDARD NEW YORK ENDORSEMENT
(OWNER’S POLICY)**

1. The following is added as a Covered Risk:

“11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy.”

2. Exclusion Number 5 is deleted, and the following is substituted:

5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

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.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
ACCESS ENDORSEMENT**

Attached to and made a part of Policy Number _____

The Policy hereby insures against loss which the Insured shall sustain in the event that the described land does not abut upon a physically open public street known as _____.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
ENDORSEMENT FOR ADDITIONAL INTEREST**

Attached to and made a part of Policy Number _____

This policy insures against loss or damage that may be sustained by the insured by reason of a final decree entered by a court of competent jurisdiction finding that the insured mortgage, as it secures the additional interest as defined in the loan document(s) secured by the insured mortgage described in Schedule A and referred to in said insured mortgage:

- a. Is invalid or unenforceable, or
- b. Does not, at the Date hereof, share the same priority in relation to any other claims or liens against the land as is afforded the principal of the loan secured by the mortgage.

Nothing in this endorsement shall be construed as insuring against loss or damage sustained or incurred by reason of the laws relating to bankruptcy, unconscionability or unreasonableness.

Nothing in this endorsement shall be construed as insuring a determination by a court of competent jurisdiction of the amount of the additional interest, but it does insure that the amount of additional interest determined by a court of competent jurisdiction is secured by the insured mortgage with the same priority in relation to any other claims or liens against the land as is afforded the principal of the loan secured by insured mortgage.

Nothing in this endorsement shall be construed as insuring loss or damage sustained or incurred by reason of the consequences of New York Civil Practice Law and Rules, Section 5001 et seq.

The maximum amount of loss or damage insured against under this endorsement is \$ _____ and the coverage afforded by this endorsement is in addition to the amount stated in Schedule A of 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 amount of insurance.

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the _____ day of _____, 19__.

Dated: _____

BLANK TITLE INSURANCE COMPANY

Countersigned

BY: _____

**BLANK TITLE INSURANCE COMPANY
CLUSTER ENDORSEMENT
ALSO KNOWN AS AGGREGATION ENDORSEMENT**

Attached to and made a part of Policy Number _____

The following policies are issued in conjunction with one another:

Policy Number	County	State	Amount of Insurance
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Notwithstanding the provisions of Section 8(a)(i) of the Conditions 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 10(a) of the Conditions 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, attorney's fees and expenses, shall reduce the aggregate Amount of Insurance pro tanto.

Notwithstanding anything stated herein to the contrary, the amount of the principal mortgage indebtedness enforceable in New York shall not be greater than the amount upon which mortgage recording tax pursuant to Article 11 of the Tax Law is paid on each of the sites within the State of New York listed above.

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 amount of insurance.

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the _____ day of _____, .

BLANK TITLE INSURANCE COMPANY

BY: _____

Countersigned

ENDORSEMENT
Attached to Policy No.
Issued by
BLANK TITLE INSURANCE COMPANY
(“Issuing Co-Insurer”)

CO-INSURANCE ENDORSEMENT

Attached to and made a part of _____ Title Insurance Company (“Issuing Co-Insurer”) Policy No. _____ (“Co-Insurance Policy”). Issuing Co-Insurer and any other co-insurers are collectively referred to as “Co-Insurers.”

1. Co-Insurer issues this endorsement as evidence of Co-Insurer’s liability under Co-Insurance Policy and directs that this endorsement be attached to the Co-Insurance Policy adopting its Covered Risks, Exclusions, Conditions, Schedules and Endorsements, as follows:

Amount and proportion of insurance and Aggregate Amount of Insurance under the Co-Insurance Policy:

Co-Insurers	Name and Address	Policy Number [File Number]	Amount of Insurance	Proportion of Liability
Issuing Co-Insurer			\$	
Co-Insurer			\$	
Co-Insurer			\$	
Co-Insurer			\$	
Aggregate Policy Amount			\$	

2. Each Co-Insurer shall be liable to the Insured under the Co-Insurance Policy only for the total of the loss and costs multiplied by its Proportion of Liability.
3. Any notice of claim and any other notice or statement in writing required to be given under the Co-Insurance Policy must be given to Co-Insurer at its address set forth above.
4. Any endorsement to the Co-Insurance Policy issued after the date of this Co-Insurance Endorsement must be signed on behalf of the Co-Insurer by its authorized officer or agent.
5. This Co-Insurance Endorsement is effective as of the Date of Policy of the Co-Insurance Policy. This Co-Insurance Endorsement may be executed in counterparts.

This endorsement is issued as part of the Co-Insurance 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.

DATED: _____

Issuing Co-Insurer
Blank Title Insurance Company

By: _____

DATED: _____

Issuing Co-Insurer
Blank Title Insurance Company

By: _____

DATED: _____

Co-Insurer
Blank Title Insurance Company

By: _____

DATED: _____

Co-Insurer
Blank Title Insurance Company

By: _____

[Additional Co-Insurer signatures may be added if needed.]

BLANK TITLE INSURANCE COMPANY
CONDOMINIUM ENDORSEMENT

- NEW YORK -

Attached to and made a part of Policy Number _____

The Policy insures against loss or damage sustained 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 State of New York.
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 created by 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. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.
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 encroachments 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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
CONSTRUCTION LOAN POLICY ENDORSEMENT**

-NEW YORK-

Attached to and made a part of Policy No.: _____

The Date of Policy is amended to be _____

As a result of a continuation search of the title, real estate taxes and water charges from
_____ to _____ at 8:30AM:

(a) The following changes are made to Schedule B-I [If none enter "None"]:

(b) The following changes are made Schedule B-II [If none enter "None"]:

Including the present advance of \$ _____, the aggregate amount of advances to date
are \$ _____.

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

In witness whereof, Blank Title Insurance Company has caused this Endorsement to be signed
and sealed on its date of issue set forth herein.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
CONTIGUITY ENDORSEMENT**

Attached to and made part of Policy No. _____

The Policy insures against loss or damage which the Insured may sustain by reason that the land described in the Policy as Parcels _____ are not contiguous to each other along their common boundary line(s).

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COMMERCIAL CONTRACT VENDEE ENDORSEMENT

Attached to and made a part of Policy Number: _____

The Policy insures that _____ (the Insured) has a valid and enforceable interest as Contract Vendee under a Contract of Sale dated _____ made between _____ as Contract Vendor and the Insured (the Contract) to purchase the land or other interest therein (the "Land") (which Contract or a memorandum thereof is to be recorded in the County in which the Land is located) and

Policy further insures against loss or damage incurred by the Insured by reason of:

- (a) the unenforceability of the right to receive an instrument of conveyance under the Contract except to the extent that such unenforceability is based on the failure of the Insured to have fulfilled the terms, conditions and provisions of the Contract by reason of other than a matter insured against under the Policy and any endorsements thereto;
- (b) the refusal of a trustee or a debtor in possession, in the event of a bankruptcy of the Seller or the then record title owner, to issue an instrument of conveyance under the terms of the Contract unless the Insured is not in possession of the Land, within the meaning of the Bankruptcy Code;
- (c) the inability of the Insured, at the time when payment of the balance of the purchase price under the Contract is due, to obtain title to the Land free of adverse interests, liens or encumbrances, except as provided for in the Policy and any endorsements thereto.

For the purpose of the coverages provided under this Endorsement, paragraph 8(a) of the Conditions of the Policy is amended to read as follows:

- (a) The liability of the Company under the Policy shall not exceed the least of:
 - (i) the Amount of Insurance stated in Schedule A; or
 - (ii) the sum of:
 - (A) the excess of the fair market value of the Land (less the actual cost of the buildings and improvements on the Land made by the Insured and related costs addressed in paragraph (D) below) at the time when payment of the balance of the purchase price under the Contract is due above the price at which the Insured could have acquired the Land under the terms of the Contract, but in no event shall the amount under this paragraph (A) be a negative number; and
 - (B) the unreimbursed portion of the consideration paid under the Contract by the Insured; and

- (C) the actual cost of the construction of buildings and improvements on the Land made by the Insured under the terms of the Contract; and
- (D) actual costs directly related to the acquisition of the Land and construction of the buildings and improvements on the Land, which related costs include, and are limited to, reasonable legal fees and other expenses incurred in obtaining building and occupancy permits; architectural, engineering and construction management fees; environmental testing and review; landscaping; and interest on loans for construction of the buildings and improvements.

Liability under paragraph 8(a)(ii)(B), (C) and (D) above is limited to amounts paid and costs incurred prior to the Insured having actual or constructive notice of any defect in or objection to title arising after the policy date or any redate thereof (a "Date of Policy"), but in no event shall the Company be liable for an amount greater than as set forth in paragraph 8(a) of the Conditions of the Policy, as amended above, and costs which the Company is obligated under the Conditions thereof to pay. At the request of the Insured, title may be continued down to the date on which a payment is made or costs are incurred. The Company shall then furnish in writing to the Insured a continuation report updating and redating the Date of Policy which shall set forth any changes in the ownership of the Land, any notices, liens or encumbrances affecting the Land filed or recorded in the Public Records, and real estate taxes, assessments, water charges and sewer rents against the Land which are unpaid. Each continuation report shall not impair the insurance afforded under the Policy prior thereto.

This endorsement does not insure against loss or damage by reason of:

- (1) real estate taxes, assessments, water charges and sewer rents becoming a lien after Date of Policy;
- (2) any statutory lien for services, labor or materials filed after Date of Policy;
- (3) federal tax liens and other federal liens filed after Date of Policy;
- (4) liens of the State of New York or any of its political subdivisions filed or first affecting title subsequent to Date of Policy, which by law obtain priority over the interest insured hereunder;
- (5) any change in the state of facts that an accurate survey would disclose since the date of the last survey reading;
- (6) the effect of any change in federal, state or applicable municipal law subsequent to the original Date of Policy without redate;
- (7) possible imposition of mortgage recording tax pursuant to Article 11 of the Tax Law of the State of New York if the Insured has entered into or is entitled to possession of the Land;

- (8) attorneys' fees and expenses incurred in connection with any action or proceeding to enforce the Contract or to secure a final court order or judgment which determines the persons entitled to receive payment from the Insured, to secure releases from other persons having an interest in, or lien or encumbrance on, the title to the Land, or to secure instruments of conveyance, except those attorneys' fees and expenses incurred to defend an attack on the validity or enforceability of the Contract; or
- (9) the consequences of the failure to record an agreement under Real Property Law Section 294 subdivision (5) extending the time for the conveyance of title beyond that set forth in the recorded Contract or memorandum thereof.

This endorsement is made a part of the Policy and is subject to and does not modify the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B and the Conditions thereof and any other endorsements thereto. The insurance contained herein shall cease and terminate upon the earlier to occur of (i) delivery of title to the Insured by an instrument of conveyance or (ii) the release or termination (by lapse of time or otherwise) of the Contract.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

TITLE INSURANCE COMPANY
RESIDENTIAL CONTRACT VENDEE ENDORSEMENT
FEE OR LEASEHOLD

Attached to and made a part of Policy Number _____

The Policy insures that _____, (the Insured) has a valid and enforceable interest as Contract Vendee under a Contract of Sale dated _____ made between _____ as Contract Vendor and the Insured (the Contract), to purchase the premises described in Schedule A, (a memorandum of) which Contract is to be recorded in the recording office of _____ County, subject to the terms, conditions and provisions of said Contract.

The Company further insures that the Contract Vendor named in the above-mentioned Contract, is (are) the owner(s) of the land described in Schedule A as of the date of the execution of the Contract, subject only to the estates, defects, exceptions to title, liens and encumbrances set forth in Schedule B of this policy.

Policy insures the Insured against loss or damage by reason of:

- (1) the unenforceability of the right to receive a deed under the Contract, unless the Insured does not fulfill the terms, conditions and provisions of the Contract;
- (2) the refusal of a trustee or a debtor in possession, in the event of a bankruptcy of the Contract Vendor or Record Title Owner, to issue an instrument of conveyance under the terms of the Contract unless the Insured is not in possession, within the meaning of the Bankruptcy Code, of the estate.

The liability of the Company under this policy is limited to the amount of payment made by the Insured under the Contract at the execution thereof, and increases by amounts paid subsequently under the Contract up to the face amount of the policy, provided that the Insured has no actual or constructive notice of any defect in, or objection to title at the time of such subsequent payment(s).

This endorsement does not insure against loss or damage by reason of:

- (1) matters first affecting title to the land described in Schedule A after the date of this policy;
- (2) any statutory lien for labor or material arising prior to but filed on or after the date of this policy;
- (3) attorneys' fees and expenses in connection with any action or proceeding to enforce the Contract or to secure a final court order which determines the persons entitled to receive payment from the Insured, to secure releases from other persons having an interest in the title to the land, or to secure proper deeds from the Seller/Contract Vendor, the Seller's/Contract Vendor's successor in interest or the Record Title Owner, except those

attorneys' fees and expenses incurred to defend an attack on the validity or enforceability of the Contract;

- (4) possible imposition of mortgage recording tax pursuant to Article 11 of the Tax Law if the Insured has entered into or is entitled to possession of the premises described in Schedule A.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. The insurance contained herein shall cease and terminate upon the earlier to occur of (i) delivery of title to the Insured by an instrument of conveyance or (ii) the release or termination (by lapse or time or otherwise) of the Contract. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements thereto, nor does it extend the effective date of the Policy, nor does it increase the face amount thereof.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COOPERATIVE ENDORSEMENT
(LOAN POLICY)

Attached to and made a part of Policy Number _____

- A. The Exclusions from Coverage are amended by adding to Exclusion 3 ("Defects, liens, encumbrances, adverse claims or other matters:") a new sub-paragraph 3(f) as follows:
- (f) which existed on or prior to the date when the deed to the Cooperative Corporation/Partnership certified in Schedule A was recorded; however, policy insures that all mortgages recorded in the public records to which the Cooperative Corporation/Partnership is subject are set forth in Schedule B, Part I.
- B. Notwithstanding Exclusion from Coverage 3(f) and unless excepted in Schedule B, the Company hereby insures against loss or damage by reason of:
- (1) the title to the cooperative building(s) and the land of which the apartment/unit described in Schedule A forms a part not being vested in a duly formed Corporation/Partnership, formed for the purpose of the cooperative ownership of the land;
 - (2) the premises not being a part of a cooperative regime validly created pursuant to the laws of the State of New York, subject however to the terms and provisions of the offering plan, as amended;
 - (3) a final court order or judgment requiring the removal of any encroachment of the cooperative building(s) upon adjoining land(s);
 - (4) any forfeiture or reversion of title by reason of a violation of any provision which may be contained in covenants and restrictions recorded in the public records;
 - (5) real estate taxes, assessments and other charges which are due and payable liens against the cooperative building(s) and the land at Date of Policy. Policy does not insure against any loss or damage by reason of any increase in maintenance charges due to the restoration of full real estate taxes, assessments and other charges by reason of any tax abatement rights held by the transferor of the apartment/unit.
 - (6) unpaid maintenance charges and assessments due and payable at Date of Policy. Policy does not insure against loss or damage by reason of future unpaid maintenance charges and assessments.
 - (7) failure of title by reason of a right of first refusal to purchase the apartment/unit, which right was exercised or could have been exercised at Date of Policy.
- C. The Conditions of the policy are hereby amended in the following particulars:

- (1) Section 1 of said Conditions is hereby amended by adding subparagraph (n) thereto to read as follows:
 - (n) "Proprietary Leasehold Estate": (i) the right of possession for the term or terms described in the proprietary lease, and any valid extension or renewal of the proprietary lease, subject to any provisions contained therein which limit the right of possession (ii) and which proprietary lease is issued or assigned in conjunction with the ownership by the proprietary lessee of the shares of stock of the lessor.
- (2) Sections 13, 14, 15, 16 and 17 of said Conditions are hereby renumbered 15, 16, 17, 18 and 19 respectively and the following new Sections 13 and 14 are inserted into said Conditions:

13. VALUATION OF ESTATE OR INTEREST INSURED

If, in computing loss or damage incurred by the insured, it becomes necessary to determine the value of the estate or interest insured by this policy, the value shall consist of the then present fair market value of the estate or interest, undiminished by any matters for which claim is made, for the term of the proprietary leasehold estate, but in no event greater than the amount of insurance stated in Schedule A.

14. MISCELLANEOUS ITEMS OF LOSS

In the event the insured acquires all or any part of the estate or interest described in the applicable Schedule in accordance with the provisions of Section 2 of these Conditions and thereafter is evicted from possession of all or a part of the land by reason of any matters insured against by this policy, the following, 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 estate or interest insured by this policy.

- (a) The reasonable cost of removing and relocating any personal property which 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 twenty-five miles incurred in connection with the relocation, and the reasonable cost of repairing the personal property damaged by reason of the removal and relocation. The costs referred to above shall not exceed in the aggregate the value of the personal property prior to its removal and relocation. "Personal property", above referred to, shall mean chattels and property which because of its character and manner of affixation to the land, can be severed therefrom without causing appreciable damage to the property severed or to the land to which the property is affixed.
- (b) Maintenance charges 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.

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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COOPERATIVE ENDORSEMENT
(OWNER'S POLICY)

Attached to and made a part of Policy Number _____

- A. The Exclusions from Coverage are amended by adding to Exclusion 3 ("Defects, liens, encumbrances, adverse claims or other matters:") a new sub-paragraph 3(f) as follows:
- (f) which existed on or prior to the date when the deed to the Cooperative Corporation/Partnership certified in Schedule A was recorded; however, policy insures that all mortgages recorded in the public records to which the Cooperative Corporation/Partnership is subject are set forth in Schedule B.
- B. Notwithstanding Exclusion from Coverage 3(f) and unless excepted in Schedule B, the Company hereby insures against loss or damage by reason of:
- (1) the title to the cooperative building(s) and the land of which the apartment/unit described in Schedule A forms a part not being vested in a duly formed Corporation/Partnership, formed for the purpose of the cooperative ownership of the land;
- (2) the premises not being a part of a cooperative regime validly created pursuant to the laws of the State of New York, subject however to the terms and provisions of the offering plan, as amended;
- (3) a final court order or judgment requiring the removal of any encroachment of the cooperative building(s) upon adjoining land(s);
- (4) any forfeiture or reversion of title by reason of a violation of any provision which may be contained in covenants and restrictions recorded in the public records;
- (5) real estate taxes, assessments and other charges which are due and payable liens against the cooperative building(s) and the land at Date of Policy. Policy does not insure against any loss or damage by reason of any increase in maintenance charges due to the restoration of full real estate taxes, assessments and other charges by reason of any tax abatement rights held by the transferor of the apartment/unit.
- (6) unpaid maintenance charges and assessments due and payable at Date of Policy.
- (7) failure of title by reason of a right of first refusal to purchase the apartment/unit, which right was exercised or could have been exercised at Date of Policy.
- C. The Conditions of said policy are hereby amended in the following particulars:
- (1) Section 1 of said Conditions is hereby amended by adding subparagraph (l) thereto to read as follows:

- (1) "Proprietary Leasehold Estate": (i) the right of possession for the term or terms described in the proprietary lease and any valid extension or renewal of the proprietary lease, subject to any provisions contained therein which limit the right of possession (ii) and which proprietary lease is issued or assigned in conjunction with the ownership by the proprietary lessee of the shares of stock of the lessor.
- (2) Sections 14, 15, 16, 17 and 18 of said Conditions are hereby renumbered 16, 17, 18, 19 and 20 respectively and the following new Sections 14 and 15 are inserted into said Conditions:

14. VALUATION OF ESTATE OR INTEREST INSURED

If, in computing loss or damage incurred by the insured, it becomes necessary to determine the value of the estate or interest insured by this policy, the value shall consist of the then present fair market value of the estate or interest, undiminished by any matters for which claim is made, for the term of the proprietary leasehold estate, but in no event greater than the amount of insurance stated in Schedule A.

15. MISCELLANEOUS ITEMS OF LOSS

In the event the insured is evicted from possession of all or a part of the land by reason of any matters insured against by this policy, the following, 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 estate or interest insured by this policy.

- (a) The reasonable cost of removing and relocating any personal property which 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 twenty-five miles incurred in connection with the relocation, and the reasonable cost of repairing the personal property damaged by reason of the removal and relocation. The costs referred to above shall not exceed in the aggregate the value of the personal property prior to its removal and relocation. "Personal property", above referred to, shall mean chattels and property which because of its character and manner of affixation to the land, can be severed therefrom without causing appreciable damage to the property severed or to the land to which the property is affixed.
- (b) Maintenance charges 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.

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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT**

- NEW YORK -

Attached to and made a part of Policy Number _____

The Policy insures 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:

Section 1307 of the Public Health Law

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED: _____ **BLANK TITLE INSURANCE COMPANY**
BY: _____

**BLANK TITLE INSURANCE COMPANY
ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT
(FOR MORTGAGES MADE TO THE STATE OF NEW YORK
OR A PUBLIC BENEFIT CORPORATION THEREOF
AND FEDERAL GOVERNMENT AGENCIES)**

Attached to and made a part of Policy Number _____

The Policy insures 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:

None.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT
(NEW YORK CITY ONLY)

Attached to and made a part of Policy Number _____

The Policy insures 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, New York City Code and/or Ordinance in effect at Date of Policy, except environmental protection liens provided for by the following statutes:
 - (1) Administrative Code, City of New York, Title 17 (Health) Section 17-151.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
FANNIE MAE BALLOON MORTGAGE ENDORSEMENT**

- NEW YORK -

Attached to and made part of Policy Number _____

The Policy insures the 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 the terms and provisions thereof, including, without limitation, Section 8 of the Exclusions From Coverage, as added by the Standard New York Endorsement (Loan Policy), 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 amount of insurance.

In Witness Whereof, Blank Title Insurance Company has caused this Endorsement to be signed and sealed on its date of issue set forth herein.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**FIRST LOSS ENDORSEMENT
LOAN POLICY ONLY
(TO BE USED IN MULTI-SITE TRANSACTIONS ONLY)**

**Attached to Policy No. _____
Issued by
BLANK TITLE INSURANCE COMPANY**

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

1. For the purposes of this endorsement:
 - a. “Collateral” means all property, including the Land, given as security for the Indebtedness.
 - b. “Material Impairment Amount” means the amount by which any Covered Risk under the policy for which a claim is made diminishes the value of the Collateral below the Indebtedness.
2. In the event of a claim resulting from a Covered Risk insured against by the policy, the Company agrees to pay that portion of the Material Impairment Amount that does not exceed the extent of liability imposed by Section 8 of the Conditions without requiring:
 - a. maturity of the Indebtedness by acceleration or otherwise,
 - b. pursuit by the Insured of its remedies against the Collateral, or
 - 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 Section 2 of this endorsement 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 Section 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.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

**BLANK TITLE INSURANCE COMPANY
ENDORSEMENT**

Attached to and made a part of Policy Number _____

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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
INDUSTRIAL DEVELOPMENT AGENCY
OR SIMILAR PUBLIC BENEFIT CORPORATION
TRANSFER TO BENEFICIAL OWNER ENDORSEMENT**

Attached to and made part of Policy No. _____

It having been represented to the Company that _____ (hereafter Beneficial Owner), being the grantor of the premises described in Schedule A of the Policy in a deed to the (Insert name of IDA or similar Public Benefit Corporation) (hereafter "IDA") is or will be, or its nominee is or will be, the grantee of a deed from the IDA, the Company hereby extends to the Beneficial Owner, or its nominee, the benefits of the Policy, subject to the Conditions of the Policy, Exclusions From Coverage and Exceptions From Coverage as of the Date of Policy, without liability to the Company as to the validity, form, sufficiency and method of transfer of title to the premises from the IDA.

A Beneficial Owner shall be deemed for purposes of this endorsement to include the assignee of a leasehold from the IDA to said grantor of the premises or its nominee, if such assignee has been insured by the Company.

This endorsement shall become effective only upon the transfer of the interest in the premises insured herein by the IDA directly to the Beneficial Owner or its nominee.

For purposes of this endorsement, nominee of the Beneficial Owner shall mean and include only those entities which fall within any of the following relationships to the Beneficial Owner:

a parent company of a wholly-owned subsidiary company; a wholly-owned subsidiary company of its parent company; companies which are wholly-owned subsidiaries within one corporate group, or each of which have identical stockholders, partners, or members in identical proportion; stockholders of a corporation pursuant to a plan of liquidation; a corporation formed by the Beneficial Owner in exchange for all of the capital stock of the corporation; partners of a partnership upon the dissolution of the partnership; a partnership formed by the Beneficial Owner as part of the Beneficial Owner's capital contribution to the partnership; members of a limited liability company upon the dissolution of the limited liability company; a limited liability company formed by the Beneficial Owner as part of the Beneficial Owner's capital contribution to the limited liability company; provided that as between the Beneficial Owner and the nominee there is no change in the beneficial ownership of the premises and further provided that the transfer to the nominee is made for no consideration. Company as used in this paragraph is defined as a corporation, partnership, or limited liability company.

Consideration for purposes of the preceding paragraph shall exclude the value of any lien or encumbrance remaining on the land or interest thereon at the time of the transfer.

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

TIRSA IDA (05/1/2007)

SIXTH REVISION (01/14/2021)

extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
INCREASE IN AMOUNT OF INSURANCE ENDORSEMENT
(OWNER'S POLICY)**

Attached to and made a part of Policy No.:

The Amount of Insurance in Schedule A of the Policy is amended to be:

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

In witness whereof, Blank Title Insurance Company has caused this Endorsement to be signed and sealed on its date of issue set forth herein.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
JOINT AND SEVERAL LIABILITY ENDORSEMENT**

Attached to and made a part of Policy Number _____

This policy is issued contemporaneously with a policy of _____ in the aggregate total sum of \$ _____ and it is understood and agreed that this Company shall bear only of any loss or damage insured against by these policies, provided, however, that the Company shall be liable jointly and severally with _____ for the first \$ _____ of loss or damage insured against by these policies and incurred by the insured hereunder, but in the event of loss or damage incurred by the insured aggregating in excess of \$ _____, the Company shall have no liability in excess of the greater of:

- (i) \$ _____
- (ii) _____ of such aggregate loss or damage, and in no event shall the Company be liable for contractual damages of more than \$ _____ plus costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder.

In witness whereof, the Company has caused this certificate to be signed and sealed as of the _____ day of _____, 19 ____, to be valid when countersigned by an authorized officer or agent of the Company.

Countersigned:

Authorized Officer or Agent

**BLANK TITLE INSURANCE COMPANY
JUNIOR LOAN POLICY ENDORSEMENT 1**

Attached to and made a part of Policy Number _____

- A. The Policy insures against loss or damage sustained by the insured resulting from:
 - 1. Any document recorded in the public records subsequent to Date of Policy and on or prior to Date of Endorsement which purports to vest title to the fee estate in the land, except:
 - 2. Any monetary lien other than the insured's mortgage shown in paragraph B. below, recorded in the public records subsequent to Date of Policy and on or prior to Date of Endorsement which affects the title except:
- B. The insured's mortgage referred to in the policy is described as follows:
- C. If the box is checked, TIRSA Junior Loan Policy Endorsement 2 is incorporated herein: X

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED: _____ **BLANK TITLE INSURANCE COMPANY**
BY: _____

BLANK TITLE INSURANCE COMPANY
JUNIOR LOAN POLICY ENDORSEMENT 2
(REVOLVING CREDIT-VARIABLE RATE)

Attached to and made a part of Policy Number _____

- I. Provided that:
- A. The land is a one-to-four family residence or condominium unit; and
 - B. The insured's mortgage creates a lien on the land; and
 - C. The borrower named in the insured's mortgage ("Borrower") is the owner of the land at the date an advance is made pursuant to the note or agreement secured by the insured's mortgage referred to above; and
 - D. With respect to paragraph A. below the insured's mortgage states that it secures repayment of future advances.
- II. The Policy insures against loss or damage which the insured shall sustain by reason of:
- A. The failure of the lien for future advances secured by the insured's mortgage to have the same priority over liens, encumbrances, and other matters disclosed by the public records as advances secured by the insured's mortgage at the date of its recording, except for the following matters:
 - 1. Any real estate taxes, assessments, water and sewer rent charges of any governmental taxing authority which constitute a lien on the title and which appear subsequent to Date of Policy in the official tax records where the land is located;
 - 2. Federal tax liens;
 - 3. Liens, encumbrances, or other matters, the existence of which are actually known to the insured prior to the date of an advance; or
 - B. The invalidity or unenforceability of the lien of the insured's mortgage resulting from the provisions of the insured's mortgage which provide for changes in the rate of interest; or
 - C. Loss of priority of the lien of the insured's mortgage resulting from changes in the rate of interest calculated in accordance with the formula provided in the insured's mortgage at the date it is recorded in the public records.
- III. This Endorsement does not insure:

- A. That the Borrower owns the land nor that the insured's mortgage creates a lien on the land, nor the validity, enforceability, or priority of the lien of the insured's mortgage, except to the extent expressly stated; nor
- B. Against loss or damage resulting from (1) usury, (2) any consumer credit protection or truth in lending law, or (3) bankruptcy or insolvency proceedings of the Borrower.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
LAND SAME AS SURVEY ENDORSEMENT**

Attached to and made a part of Policy Number _____

The Policy insures against loss by reason of the land not being the same as delineated on the plat of a survey made by _____ dated or last redated on _____.

The total liability of the Company under the policy and any endorsement thereto shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions thereof to pay.

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.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
LEASEHOLD ENDORSEMENT (LOAN POLICY)

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 Covered Risk under this policy.
 - b. "Lease": the lease agreement described in Schedule A.
 - c. "Leasehold Estate": the right of possession granted in the Lease for the Lease Term.
 - d. "Lease Term": the duration of the Leasehold Estate, as set forth in the Lease, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
 - e. "Personal Property": property located on the Land on or after Date of Policy that, because of its character and manner of attachment to the Land, can be severed from the Land without causing material damage to it or to the Land.
 - f. "Remaining Lease Term": the portion of the Lease Term remaining after the Tenant has been Evicted as a result of a Covered Risk under this policy.
 - g. "Tenant": the tenant under the Lease and, after acquisition of all or any part of the Title in accordance with the provisions of Section 2 of the Conditions 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 Tenant's expense or in which the Tenant 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 Title 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 Title in accordance with the provisions of Section 2 of the Conditions 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 Title:

- 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 that 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 permitted by the Lease and made by Tenant 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 permitted by the Lease and made by the Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.
- f. The reasonable cost to obtain land use, zoning, building and occupancy permits, architectural and engineering services and environmental testing and reviews for a leasehold reasonably 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 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.

[Witness clause optional]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
LEASEHOLD ENDORSEMENT (OWNER'S POLICY)

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 Covered Risk under this policy.
 - b. "Lease": the lease agreement described in Schedule A.
 - c. "Leasehold Estate": the right of possession granted in the Lease for the Lease Term.
 - d. "Lease Term": the duration of the Leasehold Estate, as set forth in the Lease, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
 - e. "Personal Property": property located on the Land on or after Date of Policy that, because of its character and manner of attachment to the Land, can be severed from the Land without causing material damage to it or to the Land.
 - f. "Remaining Lease Term": the portion of the Lease Term remaining after the Tenant has been Evicted as a result of a Covered Risk under 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. Valuation of Estate or Interest Insured:

If in computing loss or damage it becomes necessary to value the Title as the result of a covered matter that results in an Eviction of the Insured, 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:

TIRSA Leasehold Endorsement (Owner's Policy) (1/09/2018)
For Use with ALTA 2006 Owner's Policy Only

SIXTH REVISION (01/14/2021)

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 Title:

- 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 that 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 permitted by the Lease and made by 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 permitted by the Lease and made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.
- f. The reasonable cost to obtain land use, zoning, building and occupancy permits, architectural and engineering services and environmental testing and reviews for a leasehold reasonably 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 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.

TIRSA Leasehold Endorsement (Owner's Policy) (1/09/2018)
For Use with ALTA 2006 Owner's Policy Only

SIXTH REVISION (01/14/2021)

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

**BLANK TITLE INSURANCE COMPANY
MANUFACTURED HOUSING UNIT ENDORSEMENT**

Attached to and made a part of Policy 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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE CORPORATION
MARKET VALUE POLICY RIDER

Policy No _____

Title No. _____ Date of Issue _____

Name(s) of Insured Homeowner(s) _____

Owner's Statement of Coverage:

In consideration of the payment of the additional premium for the issuance of this Rider to the Policy as hereinafter defined, the Policy insures the named homeowner against loss or damage not exceeding the market value of the premises at the time of loss, in accordance with the Conditions of the Policy not inconsistent with the provisions of this Rider, and subject to the matters excepted from coverage in Schedule B.

DEFINITIONS:

- (a) The Policy is the policy issued to the named insured herein in the amount of the original purchase price paid for the insured premises.
- (b) Time of loss shall be such date as the homeowner shall have actual knowledge of facts giving rise to a claim under the Policy.
- (c) A homeowner is a natural person, fee owner and resident of real property used predominately for residential purposes and containing no more than 4 dwelling units, a residential condominium unit, or a residential co-operative leasehold interest. The benefits of this Rider shall be available only to the named insured provided the named insured is a homeowner as defined herein at the date of the issuance of this Rider and at the date any claim under this Rider is made.
- (d) Market value at time of loss shall be such value of the insured premises as is determined by three arbitrators or any two of them, one of whom should be chosen by the insured and one by the Company, and the two so chosen selecting the third arbitrator. Such value shall exclude the market value of any improvements made to the premises subsequent to the date of the Policy. The above valuation procedure shall also apply in the event the insured premises is a residential cooperative leasehold interest.

CONDITIONS:

- (a) Notwithstanding anything herein to the contrary, in the event of a loss, partial or total, the insured shall have the option to elect to value such loss under the terms of this Rider or under the terms and amount of the Policy.

- (b) All other provisions of the Policy, not inconsistent with the provisions of this Rider, shall remain in full force and effect.
- (c) This Rider and the Policy is the entire contract between the named insured and the Company.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE CORPORATION
MARKET VALUE POLICY RIDER
(TIRSA OWNER'S EXTENDED PROTECTION POLICY ONLY)

Attached to and made part of Policy Number: _____

Owner's Statement of Coverage:

In consideration of the payment of the additional premium for the issuance of this Rider to the TIRSA Owner's Extended Protection Policy, the Policy insures against loss or damage not exceeding the market value of the premises at the time of loss, in accordance with the Exclusions and Conditions of the Policy not inconsistent with the provisions of this Rider, and subject to the matters excepted from coverage in Schedule B.

DEFINITIONS:

- (a) Time of loss shall be such date as the insured shall have actual knowledge of facts giving rise to a claim under the Policy.
- (b) A homeowner is a natural person, fee owner and resident of real property used predominately for residential purposes and containing no more than 4 dwelling units, or a residential condominium unit. The benefits of this Rider shall be available only to the named insured provided the named insured is a homeowner as defined herein at the date of the issuance of this Rider and at the date any claim under this Rider is made.
- (c) Market value at time of loss shall be such value of the insured premises as is determined by three arbitrators or any two of them, one of whom should be chosen by the insured and one by the Company, and the two so chosen selecting the third arbitrator. Such value shall exclude the market value of any improvements made to the premises subsequent to the date of the Policy.

CONDITIONS:

- (a) Paragraph 10 of the Conditions of the Policy is hereby deleted.

In the event that a loss occurs after the insured makes an improvement to the insured premises subsequent to the date of this Rider the valuation of such loss shall be determined in relationship to the market value of the premises at the time of such loss, minus the market value of such improvements made to the insured premises subsequent to the date of this Rider.

- (b) Notwithstanding anything herein to the contrary, in the event of a loss, partial or total, the insured shall have the option to elect to value such loss under the terms of this Rider or under the terms and amount of the Policy.
- (c) This Endorsement does not increase or decrease any amount shown under "Your Deductible Amount" set forth in Schedule A of the Policy and does not increase or

decrease any amount shown under “Our Maximum Dollar Limit of Liability” set forth in Schedule A of the Policy.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

MEZZANINE FINANCING ENDORSEMENT**Attached to Policy No.
Issued by
BLANK TITLE INSURANCE COMPANY**

1. The Mezzanine Lender is: _____ and each successor in ownership of its loan (“Mezzanine Loan”) in the amount of \$ _____ 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.
2. The Insured
 - a. assigns to the Mezzanine Lender the right to receive any amounts otherwise payable to the Insured under this policy, not to exceed the outstanding indebtedness under the Mezzanine Loan; and
 - b. agrees that no amendment of or endorsement to this policy can be made without the written consent of the Mezzanine Lender.
3. The Company does not waive any defenses that it may have against the Insured, except as expressly stated in this endorsement.
4. 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) 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 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) and (e) shall
 - i. apply whether or not the Mezzanine Lender has acquired an interest (direct or indirect) in the Insured either on or after Date of Policy, and
 - ii. 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.
5. 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 (direct or indirect) in the Insured have been transferred to or acquired by the Mezzanine Lender, either on or after the Date of Policy.

- 6. 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 Title, 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.

- 7. 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 reasonable 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.

- 8. Whenever the Company has settled a claim and paid the Mezzanine Lender pursuant to this endorsement, the Company shall be subrogated and entitled to all rights and remedies that the Mezzanine Lender may have against any person or property arising from the Mezzanine Loan. However, the Company agrees with the Mezzanine Lender that it shall only exercise these rights, or any right of the Company to indemnification, against the Insured, the Mezzanine Loan borrower, or any guarantors of the Mezzanine Loan after the Mezzanine Lender has recovered its principal, interest, and costs of collection.

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.

AGREED AND CONSENTED TO:

(Insert name of Insured)

(Insert name of Mezzanine Lender)

By: _____

By: _____

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

**BLANK TITLE INSURANCE COMPANY
MORTGAGE TAX ENDORSEMENT**

Attached to and made part of Policy No. _____

The Policy insures the owner of the indebtedness secured by the insured mortgage(s) against loss or damage which may be sustained by reason that all mortgage recording taxes required to be paid on the insured mortgage(s) have not been paid.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
NEW YORK CITY "DEVELOPMENT RIGHTS" ENDORSEMENT**

Attached to and made a part of Policy Number _____

The Policy insures that all Parties in Interest, as such term is defined in Section 12-10 of the Zoning Resolution of the City of New York effective December 15, 1961 as amended to Date of Policy, have joined in, waived or subordinated their interest to the Declaration of Zoning Lot Restrictions ("Declaration").

The Policy further insures that the Zoning Lot Development Agreement ("ZLDA") between, _____ and _____, dated _____ and to be recorded is a valid agreement as of the Date of this Policy in accordance with and subject to its terms, covenants and conditions, binding upon all Parties in Interest as defined in Section 12-10(d) of the Zoning Resolution of the City of New York as amended to Date of Policy, and on the premises described therein, and is effective to transfer to the insured the floor area development rights as therein provided in favor of the premises described in Schedule "A" of the Policy; except

- (i) that the Policy does not insure the amount of any floor area development rights that may be attributable to any of the properties described in the ZLDA, and
- (ii) that nothing herein shall be deemed a waiver of the provisions of Exclusions from Coverage 1(a) of the policy.

The Policy further insures an Easement for Light and Air over Lot(s) _____ in Block _____ as shown on the Tax Map of the City of New York for the County of _____ and negative covenants not to build over the existing building thereon for the benefit of the insured, as is set forth, defined and limited in the ZLDA between _____, and _____, dated _____ and recorded in the public records of _____ County on _____, _____ in Reel _____ Page _____.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED: _____ **BLANK TITLE INSURANCE COMPANY**
BY: _____

BLANK TITLE INSURANCE COMPANY
NON IMPUTATION ENDORSEMENT
ADDITIONAL INSURED
(OWNERS POLICY ONLY)

Attached to and made a part of Policy 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.

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]

whether or not 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 Knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the policy.

Section 8(a) of the Conditions is amended to read as follows:

The liability of the Company to the Additional Insured shall not exceed the least of:

- (i) _____% [insert percentage interest that Additional Insured is acquiring in vestee] of the actual monetary loss or damage sustained or incurred by the Insured of which the Additional Insured is a partner/shareholder/member, or if the interest of the Additional Insured in said Insured is reduced below _____% [insert percentage interest that Additional Insured is acquiring in vestee], such lesser proportion of the actual loss of said Insured, or
- (ii) _____% [insert percentage interest that Additional Insured is acquiring in vestee] of 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 the Policy, or

(iii) The Amount of Insurance stated in Schedule A;

provided, however, that in no event shall the total liability of the Company under the Policy, including this endorsement, exceed in the aggregate, the Amount of Policy and costs which the Company is obligated to pay under the Conditions therein.

The Amount of Insurance under the Policy and this endorsement shall be reduced by any payment which may be received by the Additional Insured under any other policy of title insurance affecting the premises insured by the Policy.

This endorsement is made a part of the Policy, of even date herewith 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 Date of Policy and any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

AGREED AND CONSENTED TO: _____

**BLANK TITLE INSURANCE COMPANY
NON IMPUTATION ENDORSEMENT
INVESTORS/FULL EQUITY TRANSFER
(OWNERS POLICY ONLY)**

Attached to and made a part of Policy 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]

whether or not 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 Knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the policy.

The Amount of Insurance under the Policy and this endorsement shall be reduced by any payment which may be received by the Insured under any other policy of title insurance affecting the premises insured by the Policy.

This endorsement is made a part of the Policy, of even date herewith 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 Date of Policy and any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
NON IMPUTATION ENDORSEMENT
INVESTORS/PARTIAL EQUITY TRANSFER
(OWNERS POLICY ONLY)

Attached to and made a part of Policy 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]

whether or not 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 the entity as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, adverse claim, or other matter insured against by the policy.

Section 8(a) of the Conditions is amended to read as follows:

The liability of the Company under the Policy shall not exceed the least of:

- (i) _____% [insert percentage interest that Insured is acquiring in vestee] of the actual monetary loss or damage sustained or incurred by the Vestee of which the Insured is a partner/shareholder/member, or if the interest of the Insured in said Vestee is reduced below _____% [insert percentage interest that Insured is acquiring in vestee], such lesser proportion of the actual loss of said Vestee, or
- (ii) _____% [insert percentage interest that Insured is acquiring in vestee] of 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 the Policy, or
- (iii) The Amount of Insurance stated in Schedule A;

provided, however, that in no event shall the total liability of the Company under the Policy, including this endorsement, exceed in the aggregate, the Amount of Policy and costs which the Company is obligated to pay under the Conditions therein.

The Amount of Insurance under the Policy and this endorsement shall be reduced by any payment which may be received by the Insured under any other policy of title insurance affecting the premises insured by the Policy.

This endorsement is made a part of the Policy, of even date herewith 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 Date of Policy and any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
OPTION ENDORSEMENT

Attached to and made a part of Policy Number _____

The Policy insures that _____ (the Insured) has a valid and enforceable interest as Optionee under an option to purchase (the "Option") the land or other interest therein (the "Land") contained in the Lease or other Agreement (the "Agreement") dated _____ made between _____ (the "Optionor") and the Insured (which Agreement or a memorandum thereof is to be recorded in the County in which the Land is located) and

Policy further insures against loss or damage incurred by the Insured following exercise of the Option by reason of:

- (a) the unenforceability of the right to receive an instrument of conveyance under the Agreement except to the extent that such unenforceability is based on the failure of the Insured to have fulfilled the terms, conditions and provisions of the Agreement by reason of other than a matter insured against under the Policy and any endorsements thereto;
- (b) the refusal of a trustee or a debtor in possession, in the event of a bankruptcy of the Optionor, or the then record title owner, following exercise of the Option, to issue an instrument of conveyance under the terms of the Agreement unless the Insured is not in possession of the Land, within the meaning of the Bankruptcy Code;
- (c) the inability of the Insured at the time when payment of the balance of the purchase price under the Agreement is due to obtain title to the Land free of adverse interests, liens or encumbrances except as provided for in the Policy and any endorsements thereto.

For the purpose of the coverages provided under this endorsement, paragraph 8(a) of the Conditions of the Policy is amended to read as follows:

- (a) The liability of the Company under this endorsement shall not exceed the least of:
 - (i) \$ _____; or
 - (ii) the sum of:
 - (A) the excess of the fair market value of the Land (less the actual cost of the buildings and improvements on the Land made by the Insured and related costs addressed in paragraph (D) below) at the time when payment of the balance of the purchase price for the Land under the Agreement is due above the price at which the Insured could have acquired the Land under the terms of the Agreement, but in no event shall the amount under this paragraph (A) be a negative number; and

- (B) the unreimbursed portion of the consideration paid by the Insured for the Option and on account of the purchase price for the Land under the Agreement; and
- (C) the actual cost of the construction of buildings and improvements on the Land made by the Insured under the terms of the Agreement; and
- (D) actual costs directly related to the acquisition of the Land and to the construction of the buildings and improvements on the Land, which related costs include, and are limited to, reasonable legal fees and other expenses incurred in obtaining building and occupancy permits; architectural, engineering and construction management fees; environmental testing and review; landscaping; and interest on loans for construction of the buildings and improvements.

Liability under paragraph 8(a)(ii)(B), (C) and (D) above is limited to amounts paid and costs incurred prior to the Insured having actual or constructive notice of any defect in or objection to title arising after the policy date or any redate thereof (“Date of Policy”), but in no event shall the Company be liable for an amount greater than as set forth in paragraph 8(a) of the Conditions of the Policy, as amended above, and costs which the Company is obligated under the Conditions thereof to pay. At the request of the Insured, title may be continued down to the date on which a payment is made or costs are incurred. The Company shall then furnish in writing to the Insured a continuation report updating and redating the Date of Policy which shall set forth any changes in the ownership of the Land, any notices, liens or encumbrances affecting the Land filed or recorded in the Public Records, and real estate taxes, assessments, water charges and sewer rents against the Land which are unpaid. Each continuation report shall not impair the insurance afforded under the Policy prior thereto.

This endorsement does not insure against loss or damage by reason of:

- (1) real estate taxes, assessments, water charges and sewer rents becoming a lien after Date of Policy;
- (2) any statutory lien for services, labor or materials filed after Date of Policy;
- (3) federal tax liens and other federal liens filed after Date of Policy;
- (4) liens of the State of New York or any of its political subdivisions filed or first affecting title subsequent to Date of Policy which by law obtain priority over the interest insured hereunder;
- (5) liens and encumbrances, other than as set forth in items (1) through (4) above, arising subsequent to Date of Policy but prior to the exercise of the Option;
- (6) any change in the state of facts that an accurate survey would disclose since the date of the last survey reading;

- (7) the effect of any change in federal, state or applicable municipal law subsequent to the original Date of Policy without redate;
- (8) possible imposition of mortgage recording tax pursuant to Article 11 of the Tax Law of the State of New York if the Insured has entered into or is entitled to possession of the Land;
- (9) attorneys' fees and expenses incurred in connection with any action or proceeding to enforce the Option or to secure a final court order or judgment which determines the persons entitled to receive payment from the Insured, to secure releases from other persons having an interest in, or lien or encumbrance on, the title to the Land, or to secure instruments of conveyance, except those attorneys' fees and expenses incurred to defend an attack on the validity or enforceability of the Option; or
- (10) the consequences of the failure to comply with the notice provisions of Real Property Law Section 294 subdivision (7).

This endorsement is made a part of the Policy and is subject to and does not modify the Exclusions From Coverage, the Exceptions From Coverage contained in Schedule B and the Conditions thereof and any other endorsements thereto. The insurance contained herein shall cease and terminate upon the earlier to occur of (i) delivery of title to the Insured by an instrument of conveyance or (ii) the release or termination (by lapse of time or otherwise) of the Option.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
PARTIAL RELEASE OF MORTGAGED PREMISES ENDORSEMENT**

Attached to and made part of Policy No. _____

The Policy insures that the mortgage(s) insured herein remain(s) a valid and enforceable lien on the land not released by the release of a portion of the mortgaged premises dated _____, to be recorded, and that the priority of the lien of the mortgage(s), as insured, is not affected thereby.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE CORPORATION
PLANNED UNIT DEVELOPMENT ENDORSEMENT**

Attached to Policy Number _____

The Policy insures 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.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BY: _____

**BLANK TITLE INSURANCE COMPANY
POLICY AUTHENTICATION ENDORSEMENT**

Attached to and made part of Policy Number _____

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

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.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
RESIDENTIAL REVOLVING CREDIT ENDORSEMENT
(OWNER OCCUPIED ONE TO SIX FAMILY)

Attached to and made a part of Policy Number _____

The Policy insures the owner of the indebtedness secured by the mortgage referred to in Schedule A against loss which said insured shall sustain by reason of loss of priority of the lien of the insured mortgage as to each and every advance made pursuant to the provisions of the insured mortgage and loan agreement provided, however, that no coverage is given as to any advance made after the insured has actual knowledge of any sale or transfer of the insured premises, or during any period in which the insured has actual knowledge of an Event of Default under the terms of the insured mortgage and loan agreement.

This endorsement does not insure against loss or damage based upon:

- (a) Federal Tax Liens or Bankruptcies appearing in the public records prior to the time of such advance and affecting the estate of the mortgagor,
- (b) real estate taxes, assessments, water and sewer rent charges.

For purposes of this endorsement, and notwithstanding any terms or provisions in the Policy to the contrary, the following terms shall be defined as follows:

Advances shall mean extensions of credit under and pursuant to the terms and provisions of the Mortgage and Loan Agreement. An extension of credit shall occur on the date on which and at the time when the insured, pursuant to its contractual obligations under the Mortgage and Loan agreement, either honors a check drawn on the account established by the Mortgage and Loan Agreement or authorizes a charge pursuant to the Mortgage and Loan Agreement under/on the credit card issued to the holder of the account, or a credit card charge is actually made, or an advance is otherwise made pursuant to said Mortgage and Loan Agreement.

The Policy shall provide insurance coverage for the amount of all advances outstanding and unpaid at any given time (up to the Amount of Policy) notwithstanding the fact that prior advances may have been made and previously repaid.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto, except as modified by the provisions hereof. The insurance afforded by this endorsement is not subject to the provisions of sub-paragraphs 3(d) of the Exclusions From Coverage. This endorsement does not extend the Date of Policy or any other endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COMMERCIAL REVOLVING CREDIT ENDORSEMENT
FOR COMMERCIAL CREDIT LINE MORTGAGES WHICH SECURE A
MAXIMUM PRINCIPAL INDEBTEDNESS OF LESS THAN \$3,000,000

Attached to and made a part of Policy Number _____

The Policy insures the owner of the indebtedness secured by the mortgage referred to in Schedule A against loss which said insured shall sustain by reason of loss of priority of the lien of the insured mortgage as to each and every advance made pursuant to the provisions of the insured mortgage and loan agreement provided, however, that no coverage is given as to any advance made after the insured has actual knowledge of any sale or transfer of the insured premises, or during any period in which the insured has actual knowledge of an Event of Default under the terms of the insured mortgage and loan agreement.

This endorsement does not insure against loss or damage based upon:

- (a) Federal Tax Liens or Bankruptcies appearing in the public records prior to the time of such advance and affecting the estate of the mortgagor;
- (b) real estate taxes, assessments, water and sewer rent charges;
- (c) mechanic's liens; and,
- (d) statutory liens arising after the Date of Policy which by virtue of federal, state or local laws are entitled to priority over the insured mortgage.

For purposes of this endorsement, and notwithstanding any terms or provisions in this Policy to the contrary, the following terms shall be defined as follows:

Advances shall mean extensions of credit under and pursuant to the terms and provisions of the Mortgage and Loan Agreement. An extension of credit shall occur on the date on which and at the time when the insured, pursuant to its contractual obligations under the Mortgage and Loan Agreement, either honors a check drawn on the account established by the Mortgage and Loan Agreement or an advance is otherwise made pursuant to said Mortgage and Loan Agreement.

This Policy shall provide insurance coverage for the amount of all advances outstanding and unpaid at any given time (up to the Amount of Policy) notwithstanding the fact that prior advances may have been made and previously repaid.

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 as modified by the provisions hereof. The insurance afforded by this endorsement is not subject to the provisions of sub-paragraphs 3(d) of the Exclusions From Coverage. This endorsement does not extend the Date of Policy or any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COMMERCIAL REVOLVING CREDIT ENDORSEMENT
(LIMITED TERM SPECIAL COVERAGE)
FOR COMMERCIAL CREDIT LINE MORTGAGES WHICH SECURE A
MAXIMUM PRINCIPAL INDEBTEDNESS OF LESS THAN \$3,000,000

Attached to and made a part of Policy Number _____

The insurance afforded by this endorsement is only effective if the mortgage being insured has a term of three years or less and is not a building loan mortgage as that term is defined pursuant to Section 2 of the Lien Law of the State of New York.

The Policy insures the owner of the indebtedness secured by the mortgage referred to in Schedule A against loss which said insured shall sustain by reason of loss of priority of the lien of the insured mortgage as to each and every advance made pursuant to the provisions of the insured mortgage and loan agreement provided, however, that no coverage is given as to any advance made after the insured has actual knowledge of any sale or transfer of the insured premises, or during any period in which the insured has actual knowledge of an Event of Default under the terms of the insured mortgage and loan agreement.

This endorsement does not insure against loss or damage based upon:

- (a) Federal Tax Liens or Bankruptcies appearing in the public records prior to the time of such advance and affecting the estate of the mortgagor;
- (b) real estate taxes, assessments, water and sewer rent charges; and
- (c) statutory liens arising after the Date of Policy which by virtue of federal, state or local laws are entitled to priority over the insured mortgage.

For purposes of this endorsement, and notwithstanding any terms or provisions in this policy to the contrary, the following terms shall be defined as follows:

Advances shall mean extensions of credit under and pursuant to the terms and provisions of the Mortgage and Loan Agreement. An extension of credit shall occur on the date on which and at the time when the insured, pursuant to its contractual obligations under the Mortgage and Loan Agreement, either honors a check drawn on the account established by the Mortgage and Loan Agreement or an advance is otherwise made pursuant to said Mortgage and Loan Agreement.

This policy shall provide insurance coverage for the amount of all advances outstanding and unpaid at any given time (up to the Amount of Policy) notwithstanding the fact that prior advances may have been made and previously repaid.

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 as modified by the provisions hereof. The insurance afforded by this endorsement is not subject to the provisions of sub-paragraphs 3(d) of

the Exclusions From Coverage. This endorsement does not extend the Date of Policy or any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
COMMERCIAL REVOLVING CREDIT ENDORSEMENT
FOR COMMERCIAL CREDIT LINE MORTGAGES WHICH SECURE A
MAXIMUM PRINCIPAL INDEBTEDNESS OF \$3,000,000 OR MORE

Attached to and made a part of Policy Number _____

The Policy insures the owner of the indebtedness secured by the mortgage referred to in Schedule A against loss which said insured shall sustain by reason of loss of priority of the lien of the insured mortgage as to each and every advance made pursuant to the provisions of the insured mortgage and loan agreement provided, however, that no coverage is given as to any advance made after the insured has actual knowledge of any sale or transfer of the insured premises, or during any period in which the insured has actual knowledge of an Event of Default under the terms of the insured mortgage and loan agreement.

This endorsement does not insure against loss or damage based upon:

- (a) Federal Tax Liens or Bankruptcies appearing in the public records prior to the time of such advance and affecting the estate of the mortgagor;
- (b) real estate taxes, assessments, water and sewer rent charges;
- (c) mortgage tax on advances made after the aggregate amount of advances exceeds the face amount of the mortgage,
- (d) mechanic's liens; and,
- (e) statutory liens arising after the Date of Policy which by virtue of federal, state or local laws are entitled to priority over the insured mortgage.

For purposes of this endorsement, and notwithstanding any terms or provisions in this Policy to the contrary, the following terms shall be defined as follows:

Advances shall mean extensions of credit under and pursuant to the terms and provisions of the Mortgage and Loan Agreement. An extension of credit shall occur on the date on which and at the time when the insured, pursuant to its contractual obligations under the Mortgage and Loan Agreement, either honors a check drawn on the account established by the Mortgage and Loan Agreement or an advance is otherwise made pursuant to said Mortgage and Loan Agreement.

This Policy shall provide insurance coverage for the amount of all advances outstanding and unpaid at any given time (up to the Amount of Policy) notwithstanding the fact that prior advances may have been made and previously repaid.

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 as modified by the provisions hereof. The insurance afforded by this endorsement is not subject to the provisions of sub-paragraphs 3(d) of

the Exclusions From Coverage. This endorsement does not extend the Date of Policy or any prior endorsements, nor does it increase the Amount of Insurance.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
RESIDENTIAL MORTGAGE ENDORSEMENT
(1 TO 4 FAMILY)

Attached to and made a part of Policy Number _____

Unless expressly excepted in Schedule B, the Policy insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of any inaccuracies in the following statements:

1. That the location of any easement and/or right of way referred to in Schedule B is ascertainable and fixed; and

That the exercise of any rights pursuant to any easement and/or right of way referred to in Schedule B will not interfere with the use of the buildings and improvements presently located on the insured premises for residential purposes and that none of the improvements located on the insured premises encroach upon said easement or right of way.

2. That there are no violations of any covenants, conditions or restrictions referred to in Schedule B, and that a future violation thereof will not cause a forfeiture or reversion of title or otherwise affect the lien of the mortgage insured.

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 amount of insurance.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

Residential Mortgage Endorsement (1to 4 Family) (01/09/18)

SIXTH REVISION (01/14/2021)

BLANK TITLE INSURANCE COMPANY
RESTRICTIONS, ENCROACHMENTS, MINERALS ENDORSEMENT
(TIRSA 9)

Attached to and made a part of Policy Number_____

The Policy 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, and 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 other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

TIRSA Endorsement 9 (Restrictions, Encroachments, Minerals) (10/17/1998) NY (1/09/2018)

SIXTH REVISION (01/14/2021)

BLANK TITLE INSURANCE COMPANY
REVERSE MORTGAGE ENDORSEMENT
FOR MORTGAGES MADE PURSUANT TO SECTIONS
280 AND 280-A OF THE REAL PROPERTY LAW

Attached to and made a part of Policy Number _____

The Policy insures the owner of the indebtedness secured by the insured mortgage referred to in Schedule A against loss or damage which said Insured shall sustain by reason of the invalidity, unenforceability or loss of priority of the lien of the insured mortgage as security for the payment of advances made for the principal amount of the insured mortgage, shared appreciation, accrued but unpaid interest and/or compound interest as set forth and defined in the loan agreement and/or Note or the Mortgage (collectively or singularly the "Loan Documents"), provided that such invalidity, unenforceability or loss of priority of the lien of the insured mortgage is caused or created by the provisions of the Loan Documents.

This endorsement does not insure against loss or damage, and Company will not pay costs, attorney's fees or expenses that arise by reason of (a) usury, (b) any consumer credit protection or truth-in-lending law, (c) any violation of any of the provisions of the New York Reverse Mortgage Statute (Sections 280 et seq of the Real Property Law or any amendments, supplements, replacements or successor statute) or the regulations pertaining thereto, (d) the lifetime possession as is stated under Section 280-a (2)(a) of the Real Property Law, or (e) costs, expenses or attorney fees required to obtain a determination, by judicial procedure or otherwise, of the amount of (i) shared appreciation interest, (ii) accrued but unpaid interest, or (iii) compound interest.

This endorsement does not insure that advances made after Date of Policy pursuant to the Loan Documents have priority over the following matters arising subsequent to the Date of Policy:

1. Federal Tax Liens;
2. Bankruptcies affecting the estate or interest of the vestee;
3. Real estate taxes, assessments, water and sewer rent charges;
4. Liens, encumbrances or other matters if an event, entitling the Insured to declare the loan to be in default under the terms of the Loan Documents, the existence of which event of default is actually known to the Insured, occurs before the date of any such advance.

The total liability of the Company under said Policy and any endorsements therein shall not exceed, in the aggregate, the lesser of (a) the total amount outstanding for principal, shared appreciation interest and accrued but unpaid interest and/or compound interest at the time of loss, (b) the fair market value of the premises at the time of loss, and costs which the Company is obligated to pay under the conditions and stipulations thereof, or (c) the face amount of the Policy.

Time of loss shall be such date as the Insured shall have actual knowledge of facts giving rise to a claim under the Policy.

Notwithstanding any other provision in the policy or endorsement thereto relating to arbitration or a waiver thereof, the fair market value at the time of loss shall be such value of the insured premises as is determined by three arbitrators or any two of them, one of whom shall be chosen by the Insured and one by the Company, and the two so chosen selecting the third arbitrator. Such value shall exclude the market value of any improvements made to the premises subsequent to the 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 as modified by the provisions hereof. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsement or endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
SUCCESSOR IN OWNERSHIP OF INDEBTEDNESS ENDORSEMENT
(LOAN POLICY)**

Attached to and made a part of Loan Policy Number _____

It having been represented to the Company that _____ has succeeded to the ownership of the indebtedness secured by the mortgage insured in Schedule A of the policy, the Company extends to _____ the benefits of the within policy subject to its Conditions (including Condition Number 1), Exclusions From Coverage and Exceptions From Coverage as of the Date of Policy, without liability as to the validity, form and sufficiency of the instrument(s) effecting the said transfer.

Nothing herein shall be construed as extending or changing the Date of Policy.

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the _____ day of _____, . .

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

Countersigned

BLANK TITLE INSURANCE COMPANY

SWAP AGREEMENT ENDORSEMENT

Attached to and made a part of Policy Number _____

This Policy insures against loss or damage that may be sustained by the Insured by reason of a final decree entered by a court of competent jurisdiction finding that the insured mortgage, as it secures the additional interest as defined in the loan document(s) secured by the insured mortgage described in Schedule A and referred to in said insured mortgage:

- a. Is invalid or unenforceable, or
- b. Does not, at the Date of Policy, share the same priority in relation to any other claims or liens against the land as is afforded the principal of the loan secured by the mortgage.

Nothing in this endorsement shall be construed as insuring a determination by a court of competent jurisdiction of the amount of the additional interest, but it does insure that the amount of additional interest determined by a court of competent jurisdiction is secured by the insured mortgage with the same priority in relation to any other claims or liens against the land as is afforded the principal of the loan secured by insured mortgage.

Nothing in this endorsement shall be construed as insuring loss or damage sustained or incurred by reason of the consequences of New York Civil Practice Law and Rules, Section 5001 et seq.

The maximum amount of loss or damage insured against under this endorsement is \$ _____ and the coverage afforded by this endorsement is in addition to the amount stated in Schedule A of 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 Date of Policy and any prior endorsements, nor does it increase the Amount of Insurance.

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the _____ day of _____, . .

DATED: _____ **BLANK TITLE INSURANCE COMPANY**

Countersigned **BY:** _____

**BLANK TITLE INSURANCE COMPANY
TAX PARCEL ENDORSEMENT
SINGLE TAX LOT**

Attached to and made part of Policy No. _____

The Policy insures against loss or damage which the insured may sustain by reason that the land described in Schedule A is not assessed for real estate tax purposes as a separate tax lot which includes no other land.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

**BLANK TITLE INSURANCE COMPANY
TAX PARCEL ENDORSEMENT
MORE THAN ONE TAX LOT**

Attached to and made part of Policy No. _____

The Policy insures against loss or damage which the insured may sustain by reason that the land described in Schedule A is not assessed for real estate tax purposes as separate tax lots which, when taken together, include no land other than that described in Schedule A.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
VARIABLE RATE MORTGAGE ENDORSEMENT

Attached to and made a part of Policy Number _____

The Policy 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 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 loan documents secured by the Insured Mortgage, which loss of priority is caused by the 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 loan documents secured by 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, including, without limitation, Section 8 of the Exclusions From Coverage, as added by the Standard New York Endorsement (Loan Policy), 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. 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.

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

BLANK TITLE INSURANCE COMPANY
**VARIABLE RATE MORTGAGE ENDORSEMENT
FIXED RATE CONVERSION**

- NEW YORK -

Attached to and made part of Policy Number _____

The Policy insures against loss or damage by reason of:

1. The invalidity or unenforceability of the lien of the Insured Mortgage resulting from the provisions which provide for changes in the rate of interest, including the provision in the mortgage which permits the borrower to convert to a fixed interest rate as provided therein.
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, including the provision in the mortgage that permits the borrower to convert to a fixed interest rate as provided therein.

"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 loan documents secured by 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, including, without limitation, Section 8 of the Exclusions From Coverage, as added by the Standard New York Endorsement (Loan Policy), 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. 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.

DATED: _____ **BLANK TITLE INSURANCE COMPANY**

BY: _____

BLANK TITLE INSURANCE COMPANY
VARIABLE RATE MORTGAGE ENDORSEMENT
NEGATIVE AMORTIZATION

- NEW YORK -

Attached to and made a part of Policy Number _____

The Policy 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: (a) provisions in the loan documents secured by the Insured Mortgage at Date of Policy which provide for changes in the rate of interest; or (b) provisions in the Insured Mortgage which provide for the addition of unpaid interest to the principal balance of the loan provided the Insured Mortgage sets forth its terms of repayment as provided in Section 291 of the Real Property Law.

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 principal in accordance with the provisions of the Insured Mortgage, which loss of priority is caused by: (a) provisions in the loan documents secured by the Insured Mortgage at Date of Policy which provide for changes in the rate of interest; or (b) provisions in the Insured Mortgage which provide for the addition of unpaid interest to the principal balance of the loan provided the Insured Mortgage sets forth its terms of repayment as provided in Section 291 of the Real Property Law.

"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 loan document secured by 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, including, without limitation, Section 8 of the Exclusions From Coverage, as added by the Standard New York Endorsement (Loan Policy), and of any prior endorsement thereto, except that the insurance afforded by this endorsement is not subject to Section 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 Date of Policy and any prior endorsements, nor does it increase the Amount of Insurance.

DATED: _____ **BLANK TITLE INSURANCE COMPANY**

BY: _____

TIRSA Variable Rate Mortgage Endorsement (Negative Amortization) (1/9/2018)

SIXTH REVISION (01/14/2021)

**BLANK TITLE INSURANCE COMPANY
WAIVER OF ARBITRATION ENDORSEMENT
(OWNER’S OR LOAN POLICY)**

Attached to and made part of Policy No. _____

The policy is amended by deleting therefrom:

- (A) If this endorsement is attached to an ALTA Loan Policy: Condition 13.
- (B) If this endorsement is attached to an ALTA Owner’s Policy: Condition 14.
- (C) If this endorsement is attached to a TIRSA Owner’s Extended Protection Policy: Condition 12.

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

[FORM OF VALIDATING LANGUAGE AT COMPANY OPTION]

DATED:

BLANK TITLE INSURANCE COMPANY

BY: _____

PART VII
SAMPLE OTHER CURRENT FORMS

PART VII: SAMPLE OTHER CURRENT FORMS

<u>TIRSA Mortgage Foreclosure Guarantee (1/9/18)</u>	Jan 9, 2018	202
<u>TIRSA Notice of Availability (9/1/93)</u>	Sep. 1, 1993	208
<u>TIRSA Recorded Document Application and Certificate (9/1/93)</u>	Sep. 1, 1993	209

**BLANK TITLE INSURANCE COMPANY
MORTGAGE FORECLOSURE GUARANTEE**

AMOUNT OF INSURANCE: \$10,000.00 GUARANTEE NO.

TITLE NO.

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE

BLANK TITLE INSURANCE COMPANY,
a corporation, herein called the Company,
GUARANTEES

herein called the Insured, against loss not exceeding the liability amount stated above which the Insured shall sustain by reasons of any incorrectness in the insurance which the Company hereby gives that, according to the public records, on the date stated below:

- (1) Title to the land is vested of record in:
- (2) The necessary parties defendant to foreclose the mortgage set forth in Schedule "B" are those set forth in Schedule "C."
- (3) All liens or encumbrances affecting the land subsequent to the recording of the mortgage to be foreclosed, which are filed or recorded in those records in the County Clerk's Office, and in counties having a Register in the Register's Office, established by state statute for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge are listed in Schedule "D".
- (4) The records of the taxing authority show that all taxes and assessments which are a lien against the land have been paid as of the date herein, except for those taxes and assessments which are shown as open on the Tax Search.

Annexed to this Guarantee are the following schedules:

- Schedule A: Description of Mortgaged Land
- Schedule B: Mortgage(s) to be foreclosed and any consolidations, modifications and assignments thereof of record
- Schedule C: Necessary Parties Defendant

Schedule D: Exceptions to title subsequent to the recording of the mortgage to be foreclosed and other information

Schedule E: Tax Search

DATED: _____ **BLANK TITLE INSURANCE COMPANY**

BY: _____ **BY:** _____
President **Authorized Signatory**

Mortgage Foreclosure Guarantee
Exclusions, Conditions, Stipulations and Miscellaneous Provisions

1. Definition of Terms

The following terms when used in this Guarantee mean:

- (a) "land": the land described, specifically or by reference, in the Guarantee and improvements affixed thereto which by law constitute real property;
- (b) "date": the effective date;
- (c) "the Insured": the party or parties named as the Insured in this Guarantee, or in a supplemental writing executed by the Company;
- (d) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (e) "necessary party defendant": Those persons or entities who are necessary parties defendant pursuant to New York State Real Property Actions and Proceedings Law, Section 1311, except that searches have not been made for, and this Guarantee does not cover, General Assignments, Orders Appointing Receivers, and Petitions in Bankruptcy against judgment creditors and minor lienors. Searches for Financing Statements under the Uniform Commercial Code have been made only in the office of the Recording Officer of the County in which the land is situated, and only for those indexed against the land.

2. Exclusions from Coverage of This Guarantee

The Company assumes no liability for loss or damage by reason of the following:

- (a) Defects, liens, encumbrances, adverse claims against the title or other matters (1) created, suffered, assumed or agreed to by one or more of the Insured; or (2) resulting in no loss to the Insured;
- (b) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property, and taxes shown as paid on the Tax Search which, subsequent to the date hereof, are reinstated due to non-collection of funds or otherwise;
- (c) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water, land under water; and land lying in the bed of streets;
- (d) Title to any property beyond the lines of the land expressly described in Schedule A, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein;

- (e) Any federal, state, or municipal lien or charge which may be filed in an office of the federal government, state government, or local municipal government, or any department, agency, or division of them, other than the office of the taxing authority, unless the lien or charge is also filed or recorded in the County Clerk's office, and in counties having a Register, in the Register's office;
- (f) Any person or entity whose interest in the land may be disclosed by an accurate survey of the land or by an inspection of the premises;
- (g) No searches for deaths of any necessary parties defendant have been made, except as to those listed on Schedule "C" as "Record Owner", and as to such persons, searches have only been made in the office of the Clerk of the Surrogate Court in which the land is located.

3. Prosecution of Actions

- (a) The Company shall have the right to institute and prosecute any action or proceeding or do any other act which, in its opinion, may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.
- (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Insured shall permit the Company to use, at its option, the name of the Insured for such purpose. Whenever requested by the Company, the Insured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Insured for any expense so incurred.

4. Notice of Loss - Limitation of Action

A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right shall accrue to the Insured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Insured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Insured of any action under this Guarantee.

5. Option to Pay, Settle or Compromise Claims

The Company shall have the option to pay or settle or compromise for or in the name of the Insured any claim which could result in loss to the Insured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the guarantee shall terminate all liability of the Company hereunder. In the event, after notice of claim has been given to the Company by the Insured, the Company offers to purchase said

indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

6. Limitation of Liability - Payment of Loss

- (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Insured because of reliance upon the insurance herein set forth, but in no event shall such liability exceed the amount of the liability stated on the face page hereof.
- (b) The Company will pay all costs imposed upon the Insured in litigation carried on by the Company for the Insured, and all costs and attorney's fees in litigation carried on by the Insured with the written authorization of the Company, but in no event shall such liability exceed the amount of liability stated on the face page hereof.
- (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged additional necessary party defendant, removes the defect, lien or encumbrance on the land held by the additional necessary party defendant within a reasonable time after receipt of such notice, or (2) if the Company after having received notice of an alleged additional necessary party defendant, takes such steps that it deems proper for the purpose of perfecting the title, whether by foreclosure, re-foreclosure, strict foreclosure or otherwise, and in such action or actions to plead subrogation whenever the Company deems it necessary, or (3) for liability voluntarily assumed by the Insured in settling any claim or suit without written consent of the Company.
- (d) All payments under this Guarantee, including attorney's fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.
- (e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

7. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Insured, and the Company shall be subrogated to and be entitled to all rights and remedies which the Insured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Insured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Insured, if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Insured in any transaction or litigation involving such rights or remedies.

8. Guarantee Entire Contract

Any action or actions or rights of action that the Insured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee. No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, or a Vice President of the Company.

9. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at:

10. Failure to Disclose

This Guarantee shall be null and void if the Insured, its attorney or agent makes any untrue statement with respect to any material fact or suppresses or fails to disclose any material fact or if any untrue answers are given to the Company to material inquiries before the issuance of this Guarantee.

11. Purpose of Guarantee

- (a) This Guarantee is made for and accepted by the Insured upon the express understanding that it is to be used only for the foreclosure of the mortgage(s) described in Schedule "B" or for the taking of a deed in lieu of foreclosure.
- (b) If a deed in lieu of foreclosure is taken, the Company shall not be liable should the deed be attacked by the grantor, his successors or creditors, for inadequacy of consideration or as to the capacity of the record owner to execute such a deed or for any other reason.

12. Miscellaneous Provisions

- (a) Other than for purposes of establishing the vested owner of record of the land and for setting forth liens against a purchase money mortgagor, no search for defects in title, liens, restrictive covenants or any other encumbrance existing or created prior to the date of the mortgage has been made.
- (b) No report on streets or searches for violations in Municipal or other governmental departments have been made; nor have searches been made for corporation franchise taxes or license fees, Federal and State inheritance, transfer or estate taxes. Upon request, the Company will obtain a report from the State Tax Commission on corporation franchise taxes and license fees upon payment of an additional fee, but no responsibility for the correctness of such reports will be assumed by the Company.
- (c) The premium herein includes one continuation of title, which shall be done solely for the purpose of establishing additional necessary parties defendant. The tax search shall not be updated except for an additional charge.

BLANK TITLE INSURANCE COMPANY
NOTICE OF AVAILABILITY OF OWNER'S TITLE INSURANCE

To: _____ Date: _____

Buying property identified as: _____

A Mortgagee's Policy of title insurance insuring the title to the property you are buying is being issued to your mortgage lender, but that policy does not provide title insurance coverage to you.

You may obtain an Owner's Policy of Title Insurance which provides title insurance to you. If you request it at this time the total premium for both policies will be \$ _____. This is an additional

\$ _____ above the cost of the Lender's Policy.

If you are uncertain as to whether you should obtain an Owner's Policy of title insurance, you are urged to seek independent advice.

(Show name of entity providing notice)

_____ I/We do request on Owner's Policy of title insurance.

_____ I/We do not request an Owner's Policy of title insurance.

Date: _____

Buyer: _____

Buyer: _____

BLANK TITLE INSURANCE COMPANY
APPLICATION FOR THE ISSUANCE OF A RECORDED DOCUMENT

CERTIFICATE

Certificate No. _____

Applicant, for the purpose of purchase, sale, lease or loan, is in the process of investigating the prior ownerships and uses of the SUBJECT PROPERTY. As only a component of that investigation, Applicant hereby requests BLANK TITLE INSURANCE COMPANY, the COMPANY, to furnish Applicant with a Recorded Document Certificate, which CERTIFICATE will set forth and attach copies of the DESIGNATED DOCUMENTS. The CERTIFICATE is being provided to Applicant solely for the purpose of facilitating any innocent landowner, lender, purchaser or lessee defenses which may be available under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended. It is provided for the sole use and benefit of Applicant and may not be used or relied upon by any other party.

1. The following terms when used in the Application and the Recorded Document Certificate shall mean:
 - a. CERCLA - Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended;
 - b. CERTIFICATE - Recorded Document Certificate;
 - c. COMPANY - the entity providing and executing the Recorded Document Certificate;
 - d. DESIGNATED DOCUMENTS - Those documents specifically designated by Applicant in paragraph 3 and which describe the SUBJECT PROPERTY or any portion thereof and which are not EXCLUDED DOCUMENTS;
 - e. EXCLUDED DOCUMENTS - Any of the following:
 - i. documents contained in the Company's title plant or records;
 - ii. documents pertaining to an estate or interest in minerals, gas and oil, or other hydrocarbon substances;
 - iii. documents pertaining to water rights, claims or title to water;
 - iv. documents recorded or indexed outside the chain of title, whether or not the documents impart constructive notice to purchasers of the SUBJECT PROPERTY for value and without knowledge;
 - v. documents, where records are indexed pursuant to a tract system (whether by computer or otherwise) and which are not actually entered against the SUBJECT PROPERTY, whether or not the documents impart constructive

notice to Purchasers of the SUBJECT PROPERTY for value and without knowledge; or

- vi. documents, where records are indexed pursuant to a grantor-grantee index (whether by computer or otherwise) and which are not found due to variations in the names of the subject parties by reason of misspelling, usage or otherwise, whether or not the documents impart constructive notice to Purchasers of the SUBJECT PROPERTY for value and without knowledge;
 - f. LAND RECORDS - Those records in which under state statutes the DESIGNATED DOCUMENTS must be recorded in order to impart constructive notice to purchasers of the SUBJECT PROPERTY for value and without knowledge;
 - g. SUBJECT PROPERTY - The real property described in the Application, but not including any severed mineral estate.
2. The SUBJECT PROPERTY is described as follows:
3. DESIGNATED DOCUMENTS, as defined in subparagraph 1.d., above, which are recorded in the LAND RECORDS, _____ County, State of New York from _____ through.
- a. _____ Deeds;
 - b. _____ Leases and Subleases;
 - c. _____ Mortgages, Assignments and Modification of Mortgages;
 - d. _____ Environmental Protection Liens recorded in the LAND RECORDS pursuant to CERCLA; and
 - e. _____ All of the documents listed in paragraph 3.
4. Applicant specifically instructs the COMPANY to disclose in the Certificate only the DESIGNATED DOCUMENTS indicated above. Applicant understands that during the course of searching the records requested by the Applicant the Company may find or have knowledge of documents of a type other than the DESIGNATED DOCUMENTS requested by Applicant. Even if the COMPANY knows or would have reason to know Applicant may have an interest in these other documents, Applicant imposes no duty or responsibility on the COMPANY to disclose those documents or their content to Applicant either through the CERTIFICATE or otherwise.
5. BY THE EXECUTION AND SUBMISSION OF THIS APPLICATION TO THE COMPANY, APPLICANT ACKNOWLEDGES AND SUBMITS:

- a. that the COMPANY'S sole obligation under the CERTIFICATE, and this Application, shall be to conduct a search in accordance with the terms and provision of this Application and to furnish copies of the DESIGNATED DOCUMENTS to Applicant as a part of the CERTIFICATE. The COMPANY shall have no obligation to read, examine, or interpret the DESIGNATED DOCUMENTS;
- b. that the COMPANY shall not be obligated under this CERTIFICATE to pay any costs, attorneys' fee, or expenses incurred in any action, proceeding, or other claim brought against Applicant;
- c. that the CERTIFICATE is limited in scope and is not an abstract of title, title opinion, preliminary binder or title report, or commitment to issue title insurance;
- d. that the CERTIFICATE is not to be relied upon by Applicant or any other person as a representation of the status of title to the SUBJECT PROPERTY;
- e. that Applicant shall have no right of action against the COMPANY, whether or not based on negligence, except under the terms and provisions of, and subject to all limitations of this Application and the CERTIFICATE;
- f. that the CERTIFICATE shall not be valid and the COMPANY shall have no liability thereunder unless this Application, or a copy thereof, is attached thereto; and
- g. that the CERTIFICATE does not assure that Applicant will be entitled to any innocent landowner, lender, purchaser or lessee defenses which may be available under CERCLA.

LIMITATION OF LIABILITY

APPLICANT RECOGNIZES THAT IT IS EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO DETERMINE THE EXTENT OF DAMAGES WHICH COULD ARISE FROM ERRORS OR OMISSIONS IN THE CERTIFICATE. APPLICANT RECOGNIZES THAT THE FEE CHARGED IS NOMINAL IN RELATION TO THE POTENTIAL LIABILITIES PURSUANT TO CERCLA. THEREFORE, APPLICANT UNDERSTANDS THAT THE COMPANY IS NOT WILLING TO PROCEED IN THE PREPARATION AND ISSUANCE OF THE REQUESTED CERTIFICATE UNLESS THE COMPANY'S LIABILITY IS STRICTLY LIMITED. APPLICANT AGREES WITH THE PROPRIETY OF THIS LIMITATION AND AGREES TO BE BOUND BY ITS TERMS.

THIS LIMITATION IS AS FOLLOWS:

APPLICANT AGREES, AS A PART OF THE CONSIDERATION FOR THE ISSUANCE OF THE CERTIFICATE, THAT THE COMPANY SHALL BE LIABLE TO APPLICANT UNDER THIS CERTIFICATE ONLY IN THE EVENT THAT ENVIRONMENTAL HAZARDOUS WASTE OR TOXIC SUBSTANCE CLEAN-UP COSTS OR PENALTIES ARE ACTUALLY IMPOSED ON APPLICANT, OR AGAINST THE SUBJECT PROPERTY, SOLELY BY

REASON OF AN ERROR OR OMISSION BY THE COMPANY IN FAILING TO IDENTIFY AND ATTACH THE DESIGNATED DOCUMENTS TO THE CERTIFICATE, WHICH ERROR OR OMISSION BY THE COMPANY HAS CAUSED APPLICANT TO FAIL TO COMPLY WITH THE REQUIREMENTS FOR DUE DILIGENCE INQUIRY OF PRIOR OWNERSHIPS AND USES IN CONNECTION WITH THE INNOCENT LANDOWNER, LENDER, PURCHASER OR LESSEE DEFENSES UNDER CERCLA; AND THEN THE LIABILITY SHALL BE A ONE TIME PAYMENT TO APPLICANT OF NO MORE THAN \$25,000.00.

ACCORDINGLY, APPLICANT AGREES THAT THE CERTIFICATE WILL BE ISSUED WITH THIS LIMITATION AS A PART OF THE CONSIDERATION THAT THE APPLICANT GIVES THE COMPANY TO PREPARE AND ISSUE THE CERTIFICATE.

APPLICANT CERTIFIES THAT HE HAS READ AND UNDERSTANDS ALL OF THE TERMS, LIMITATIONS AND CONDITIONS OF THIS APPLICATION.

Executed this _____ day of _____ 19 ____.

Applicant

(This application must be signed by the Applicant itself or an attorney at law representing the Applicant.)

**BLANK TITLE INSURANCE COMPANY
RECORDED DOCUMENT CERTIFICATE**

Certificate Number _____

TOTAL LIABILITY HEREWITH IS LIMITED TO \$25,000.00.

Based on a search of the LAND RECORDS for the DESIGNATED DOCUMENTS set forth in paragraph 3 of the Application executed by the Applicant on the _____ day of _____, 19 ____, which Application, or a copy thereof, is attached hereto and made a part hereof, the undersigned BLANK TITLE INSURANCE COMPANY, the COMPANY, hereby certifies to _____, the Applicant, that the following identified and attached documents constitute all of the DESIGNATED DOCUMENTS requested in the Application.

DESIGNATED DOCUMENTS:

- 1. _____
- 2. _____
- 3. _____
- 4. _____

This certification provided by this CERTIFICATE is not valid and the COMPANY shall have no liability hereunder unless there is attached hereto the Application, or a copy thereof, executed the _____ day of _____, 19 ____.

This CERTIFICATE executed this _____ day of _____, 19 ____.

BLANK TITLE INSURANCE COMPANY OR AGENT

By _____

Standard New York Endorsement (11/19/1991)
For Use with ALTA Loan Policy (4/6/1990)

SIXTH REVISION (01/14/2021)