



Endorsements Available For Residential Property

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Balloon Mortgage Endorsement

Certificate Number:

The Division hereby guarantees against loss or damage by reason of:

- (1) The invalidity or unenforceability of the lien of the Guaranteed 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 Guaranteed 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 all the conditions set forth in Paragraphs 2 and 5 of the Rider have been met, further provided no coverage is given by this paragraph with respect to any lien, encumbrance or other matter the existence of which is actually known to the Guaranteed prior to the exercise of the Conditional Right to Refinance.

The Endorsement does not guarantee against loss or damage based upon (a) usury, or (b) any consumer credit protection or truth-in-lending law or (c) environmental protection liens or (d) federal tax liens or (e) bankruptcy.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Balloon Mortgage Endorsement Instructions

The Balloon Mortgage Endorsement covers a lender against the invalidity or unenforceability of the Guaranteed Mortgage which may result from an attached Fannie Mae or Freddie Mac balloon rider. It also covers against the loss of priority of the Guaranteed Mortgage due to the balloon rider as long as the conditions of paragraphs 2 and 5 of the rider have been met, and there are no other adverse matters affecting title that arise after the Date of Certificate.

This Endorsement may only be issued with a Lender Certificate. The Participant may issue this Endorsement if the covered mortgage has attached to it either:

1. Fannie Mae's Form 3180, the Multi-State Balloon Rider with Conditional Right to Refinance, or
2. Freddie Mac's Form 3191, the Multi-State Balloon Rider with Conditional Right to Refinance.



Comprehensive 1 - Improved Land Endorsement

Certificate Number:

The Division guarantees the Guaranteed against loss or damage sustained by the Guaranteed by reason of:

1. Any incorrectness in the assurance which the Division hereby gives:
 - a. That there are no covenants, conditions, or restrictions under which the lien of the Guaranteed Mortgage can be cut off, subordinated, or otherwise impaired;
 - b. That, except as shown in Schedule B, there are no present violations on the Land of any enforceable covenants, conditions, or restrictions;
 - c. That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on the Land onto adjoining lands, nor any encroachments onto the Land of buildings, structures, or improvements located on adjoining lands.
2. Any violations on the land of any covenants, conditions or restrictions occurring prior to acquisition of title to the Land by the Guaranteed, provided such violations result in loss or impairment of the lien of the Guaranteed Mortgage, or result in loss or impairment of the title to the Land if the Guaranteed shall acquire such title in satisfaction of the indebtedness secured by the Guaranteed Mortgage.
3. Damage to existing improvements that are located or encroach upon that portion of the Land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purpose for which the same was granted or reserved.
4. Any final court order or judgment requiring removal from any land adjoining the Land of any encroachment shown in Schedule B.

Wherever in this Endorsement any or all the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or to include the terms, covenants and condition or limitations contained in any lease, instrument creating an easement or declaration of condominium referred to in Schedule A.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Comprehensive 1 - Improved Land Endorsement Instructions

The Comprehensive 1 - Improved Land Endorsement may be attached to a Lender Certificate covering a non-construction loan. As its name indicates, this form guarantees against a much broader range of possible defects than does the standard Lender Certificate. **When comprehensive coverage is required, issue the Comprehensive 1 Endorsement unless the lender specifically asks for the ALTA 9 Endorsement which is the Division's Comprehensive 2 Endorsement.**

This Endorsement assures the lender that:

1. There are no covenants, conditions, or restrictions which may cut off its mortgage lien.
2. There are no present violations of any enforceable covenants, conditions or restrictions unless shown on Schedule B.
3. There are no encroachments by improvements from the covered property onto adjoining property, nor any encroachments by improvements from adjoining property onto the covered property, unless disclosed on Schedule B.
4. No loss will be suffered due to future violations of any covenants, conditions, or restrictions occurring prior to acquisition of title by the lender by foreclosure or otherwise.
5. Losses caused by damage to existing improvements because of their encroachment onto easements identified on Schedule B will be covered.
6. Disclosed encroachments upon adjoining land will be covered if a court judgment requires removal.

Examine executed Composite Mortgage Affidavits including all covenants, restrictions, covenants, easements, building setbacks and subdivision plats before issuing this endorsement.

For a property with new or recent construction where the coverage amount is \$500,000 or less, obtain an Appraisal showing no possible encroachments, or a Real Property Inspection Report (or survey) showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions.

For a residential property where the coverage amount is over \$500,000, obtain a Real Property Inspection Report or survey showing the boundary lines, the location of all improvements relative to the property lines, easements, building setback lines, and property dimensions.

For a commercial property, obtain a survey made in accordance with the "Minimum Standard Detail Requirements for Land Title Surveys as adopted by the American Title Association Congress on Surveying and Mapping."

If there is any present violation of any covenant, condition or restriction or if there is any encroachment of the subject improvements onto easements, building setbacks or adjoining property, or any encroachment of neighboring improvements onto the guaranteed land, specifically raise those violations and encroachments as Exceptions on Schedule B – Part I.

To determine whether it is appropriate to issue this Endorsement when there is a known encroachment, thereby providing blanket encroachment coverage by paragraph 4 of the Endorsement, please refer to the Underwriting section of the Title Guaranty Manual regarding encroachments.

If the Guaranteed Mortgage priority lien status could be cut off or subordinated by a covenant, condition or restriction, obtain a termination, release or subordination of said covenant, condition or restriction.



Comprehensive 2 - Lender's Restrictions, Encroachments, Minerals ALTA Endorsement 9-06

Certificate Number:

The Division guarantees the owner of the Indebtedness secured by the Guaranteed Mortgage against loss or damage sustained by reason of:

1. The existence, at Date of Certificate, of any of the following:

a. Covenants, conditions, or restrictions under which the lien of the Guaranteed Mortgage can be divested, subordinated, or extinguished, or its validity, priority, or enforceability impaired.

b. Unless expressly excepted in Schedule B

i. Present violations on the Land of any enforceable covenants, conditions, or restrictions, or existing improvements on the land described in Schedule A that violate any building setback lines shown on a plat of subdivision recorded or filed in the Public Records.

ii. Any instrument referred to in Schedule B as containing covenants, conditions, or restrictions on the Land that, in addition, (A) establishes an easement on the Land, (B) provides a lien for liquidated damages, (C) provides for a private charge or assessment, (D) provides for an option to purchase, a right of first refusal, or the prior approval of a future purchaser or occupant.

iii. 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.

iv. Any encroachment of existing improvements located on the Land onto that portion of the Land subject to any easement excepted in Schedule B.

v. Any notices of violation of covenants, conditions, or 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 Guaranteed, provided the violation results in:

a. the invalidity, loss of priority, or unenforceability of the lien of the Guaranteed Mortgage; or

b. the loss of Title if the Guaranteed shall acquire Title in satisfaction of the Indebtedness secured by the Guaranteed Mortgage

3. Damage to existing improvements, including lawns, shrubbery, or trees:

a. that 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.i. and 5, the words "covenants, conditions, or restrictions" do not include any covenants, conditions, or restrictions (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 Certificate and is not excepted in Schedule B.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Comprehensive 2 - Lender's Restrictions, Encroachments, Minerals ALTA Endorsement 9-06 Instructions

When specifically requested by the lender, the Comprehensive 2 Endorsement is used for a Lender Certificate which covers residential **improved** property.

This Endorsement is **not** to be used when the loan covers vacant land, any type of construction, unsubdivided land or land platted by county auditor, or land where mining operations are active and surface rights are in current use.

Division underwriter approval is required to issue this Endorsement for commercial land or to alter this Endorsement in any manner. The Division recommends the use of the Comprehensive 1 Endorsement whenever possible.

It is the Division's practice to agree to issue this Endorsement at the time of the mortgage recording/closing and **not issue this Endorsement at a later date.**

Examine executed Composite Mortgage Affidavits including all agreements, restrictions and covenants including those in deeds and subdivision plats before issuing this Endorsement.

For a property with new or recent construction where the coverage amount is \$500,000 or less, obtain an Appraisal showing no possible encroachments, or a Real Property Inspection Report (or survey) showing the boundary lines, the location of any improvements relative to the property lines, easements, building setback lines, property dimensions.

For a residential property where the coverage amount is over \$500,000, obtain a Real Property Inspection Report or survey showing the boundary lines, the location of all improvements relative to the property lines, easements, building setback lines, and property dimensions.

For a commercial property, obtain a survey made in accordance with the "Minimum Standard Detail Requirements for Land Title Surveys as adopted by the American Title Association Congress on Surveying and Mapping."

Specifically and separately list all covenants, conditions, restrictions, easements, options, rights, assessments and liens on Schedule B – Part I, and if there is any present violation of any of these listed items, or if there is any encroachment of the subject improvements onto easements, building setbacks, adjoining property, or any encroachment of neighboring improvements onto the guaranteed land, **specifically list those violations and encroachments on Schedule B – Part I.** Please refer to the Underwriting section of the Title Guaranty Manual concerning encroachments and extended coverage for Division requirements.

Please comply with the following procedures when issuing the Comprehensive 2 Endorsement:

1. Coverage in paragraph 1(a) may be provided when one or more of the following circumstances exist:

There are no agreements, covenants, conditions, or restrictions (including those benefiting a governmental entity) which restrict use, occupancy or division of ownership.

All of the agreements, covenants, conditions and restrictions are, by their terms, totally expired or barred by the Stale Uses and Reversions Act, in which case they can be deleted from Schedule B of the certificate.

The restrictions have been imposed in a deed or declaration as covenants only, without express provision for reversion, and without the use of the word “condition(s)” in relation to their imposition, which could imply a reversion.

The deed or declaration contains language providing good faith protection to the mortgagee or a subordination clause protecting the lien of a lender in good faith and for value against violation of the covenants, conditions and restrictions. If not, then you may need to obtain a release or termination.

The covenants, conditions and restrictions expressly provide for reversion, or they are imposed by an instrument using the word “condition(s)” thereby implying the existence of a reversion, and there is no good faith or subordination clause in the instrument of imposition, **but** a subordination of the reversion to the lien of the mortgage has been provided by a separate agreement executed by the owner of the reversion.

2. Coverage in paragraph 1(b)(i) may be provided if known violations of any covenants, conditions, restrictions or building setback lines are shown in Schedule B – Part I.

3. Coverage in paragraph 1(b)(ii) may be provided if all covenants, conditions, and restrictions are shown on Schedule B – Part I, and said covenants, conditions and restrictions are examined and specific reference is further made in Schedule B for the (a) easements, (b) liens for liquidated damages, (c) private charges or assessments, (d) options to purchase, (e) rights of first refusal, or (f) prior approval of future purchasers or occupants.

4. Coverage in paragraph 1(b)(iii) may be provided if all known encroachments are shown as Schedule B – Part I Exceptions.

5. Coverage in paragraph 1(b)(iv) may be provided if all known encroachments are shown as Schedule B – Part I Exceptions.

6. Coverage in paragraph 1(b)(v) may be provided if all recorded notices of violations are shown as Schedule B – Part I Exceptions.

7. Coverage in paragraph 2 may be provided when one or more of the following circumstances exist:

There are no agreements, covenants, conditions, or restrictions (including those benefiting a governmental entity) which restrict use, occupancy or division of ownership.

All of the agreements, covenants, conditions and restrictions are, by their terms, totally expired or barred by the Stale Uses and Reversions Act, in which case they can be deleted from Schedule B of the Certificate.

The restrictions have been imposed in a deed or declaration as covenants only, without express provision for reversion, and without the use of the word “condition(s)” in relation to their imposition, which could imply a reversion.

The deed or declaration contains language providing good faith protection to the mortgagee or a subordination clause protecting the lien of a lender in good faith and for value against violation of the covenants, conditions and restrictions. If not, then you may need to obtain a release or termination.

The covenants, conditions and restrictions expressly provide for reversion, or they are imposed by an instrument using the word “condition(s)” thereby implying the existence of a reversion, and there is no good faith or subordination clause in the instrument of imposition, **but** a subordination of the reversion to the lien of the mortgage has been provided by a separate agreement executed by the owner of the reversion.

8. Coverage in paragraph 3(a) may be provided when one or more of the following circumstances exist:

No easements affect the property in question.

You have no knowledge that the existing improvements encroach upon any easement affecting the property in question.

Improvements encroach over less than one half of the width of the easement.

REQUIREMENT: If a larger encroachment exists, Division approval is required. Please provide the following information so that the Division can make a decision regarding easement coverage: fixed or not located, purpose of, possibility of exercise of the easement, extent of damage if easement exercised, will damage occur from its maintenance, does improvement interfere with the exercise of the easement.

9. Coverage in paragraph 3(b) may be provided when one or more of the following circumstances exist:

No mineral exceptions or reservations affect the property in question.

Review of all mineral exceptions or reservations disclose that all rights of surface entry have been expressly waived.

REQUIREMENT: Delete paragraph 3(b) or seek Division underwriter approval if there are mineral or reservations affecting the property and all rights of surface entry have not been expressly waived.

10. Coverage in paragraph 4 may be provided when one of the following circumstances exists:

No known encroachment exists on the property in question.

The provisions contained in the Underwriting section of the Title Guaranty Manual concerning encroachments and extended coverage allow this endorsement to be issued.

11. Coverage in paragraph 5 may be provided when one or more of the following circumstances exist:

No covenants, conditions, restrictions or building setback lines affect the property in question.

No known violations of covenants, conditions, restrictions or building setback lines exist.

The provisions contained in the Underwriting section of the Title Guaranty Manual concerning encroachments and extended coverage allow this endorsement to be issued.

Rights of enforcement with respect to any violation have been released of record by the persons or entities entitled to enforce the restrictions.



Comprehensive 6 – Restrictions Endorsement

Certificate Number:

The Title Guaranty Division guarantees the Guaranteed against actual loss or damage sustained by the Guaranteed by reason of:

1. Any inaccuracies in the following assurances:

Any right of re-entry or right of forfeiture or reversion of Title to the estate or interest referred to in Schedule A contingent on a violation of the covenants, conditions or restrictions referred to in exception(s) No(s).4 is(are) not enforceable.

2. The exercise or attempt to exercise any right of re-entry, forfeiture or reversion or other right of termination of Title to said estate or interest based on a violation of said covenants, conditions or restrictions disclosed in paragraph 1 above.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Comprehensive 6 – Restrictions Endorsement Instructions

The Participant may issue this Endorsement on either an Owner Certificate or a Lender Certificate. The Restrictions Endorsement provides that any right of re-entry, forfeiture or reversion of title based upon a violation of specified recorded covenant(s), condition(s) and restriction(s) (CCR's) is not enforceable and guarantees against loss or damage for any exercise or attempt to exercise those rights.

In order to issue the Endorsement, examine the CCR's to determine that any right of re-entry, forfeiture or reversion of title based upon a violation of them is legally unenforceable.

Reference the paragraph number of the CCR(s) that are being covered on the Endorsement.



Condominium - Lender ALTA Endorsement 4-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the Title to the unit and its common elements.
3. Present violations of any restrictive covenants that restrict the use of the unit and its common elements and that are contained in the condominium documents. The restrictive covenants do not contain any provisions that will cause a forfeiture or reversion of the Title. As used in this paragraph 3, the words “restrictive covenants” 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 in the Public Records at Date of Certificate and is not excepted in Schedule B.
4. The priority of any lien for charges and assessments at Date of Certificate provided for in the condominium statutes and condominium documents over the lien of any Guaranteed 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 that exist at Date of Certificate because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of the Title by reason of a right of first refusal to purchase the unit and its common elements that was exercised or could have been exercised at Date of Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Condominium - Lender ALTA Endorsement 4-06 Instructions

The Condominium - Lender Endorsement may be used with the Lender Certificate. As the name implies, the Condominium Endorsement is issued only where one or more condominium units are properly created by legal description.

Paragraphs 1 and 2 of the Condominium Endorsement guarantee that the property set forth in Schedule A is in fact condominium property validly created subject to the Horizontal Property Act. The documentation creating the subject condominium estate must be reviewed with the Horizontal Property Act to be able to make this statement.

Paragraph 3 of the Endorsement guarantees that there are no present violations of any building and use restrictions referred to in the condominium declaration and that any present or future violation will not give rise to a forfeiture or reversion of title. The condominium bylaws and declaration must be reviewed to verify that any violation of building and use restrictions contained therein will not result in a forfeiture or reversion of the title to the condominium unit.

Paragraph 4 guarantees against loss or damage as a result of any charges or assessments provided for in the condominium statute and documents that are due and unpaid at the Date of Certificate. Before issuing this Endorsement, the Participant must determine that any lien for charges and assessments provided for in the condominium statute and documentation is specifically subordinate to the guaranteed mortgage. If the charges and assessments are superior to the mortgage covered, a statement should be obtained from the condominium association stating that there are no unpaid charges or assessments through the Date of Certificate.

Paragraph 5 guarantees that the property listed in Schedule A is a separate taxable entity for the purpose of imposing liens of real property taxes, special assessments, and other state and local charges. The abstract must disclose that the condominium unit and its percentage interest in the common elements are being separately assessed for property taxes, special assessments, and other state and local charges.

Paragraph 6 guarantees against any loss or damage sustained due to encroachments by existing improvements, including unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit. You should refer to the Underwriting section of the Title Guaranty Manual regarding encroachments for guidance in obtaining survey clearance for this Endorsement.

Paragraph 7 provides protection against any loss or damage arising by reason of the failure of title due to the exercise of a right of first refusal which could have been exercised at the Date of Certificate. If applicable, a statement should be obtained from the condominium association indicating that the right of first refusal has been waived or has been exercised.

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the Title to the unit and its common elements.
3. Present violations of any restrictive covenants that restrict the use of the unit and its common elements and that are contained in the condominium documents. The restrictive covenants do not contain any provisions that will cause a forfeiture or reversion of the Title. As used in this paragraph 3, the words “restrictive covenants” 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 in the Public Records at Date of Certificate and is not excepted in Schedule B.
4. Any charges or assessments provided for in the condominium statutes and condominium documents due and unpaid at Date of Certificate.
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 that exist at Date of Certificate because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of the Title by reason of a right of first refusal to purchase the unit and its common elements that was exercised or could have been exercised at Date of Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Condominium - Owner ALTA Endorsement 4.1-06 Instructions

The Condominium - Owner Endorsement may be used with an Owner Certificate. As the name implies, the Condominium Endorsement is issued only where one or more condominium units are properly created by legal description.

Paragraphs 1 and 2 of the Condominium Endorsement guarantee that the property set forth in Schedule A is in fact condominium property validly created subject to the Horizontal Property Act. The documentation creating the subject condominium estate must be reviewed with the Horizontal Property Act to be able to make this statement.

Paragraph 3 of the Endorsement guarantees that there are no present violations of any building and use restrictions referred to in the condominium declaration and that any present or future violation will not give rise to a forfeiture or reversion of title. The condominium bylaws and declaration must be reviewed to verify that any violation of building and use restrictions contained therein will not result in a forfeiture or reversion of the title to the condominium unit.

Paragraph 4 guarantees against loss or damage as a result of any charges or assessments provided for in the condominium statute and documents that are due and unpaid at the Date of Certificate. Before issuing this Endorsement, the Participant must determine that any lien for charges and assessments provided for in the condominium statute and documentation is specifically subordinate to the guaranteed deed. If the charges and assessments are superior to the deed covered, a statement should be obtained from the condominium association stating that there are no unpaid charges or assessments through the Date of Certificate.

Paragraph 5 guarantees that the property listed in Schedule A is a separate taxable entity for the purpose of imposing liens of real property taxes, special assessments, and other state and local charges. The abstract must disclose that the condominium unit and its percentage interest in the common elements are being separately assessed for property taxes, special assessments, and other state and local charges.

Paragraph 6 guarantees against any loss or damage sustained due to encroachments by existing improvements, including unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit. You should refer to the Underwriting section of the Title Guaranty Manual regarding encroachments for guidance in obtaining survey clearance for this Endorsement.

Paragraph 7 provides protection against any loss or damage arising by reason of the failure of title due to the exercise of a right of first refusal which could have been exercised at the Date of Certificate. If applicable, a statement should be obtained from the condominium association indicating that the right of first refusal has been waived or has been exercised.



Encroachment Endorsement - Adverse

Certificate Number:

The Title Guaranty Division guarantees the Guaranteed against actual loss or damage sustained by the Guaranteed by reason of the adverse encroachment raised in Schedule B as Exception Number(s) _____.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Encroachment Endorsement - Adverse Instructions

This Endorsement is **only available with the Lender Certificate** and guarantees against loss sustained by the guaranteed mortgagee by reason of an adverse encroachment, which is an encroachment of a neighboring improvement onto the guaranteed premises.

When an adverse encroachment is suspected or known, obtain and inspect a current survey or real property inspection report (depending upon the type of property and the amount of coverage). Please contact a Title Guaranty underwriter for pre-approval to issue this Endorsement.

On the Encroachment Endorsement - Adverse, reference the Schedule B – Part I Exception number(s) for the adverse encroachment(s) that are being guaranteed against.



Encroachment Endorsement

Certificate Number:

The Title Guaranty Division guarantees the Guaranteed against actual loss or damage sustained by the Guaranteed by reason of any final judgment or decree by a court of competent jurisdiction denying the right to maintain the improvements as now located on the Land, beyond the boundaries of the property described in Schedule A hereof, or in violation of any building set-back line, or easement mentioned in Schedule B hereof because of the encroachment raised in Schedule B as Exception Number(s) _____

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Encroachment Endorsement Instructions

This Encroachment Endorsement is used to affirmatively guarantee against loss sustained due to encroachments of improvements located on the guaranteed premises beyond the boundaries of the guaranteed premises or beyond setback lines or recorded easements. This Endorsement is NOT appropriate when improvements located on adjacent property encroach on the guaranteed property (adverse encroachment). For adverse encroachments of neighboring properties, refer to the Encroachment Endorsement - Adverse for use with the Lender Certificate only.

When an encroachment is suspected or known, obtain and inspect a current survey or real property inspection report (depending upon whether an Owner Certificate and/or Lender Certificate is being issued, the type of property and the amount of coverage).

Upon compliance with all applicable standards, procedures and requirements set forth in the discussion of encroachments in the Underwriting section of the Title Guaranty Manual, the Encroachment Endorsement may be issued. On the Encroachment Endorsement, reference the Schedule B – Part I Exception number(s) for the encroachment(s) that is (are) being guaranteed against.



Endorsement Against Loss-Lien

Certificate Number:

The Division guarantees the Guaranteed against actual loss or damage sustained by the Guaranteed by reason of the enforcement of the lien excepted at No. _____ of Schedule B so as to secure full or partial satisfaction there of out of the Land as a lien encumbering or having priority over the Guaranteed Mortgage or estate guaranteed by this Certificate, as well as costs, attorney fees, and expenses in defense against such encumbrance as provided in the Conditions of this Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Endorsement Against Loss-Lien Instructions

This Endorsement is available on field-issued Lender and Owner Certificates and used in conjunction with the Rapid Certificate Program. The purpose of this Endorsement is to guarantee against actual loss or damage sustained because of the enforcement of a lien against the Land.

For example, this Endorsement may be used to guarantee over an unreleased mortgage, judgment or lien. To issue this Endorsement, list the lien as an exception on Schedule B and reference the paragraph number of the lien on the Endorsement. A separate Endorsement Against Loss - Lien must be issued for each lien covered.

For Mortgages: The participant must have in his/her physical possession all documentation required to be submitted to Title Guaranty for a release of mortgage as provided for in Iowa Code Section 16.92 (2)(a) and 265 IAC 9.20 (2)“a.”

All Other Liens: The participant must have in his/her physical possession written documentation evidencing the payoff amount of the lien and proof that the lien was paid off, i.e. cancelled check or wire receipts.



Environmental Protection Lien ALTA Endorsement 8.1-06

Certificate Number:

The coverage afforded by this Endorsement is effective only if the Land is used or is to be used for a single family home or a residential building containing up to six residential units.

The Division guarantees against loss or damage sustained by the Guaranteed by reason of lack of priority of the lien of the Guaranteed Mortgage over

(a) any environmental protection lien which, at Date of Certificate, is recorded in those records established under state statutes at Date of Certificate for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or is 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 Certificate, except environmental protection liens provided for by the following state statutes: 455B.396

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Environmental Protection Lien ALTA Endorsement 8.1-06 Instructions

The Environmental Protection Lien Endorsement is only issued in conjunction with a Lender Certificate covering land used for a single family home or a residential building containing up to six residential units.

The Endorsement guarantees the lender that its lien will not lose priority to any federal or state environmental protection lien recorded at the date of Certificate. Title Guaranty excludes Iowa Code section 455B.396 from coverage, which may provide for a superior lien.

Abstractors are required to search the available lien indexes to discover environmental liens. The Division does not require a search of the federal court records unless a federal court is located within the county being searched. If the abstract/search reveals an environmental lien, the Participant shall raise such lien as an Exception on Schedule B – Part I.



Form E - Lender Endorsement

Certificate Number: _____

Guaranteed: _____

Amount of Coverage: _____

Effective Date of Certificate: _____

The above Certificate is amended as follows:

(Insert amendments)

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Form E - Lender Endorsement Instructions

This Endorsement may be used to amend Certificates to:

1. Correct simple typographical errors in name spellings;
2. Correct simple typographical errors in legal descriptions; and,
3. Change level of coverage.

Sometimes this Endorsement is used to update the certificate date when a title problem is being corrected. When a Closing Protection Letter has not been issued, the abstract and title opinion should be updated (unless the participating attorney is issuing the Form E in lieu of his/her opinion). A more current Composite Mortgage Affidavit, appraisal/real property inspection report or survey (or update thereof), or other documentation may be needed for various endorsements when providing “extended” coverage in the Certificate.

If you are asked to provide new endorsement language, call a Title Guaranty underwriter for approval before issuing the Form E Endorsement with that language.

Complete this Endorsement by inserting the amendment(s) to the Certificate in the appropriate blank or area on the Endorsement.



Form E - Owner Endorsement

Certificate Number: _____

Guaranteed: _____

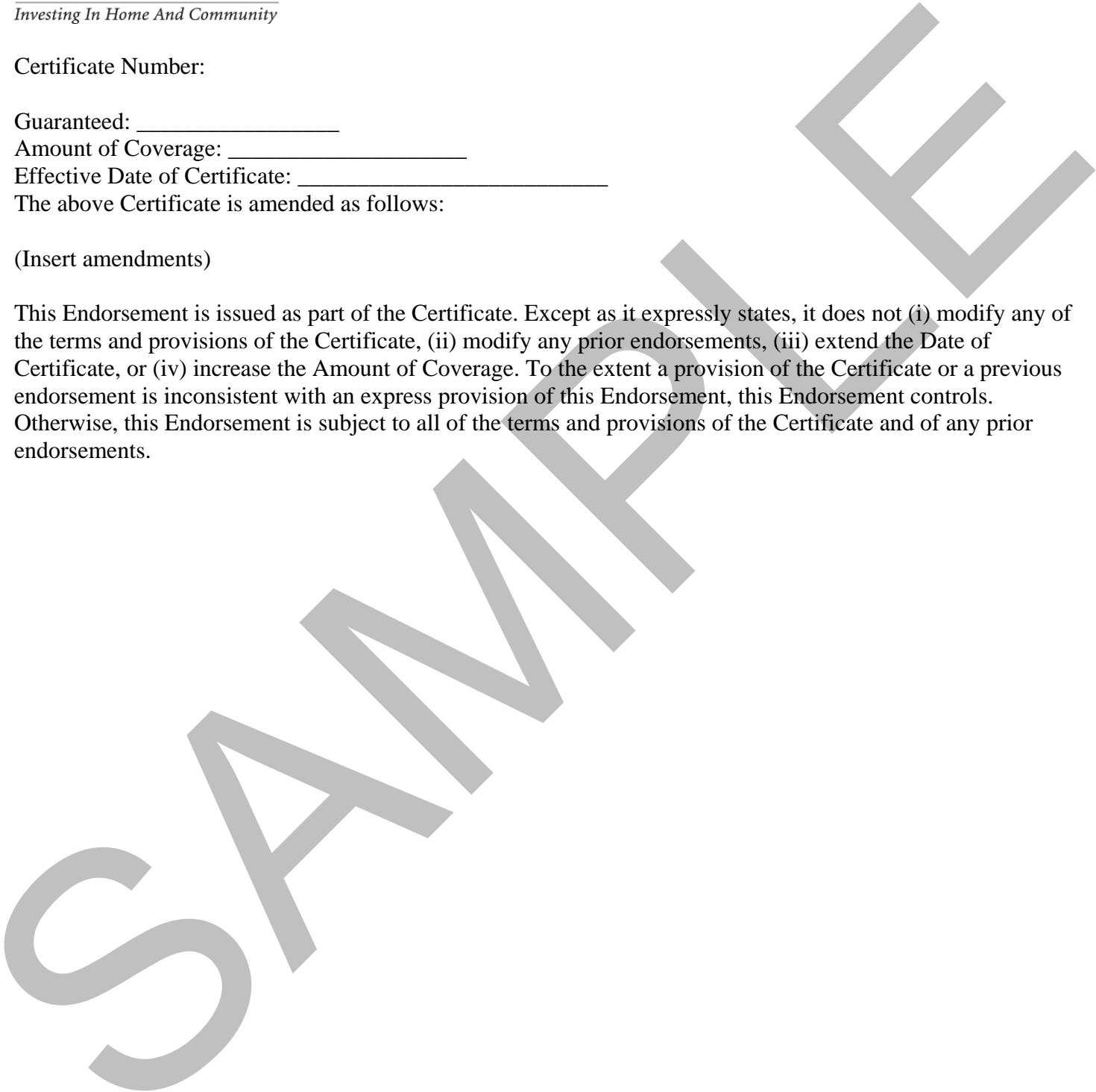
Amount of Coverage: _____

Effective Date of Certificate: _____

The above Certificate is amended as follows:

(Insert amendments)

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.



Form E - Owner Endorsement Instructions

This Endorsement may be used to amend Certificates to:

1. Correct simple typographical errors in name spellings;
2. Correct simple typographical errors in legal descriptions; and,
3. Change level of coverage.

Sometimes this Endorsement is used to update the certificate date when a title problem is being corrected. When a Closing Protection Letter has not been issued, the abstract and title opinion should be updated (unless the participating attorney is issuing the Form E in lieu of his/her opinion). A more current Composite Mortgage Affidavit, appraisal/real property inspection report or survey (or update thereof), or other documentation may be needed for various endorsements when providing “extended” coverage in the Certificate.

The effective date of an Owner Certificate should not be updated unless there is a major change to the property such as new construction.

If you are asked to provide new endorsement language, call a Title Guaranty underwriter for approval before issuing the Form E Endorsement with that language.

Complete this Endorsement by inserting the amendment(s) to the Certificate in the appropriate blank or area on the Endorsement.



Future Advance - Priority ALTA Endorsement 14-06

Certificate Number:

1. The coverage for Advances added by Sections 2 & 3 of this Endorsement is subject to the exclusions in Section 4 of this Endorsement and the Exclusions from Coverage in the Certificate, except Exclusion 3(d), the provisions of the Conditions, and the exceptions contained in Schedule B.

a. "Agreement," as used in this Endorsement, shall mean either the note or loan agreement secured by the Guaranteed Mortgage.

b. "Advances," as used in this Endorsement, shall mean only those advances of principal indebtedness made after the Date of Certificate as provided in the Agreement, including expenses of foreclosure, amounts advanced pursuant to the Guaranteed Mortgage to pay taxes and insurance, assure compliance with laws, or to protect the lien of the Guaranteed Mortgage before the time of acquisition of the Title, and reasonable amounts expended to prevent deterioration of improvements, together with interest on those advances.

2. The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

a. The invalidity or unenforceability of the lien of the Guaranteed Mortgage as security for each Advance.

b. The lack of priority of the lien of the Guaranteed Mortgage as security for each Advance over any lien or encumbrance on the Title.

c. The invalidity or unenforceability or loss of priority of the lien of the Guaranteed Mortgage as security for the Indebtedness and Advances resulting from (i) re-Advances and repayments of Indebtedness, (ii) lack of outstanding Indebtedness before an Advance, or (iii) the failure of the Guaranteed Mortgage to comply with the requirements of state law of the state in which the Land is located to secure Advances.

3. The Division also guarantees against loss or damage sustained by the Guaranteed by reason of:

a. The invalidity or unenforceability of the lien of the Guaranteed Mortgage resulting from any provisions of the Agreement that provide for (i) interest on interest, (ii) changes in the rate of interest, or (iii) the addition of unpaid interest to the Indebtedness.

b. Loss of priority of the lien of the Guaranteed Mortgage as security for the Indebtedness, interest on interest, or interest as changed in accordance with the provisions of the Guaranteed Mortgage, which loss of priority is caused by (i) changes in the rate of interest, (ii) interest on interest, or (iii) increases in the Indebtedness resulting from the addition of unpaid interest.

"Changes in the rate of interest," as used in this Endorsement, shall mean only those changes in the rate of interest calculated pursuant to a formula provided in the Guaranteed Mortgage at Date of Certificate.

4. This Endorsement does not guarantee against loss or damage (and the Division will not pay costs, attorneys' fees, or expenses) resulting from:

- a. Advances made after a Petition for Relief under the Bankruptcy Code (11 U.S.C.) has been filed by or on behalf of the mortgagor.
- b. The loss of priority of the lien of the Guaranteed Mortgage, as security for Advances, to the lien of real estate taxes or assessments on the Title imposed by governmental authority arising after Date of Certificate.
- c. The loss of priority of the lien of the Guaranteed Mortgage as security for any Advance, to a federal tax lien, which Advance is made after the earlier of (i) actual knowledge of the Guaranteed that a federal tax lien was filed against the mortgagor, or (ii) the expiration of more than forty-five days after notice of a federal tax lien filed against the mortgagor.
- d. The loss of priority of the lien of the Guaranteed Mortgage as security for Advances to any federal or state environmental protection lien.
- e. Usury, or any consumer credit protection or truth-in-lending law.
- f. The loss of priority of the lien of the Guaranteed Mortgage as security for any Advance to a mechanic's or materialmen's lien.
5. The Amount of Coverage shall include Advances.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Future Advance - Priority ALTA Endorsement 14-06 Instructions

This Endorsement is used with a Lender Certificate to guaranty a mortgage that secures a future advance or a revolving line of credit.

The Participant may issue this Endorsement provided:

1. The guaranteed mortgage states that it secures future advances to be made under the loan agreement.
2. The advances are obligatory under the loan agreement.
3. The statutory notice regarding priority of advances prescribed in Iowa Code Section 654.12A is contained in the recorded guaranteed mortgage.
4. The amount of coverage should include the future advances.



Future Advance - Reverse Mortgage ALTA Endorsement 14.3-06

Certificate Number:

1. The coverage for Advances added by Sections 2 and 3 of this Endorsement is subject to the exclusions in Section 4 of this Endorsement and the Exclusions in the Certificate, except Exclusion 3(d), the provisions of the Conditions and the Exceptions contained in Schedule B.

a. "Agreement," as used in this Endorsement, shall mean either the note or loan agreement secured by the Guaranteed Mortgage.

b. "Advances," as used in this Endorsement, shall mean only those advances of principal indebtedness made after the Date of Certificate as provided in the Agreement, including expenses of foreclosure, amounts advanced pursuant to the Guaranteed Mortgage to pay taxes and insurance, assure compliance with laws, or to protect the lien of the Guaranteed Mortgage before the time of acquisition of the Title, and reasonable amounts expended to prevent deterioration of improvements, together with interest on those advances.

2. The Company guarantees against loss or damage sustained by the Guaranteed by reason of:

a. The invalidity or unenforceability of the lien of the Guaranteed Mortgage as security for each Advance.

b. The lack of priority of the lien of the Guaranteed Mortgage as security for each Advance over any lien or encumbrance on the Title.

c. The invalidity or unenforceability or loss of priority of the lien of the Guaranteed Mortgage as security for the Indebtedness and Advances resulting from (i) re-Advances and repayments of Indebtedness, (ii) lack of outstanding Indebtedness before an Advance, (iii) failure to comply with the requirements of state law to secure Advances, (iv) failure of the Guaranteed Mortgage to state the term for Advances, or (v) failure of the Guaranteed Mortgage to state the maximum amount secured by the Guaranteed Mortgage.

3. The Company also guarantees against loss or damage sustained by the Guaranteed by reason of:

a. The invalidity or unenforceability of the lien of the Guaranteed Mortgage resulting from any provisions of the Agreement that provide for (i) interest on interest, (ii) changes in the rate of interest, or (iii) the addition of unpaid interest to the principal portion of the Indebtedness.

b. Loss of priority of the lien of the Guaranteed Mortgage as security for the Indebtedness, including any unpaid interest that was added to principal in accordance with any provisions of the Agreement, interest on interest, or interest as changed in accordance with the provisions of the Guaranteed Mortgage, which loss of priority is caused by (i) changes in the rate of interest, (ii) interest on interest, or (iii) increases in the Indebtedness resulting from the addition of unpaid interest.

"Changes in the rate of interest," as used in this Endorsement, shall mean only those changes in the rate of interest calculated pursuant to a formula provided in the Guaranteed Mortgage at Date of Certificate.

“Interest,” as used in this Endorsement, shall include lawful additional interest based on net appreciated value.

4. This Endorsement does not guarantee against loss or damage (and the Division will not pay costs, attorneys’ fees, or expenses) resulting from:

- a. Advances made after a Petition for Relief under the Bankruptcy Code (11 U.S.C.) has been filed by or on behalf of the mortgagor.
- b. The loss of priority of the lien of the Guaranteed Mortgage, as security for Advances, to the lien of real estate taxes or assessments on the Title imposed by governmental authority arising after Date of Certificate.
- c. The loss of priority of the lien of the Guaranteed Mortgage as security for any Advance, to a federal tax lien, which Advance is made after the earlier of (i) actual knowledge of the Guaranteed that a federal tax lien was filed against the mortgagor, or (ii) the expiration of more than forty-five days after notice of a federal tax lien filed against the mortgagor.
- d. The loss of priority of the lien of the Guaranteed Mortgage as security for Advances to any federal or state environmental protection lien.
- e. Usury, or any consumer credit protection or truth-in-lending law.
- f. The loss of priority of the lien of the Guaranteed Mortgage as security for any Advance to a mechanic’s or materialmen’s lien.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Future Advance - Reverse Mortgage ALTA Endorsement 14.3-06 Instructions

This Endorsement may be issued only with a reverse mortgage. Reverse mortgage loans are made to persons, generally one of whom is at least 62 years of age. Payments are not due until the person dies or leaves the property. The most common reverse mortgage program is the HUD Home Equity Conversion Mortgage program (HECM) which contemplates two mortgages – one for the lender and a subordinate mortgage for HUD. Other approved reverse mortgage programs involve FNMA, GNMA, FHLMC and FHA.

To issue this Endorsement, the Participant must:

1. Verify the recorded mortgage discloses it is a reverse mortgage that secures future advances.
2. Verify the recorded mortgage contains the statutory notice provision prescribed in Iowa Code Section 654.12A.
3. Verify that the mortgage is one of the approved reverse mortgage programs listed above.



Gap Coverage Endorsement

Certificate Number:

Notwithstanding anything to the contrary contained herein, the Division agrees that upon receipt of a properly executed Pre-Closing Search Certification (Division Form PCS), coverage hereunder and the Effective Date hereof shall be extended up to and including the recording of the deed and/or mortgage of the Proposed Guaranteed(s) identified in Schedule A hereof, provided that the documents are recorded no later than the tenth day, following the date of the Pre-Closing Search Certification, that documents can be recorded in the County Recorder's Office.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Gap Coverage Endorsement Instructions

The Gap Coverage Endorsement may be issued with the Commitment at the request of either the lender or the buyer, or both. The Division no longer provides this coverage by agreement with a lender when a Commitment is not issued. If a Closing Protection Letter is requested, a Commitment must be issued including the Gap Coverage Endorsement.

This Endorsement guarantees the time period from the Effective Date of the Commitment and including the date the deed and/or mortgage to be guaranteed are recorded. Since the issuance of this Endorsement provides assurances for any adverse matters arising in the gap period, the participating abstractor prepares and delivers a last minute search (Pre-Closing Search Certification) to the closer. A copy of Title Guaranty's Pre-Closing Search Certificate form is attached to these instructions.

If no new matters are disclosed on the Pre-Closing Search Certification, the loan is closed and funds disbursed. If any new matters are shown on the Pre-Closing Search Certification, the closer may proceed with the closing only after consulting the participating attorney who prepared the preliminary opinion and/or Commitment and upon such terms and conditions as the participating attorney may require based on the relevant law, rules and title standards.

If the Participant has personal knowledge that the financial responsibility and integrity of the seller and/or buyer are questionable, the Participant should decline to issue this Endorsement.

After closing, the mortgage and any other appropriate documents are filed of record as soon as possible, but no later than the tenth day following the date and time of the Pre-Closing Search Certification.

The Title Guaranty Certificate is issued in the normal process by the Participant or Title Guaranty staff. Immediately notify Title Guaranty upon discovering matters of record filed in the gap period.

For a field-issued Certificate, retain a copy of the completed Pre-Closing Search Certification in your file. If the Certificate is to be issued by Title Guaranty, please provide a copy of the completed Pre-Closing Search Certification with the Application for Title Guaranty.

For nonresidential transactions, contact the Division for approval to issue this Endorsement.

**PRE-CLOSING SEARCH CERTIFICATION
TITLE GUARANTY DIVISION**

COMMITMENT NO.:

LOAN CLOSER:
PROPOSED GUARANTEED(S):

ABTRACTOR:
ABST. OR PENCIL NOTES NO.:
PROPERTY ADDRESS:
BRIEF LEGAL:

NAME(S) OF SELLER(S):
NAME(S) OF BUYER(S) TO BE SEARCHED:
DATE AND TIME OF PRIOR CONTINUATION:

EFFECTIVE DATE AND TIME OF THIS CERTIFICATION:

(To be completed by abstractor)

The undersigned, acting in its capacity as a Participating Abstractor for the Title Guaranty Division of the Iowa Finance Authority, certifies that the appropriate records have been searched and that no matters affecting the title to the property described above have been filed between the effective date and time of the preliminary title opinion and the date and time shown above, except for the following: (To be completed by abstractor)_____

PARTICIPATING ABSTRACTOR

BY

TITLE GUARANTY MEMBER #

DIVISION FORM: PCS

FILE NO.:

REVISED: 7/2005



Leasehold - Lenders ALTA Endorsement 13.1-06

Certificate Number:

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

- a. "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession guaranteed by this Certificate, contrary to the terms of the Lease or (b) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a matter covered by this Certificate.
- b. "Lease": the lease agreement described in Schedule A.
- c. "Leasehold Estate": the right of possession for the Lease Term.
- d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
- e. "Personal Property": chattels located on the Land and property that, because of their character and manner of affixation to the Land, can be severed from the Land without causing appreciable damage to themselves or to the Land to which they are affixed.
- f. "Remaining Lease Term": the portion of the Lease Term remaining after the Guaranteed has been Evicted as a result of a matter covered by this Certificate.
- 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 Certificate, the Guaranteed 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 Guaranteed's expense or in which the Guaranteed has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Guaranteed:

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 Guaranteed 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 Guaranteed acquires all or any part of the Title in accordance with the provisions of Section 2 of the Conditions of this Certificate and thereafter is Evicted, the following items of loss, if applicable, shall be

included in computing loss or damage incurred by the Guaranteed, 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed has been Evicted.
- d. The fair market value, at the time of the Eviction, of the estate or interest of the Guaranteed in any lease or sublease made by Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.
- e. Damages that the Guaranteed is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease made by the Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.
- f. Reasonable costs incurred by the Guaranteed to secure a replacement leasehold equivalent to the Leasehold Estate.
- g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Guaranteed, 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 Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

**Leasehold - Lenders
ALTA Endorsement 13.1-06
Instructions**

The Leasehold Endorsement may be issued with the Lender Certificate when guaranteeing a mortgage covering a leasehold estate, and it is recommended that this Endorsement be utilized when covering such a leasehold estate.

Certificate Number:

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

- a. "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession guaranteed by this Certificate, contrary to the terms of the Lease or (b) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case as a result of a matter covered by this Certificate.
- b. "Lease": the lease agreement described in Schedule A.
- c. "Leasehold Estate": the right of possession for the Lease Term.
- d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
- e. "Personal Property": chattels located on the Land and property that, because of their character and manner of affixation to the Land, can be severed from the Land without causing appreciable damage to themselves or to the Land to which they are affixed.
- f. "Remaining Lease Term": the portion of the Lease Term remaining after the Guaranteed has been Evicted as a result of a matter covered by this Certificate.
- 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 Guaranteed's expense or in which the Guaranteed has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Guaranteed:

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 Guaranteed 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 Guaranteed is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Guaranteed, 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed has been Evicted.

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

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

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

g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Guaranteed, 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 Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

**Leasehold - Owners
ALTA Endorsement 13-06
Instructions**

The Leasehold Endorsement may be issued with the Owner Certificate when guaranteeing a leasehold estate. In fact, it is recommended that this Endorsement be utilized whenever covering such a leasehold estate.



Location - Condominium Endorsement

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of any inaccuracies in the following assurances:

1. That, according to the Declaration of Condominium recorded as _____, and as amended from time to time, the Land is part of a Condominium Property.
2. That, the building on the Condominium Property has the No. _____ thereon, indicating that the same is known as _____.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Location – Condominium Endorsement Instructions

This Location Endorsement - Condominium may be attached to the Lender Commitment or Lender Certificate if the lender has requested the Endorsement for a residential loan, and the property is a condominium property.

The Participant should obtain credible information to confirm the presence of a condominium at a certain address from a current appraisal, survey, real property inspection report, county assessor's report, or realtor's listing agreement.

Insert the Declaration of Condominium filing information (Book and Page, Document Number, or Instrument Number) and the address of the condominium unit, including town/city and state, on the Endorsement.



Location - Residential ALTA Endorsement 22-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of the failure of a residence, known as _____ to be located on the Land at Date of Certificate. This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Location - Residential ALTA Endorsement 22-06 Instructions

This Location Endorsement - Residential may be attached to the Lender Commitment or Lender Certificate if the lender has requested the Endorsement for a residential loan. If the property is a condominium property, the Location Endorsement - Condominium should be utilized instead.

The Participant should obtain credible information to confirm the presence of a residence at a certain address from a current appraisal, survey, real property inspection report, county assessor's report, or realtor's listing agreement.

Insert the address of the residence along with the town/city, and state on the Endorsement. For field-issued Certificates prepared using the Certificate Application Processing (CAP) program, this information will pull into the Location Endorsement automatically if the property address information is added to the "property details" screen of CAP.



Manufactured Housing Unit ALTA Endorsement 7-06

Certificate Number:

The term "Land" includes the manufactured housing unit located on the land described in Schedule A at Date of Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Manufactured Housing Unit ALTA Endorsement 7-06 Instructions

This Endorsement provides that any mobile home, manufactured home or modular home on the property is covered by the Owner and/or Lender Certificate.

In order to issue the Endorsement, Title Guaranty requires the following:

Verify that the home is located outside a “manufactured home community” or “mobile home park” as defined in Iowa Code section 435.1(4) and (6).

Verify that the mobile home, etc. has been permanently attached to the land (i.e. concrete foundation, wheels removed, etc.). Many times your current appraisal, inspection or survey will address this. Otherwise an affidavit with pictures could suffice as evidence.

Verify that the assessor has classified the manufactured home as a real property improvement for current or future assessments. If no verification can be made, the following exception should be raised on the final opinion and on Schedule B of the Certificate:

Consequences, if any, of the failure of the county assessor to assess real property taxes against the improvements located on the covered real estate.

Verify that the mobile home, manufactured home or modular home certificate of title has been collected by the county assessor because a note of conversion in the assessor’s records is not sufficient. Before Title Guaranty may be issued on a security interest listed in the personalty title, the home owner must deliver to the secured party a mortgage on the real estate for the unpaid amount of the secured debt, and the secured party must record said mortgage with the county recorder’s office.



Mortgage Modification ALTA Endorsement 11-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. The invalidity or unenforceability of the lien of the Guaranteed Mortgage upon the Title at Date of Endorsement as a result of the agreement dated _____, recorded _____ ("Modification"); and
2. The lack of priority of the lien of the Guaranteed Mortgage, at Date of Endorsement, over defects in or liens or encumbrances on the Title, except for those shown in the Certificate or any prior endorsement and except:

(Insert exceptions)

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

1. the Modification being deemed a fraudulent conveyance or fraudulent transfer; or
2. the Modification being deemed a preferential transfer except where the preferential transfer results from the failure
 - a. to timely record the instrument of transfer; or
 - b. of such recordation to impart notice to a purchaser for value or to a judgment or lien creditor.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Mortgage Modification ALTA Endorsement 11-06 Instructions

This Endorsement assures the lender that the Guaranteed Mortgage has been modified and as so modified retains its priority.

The Participant may issue this Endorsement provided the following requirements are met:

1. The modification agreement must be filed of record.
2. A complete abstract/search certification date and time covering the recording must be made to show:
 - a. The parties to the modification agreement appear of record as owner of the land and holder of the note. Secure name searches of the mortgagors and successors in ownership, if any. Also, any matters relating to the status and capacity of the parties must be reviewed.
 - b. There has been no full or partial conveyance of the land covered by the Guaranteed Mortgage. If a conveyance has been made, coverage under this Endorsement must be limited to the Land presently encumbered by the Guaranteed Mortgage.
 - c. A review of the modification agreement discloses nothing which would render the Guaranteed Mortgage invalid or unenforceable.
 - d. There are no liens or encumbrances subsequent to the original recording of the Guaranteed Mortgage.
 - a) If any such matters are found, they must be raised as exceptions, unless the parties holding the liens or encumbrances subject their interest to the Guaranteed Mortgage as modified by appropriate recorded subordination agreements, or properly released of record.
 - b) If the Certificate reflects a mortgage or other lien as junior in Schedule B – Part II, require a new subordination by the lienholder or disclose said mortgage or lien under paragraph 2 of the Endorsement.
 - c) If the Guaranteed Mortgage covers a lease, obtain a current estoppel and consent by the lessor.
 - d) If a notice of bankruptcy is found against the owner, require a final nonappealable order authorizing the modification.
 - e) Remember to obtain all final mechanic lien waivers from materialmen, general contractors and subcontractors, if applicable.
 - f) Be sure to disclose under paragraph 2 of the Endorsement any unpaid real estate taxes and assessments.
3. ALTA Extended Coverage is given by this Endorsement; therefore, obtain and review an updated Composite Mortgage Affidavit, and survey coverage must be updated depending upon the type and value of the property. Disclose all new matters in paragraph 2 of the Endorsement.
4. Form E - Lender Endorsement may be issued with this Endorsement when alterations are required on the lender certificate, for example, the Guaranteed, legal description, Amount of Coverage, or the vesting of title has changed. Also, any modifications or deletions to the Schedule B Exceptions may be made by issuing Form E - Lender Endorsement.

5. Obtain approval from a Division underwriter.

This Endorsement should not be issued when the purpose of the modification is to add property to the Guaranteed Mortgage as additional security or when junior liens subordinated to the Guaranteed Mortgage have not been properly subordinated to the modification agreement.

To complete this Endorsement, insert the date of the modification agreement (paragraph 1 of the Endorsement), insert the date of recording and the recording number of the modification agreement (paragraph 1 of the Endorsement), and insert any additional exceptions (paragraph 2 of the Endorsement).



Multiple Tax Parcels ALTA Endorsement 18.1-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Insured by reason of:

1. those portions of the Land identified below not being assessed for real estate taxes under the listed tax identification numbers or those tax identification numbers including any additional land:

(Enter identified land)

2. the easements, if any, described in Schedule A being cut off or disturbed by the nonpayment of real estate taxes, assessments or other charges imposed on the servient estate by a governmental authority.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Multiple Tax Parcels ALTA Endorsement 18.1-06 Instructions

This Endorsement may be utilized when the land described in Schedule A includes more than one real estate tax parcel. It is available with Lender and Owner Certificates. This Endorsement provides assurances that there are no other parcels being taxed with the guaranteed Land, that the parcels have only the specified tax parcel identification numbers contained in the Endorsement, and that the easements described in Schedule A cannot be cut off by non-payment of real estate taxes or assessments against the servient estate.

Prior to issuing this Endorsement, the Participant must have an updated abstract or separate written assurance from the abstractor verifying:

1. that the separate and distinct real estate tax parcel number for each parcel of land abstracted (guaranteed) does **not** include any adjoining lot, parcel, vacated street or alley not included in the land guaranteed (the Participant may need to compare a survey of the abstracted (guaranteed) legal description with the assessor's legal descriptions); and,
2. that all real estate taxes and special assessments for any guaranteed easement(s) included in the Schedule A legal description was (were) paid in full when the easement(s) was (were) filed of record.

Complete this Endorsement by inserting each Schedule A legal description Parcel Number and the Tax Identification Number(s) for each Parcel Number previously entered in the appropriate area or blank on the form.



Planned Unit Development (PUD) – Lender ALTA Endorsement 5-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. Present violations of any restrictive covenants referred to in Schedule B which restrict the use of the Land. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of the Title. As used in this paragraph 1, the words “restrictive covenants” 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 in the Public Records at Date of Certificate and is not excepted in Schedule B.
2. The priority of any lien for charges and assessments at Date of Certificate in favor of any association of homeowners which are provided for in any document referred to in Schedule B over the lien of any Guaranteed Mortgage identified in Schedule A.
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 Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Planned Unit Development (PUD) - Lender ALTA Endorsement 5-06 Instructions

The Planned Unit Development (PUD) Endorsement - Lender may be used with the Lender Certificate. Planned Unit Developments may contain detached single family residences, as well as town homes and condominiums.

This Endorsement guarantees that the Guaranteed will not suffer any loss due to present violations of the restrictive covenants, loss of priority due to homeowners' association liens, forced removal of any structure located primarily on the property in question encroaching over the property line, or the exercise of a right of first refusal that existed at the Date of Certificate.

Once it has been determined that each guaranteeing clause has, in fact, been satisfied, this Endorsement may be issued. This may involve:

1. Examination of any covenants, conditions and restrictions of record to determine that there are no violations and no forfeiture or right of reversion.
2. Determination that any lien for charges and assessments provided for in the covenants, conditions and restrictions are specifically subordinate to the mortgage. If the charges and assessments are superior to the mortgage covered, a statement should be obtained from the homeowner association stating there are no unpaid charges or assessments through the Date of Certificate.
3. If a right of first refusal is contained in the covenants, conditions and restrictions, a statement should be obtained from the homeowner association indicating that the right of first refusal has been waived or has been exercised.
4. Verifying that there are not known encroachments of any existing improvements located on the subject property onto adjoining land or upon any easement referred to in Schedule B – Part I. You should refer to the Underwriting section on encroachments in the Title Guaranty Manual for guidance in obtaining survey clearance for this Endorsement.
5. Verifying that there are no known encroachments of any existing improvements located on adjacent land onto the subject property. You should refer to the Underwriting section on encroachments in the Title Guaranty Manual for guidance in obtaining survey clearance for this Endorsement.



Planned Unit Development (PUD) - Owner ALTA Endorsement 5.1-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. Present violations of any restrictive covenants referred to in Schedule B which restrict the use of the Land. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of the Title. As used in this paragraph 1, the words “restrictive covenants” 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 in the Public Records at Date of Certificate and is not excepted in Schedule B.
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 Certificate.
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 Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Planned Unit Development (PUD) - Owner ALTA Endorsement 5.1-06 Instructions

The Planned Unit Development (PUD) Endorsement - Owner may be used with the Owner Certificate. Planned Unit Developments may contain detached single family residences, as well as town homes and condominiums.

This Endorsement guarantees that the Guaranteed will not suffer any loss due to present violations of the restrictive covenants, loss of priority due to homeowners' association liens, forced removal of any structure located primarily on the property in question encroaching over the property line, or the exercise of a right of first refusal that existed at the Date of Certificate.

Once it has been determined that each guaranteeing clause has, in fact, been satisfied, this Endorsement may be issued. This may involve:

1. Examination of any covenants, conditions and restrictions of record to determine that there are no violations and no forfeiture or right of reversion.
2. Determination that any lien for charges and assessments provided for in the covenants, conditions and restrictions are specifically subordinate to the deed. If the charges and assessments are superior to the deed covered, a statement should be obtained from the homeowner association stating there are no unpaid charges or assessments through the Date of Certificate.
3. If a right of first refusal is contained in the covenants, conditions and restrictions, a statement should be obtained from the homeowner association indicating that the right of first refusal has been waived or has been exercised.
4. Verifying that there are not known encroachments of any existing improvements located on the subject property onto adjoining land or upon any easement referred to in Schedule B – Part I. You should refer to the Underwriting section on encroachments in the Title Guaranty Manual for guidance in obtaining survey clearance for this Endorsement.
5. Verifying that there are no known encroachments of any existing improvements located on adjacent land onto the subject property. You should refer to the Underwriting section on encroachments in the Title Guaranty Manual for guidance in obtaining survey clearance for this Endorsement.



Single Tax Parcel ALTA Endorsement 18-06

Certificate Number:

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

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Single Tax Parcel ALTA Endorsement 18-06 Instructions

This Endorsement may be utilized when the land described in Schedule A includes only one real estate tax parcel. It is available on Lender and Owner Certificates.

Prior to issuing this Endorsement, the Participant must have an updated abstract or separate written assurance from the abstractor that the guaranteed land has its own county assessor's real estate tax parcel number that does **not** include any other parcels. The Participant must verify that adjoining lots, parcels, vacated streets or alleys are not included in the permanent tax number when those parcels are not included in the abstracted (guaranteed) legal description.

If the guaranteed land is included in more than one county assessor's real estate tax parcel number, you should not issue the Single Tax Parcel Endorsement. Instead, review the Multiple Tax Parcel Endorsement (ALTA 18.1-06) for possible issuance.



Standard Exception Waiver Endorsement - Residential

Certificate Number:

This Endorsement shall be effective if a residence (1 to 6 family units) is affixed to the Land.

Standard Exception(s) _____ has(have) been deleted.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Standard Exception Waiver Endorsement - Residential Instructions

The Standard Exception Waiver Endorsement - Residential is only available with a residential Owner Certificate to waive Standard Exceptions 1 through 5, known as “extended coverage”. If “extended coverage” is requested for commercial land (seven or more residential units, industrial or other nonresidential property) or vacant land, please refer to the instructions for the Standard Exception Waiver Endorsement - Commercial, as more stringent requirements must be met.

The Participant will need to make:

1. A review of a current survey for matters of possession, encroachments, legal description problems, or other adverse matters;
2. A review of executed Composite Mortgage Affidavits (CMAs), by the sellers and the buyers; and,
3. A review of real estate tax and special assessment search.

To determine if one or more of the following Standard Exceptions may be waived:

Standard Exception No. 1: “Rights or claims of parties in possession not shown by the Public Records.”

To waive this exception from the Owner Certificate, obtain and review a CMA from all buyers and sellers/titleholders. All matters disclosed by the CMA will appear as Special Exception(s) in Schedule B in lieu of Standard Exception No. 1 unless satisfactory disposition thereof is otherwise made. Also, a current survey discussed below should provide independent observation regarding signs of possession.

Standard Exception No. 2: “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.”

To waive this exception for properties \$500,000 or less from the Owner Certificate, the Participant must obtain a survey showing the boundary lines, the location of all improvements relative to the property lines, easements, building setback lines, property dimensions and showing no signs of possession or possible encroachments. To waive this exception for properties over \$500,000 the Participant must obtain a survey made in accordance with the “Minimum Standard Detail Requirements for Land Title Surveys as adopted by the American Title Association Congress on Surveying and Mapping.” The survey must be dated within three months of closing and must name the Division as an addressee.

Look for recorded and unrecorded easements, setback lines, encroachments and possible boundary disputes on the survey. All easements, setback lines, encroachments onto easements, violations of setback lines, encroachments onto adjoining property, encroachments from adjoining property onto the guaranteed Land, and any adverse matters must be raised as Special Exceptions on Schedule B of the Owner Certificate.

If encroachment coverage is requested, consult the Underwriting section of the Title Guaranty Manual regarding encroachments.

Standard Exception No. 3: “Easements, or claims of easements, not shown by the Public Records.”

To waive this exception from the Owner Certificate, the Participant must obtain a survey in compliance with the requirements noted in Standard Exception No. 2 above.

Standard Exception No. 4: “Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.” To waive this exception from the Owner Certificate, the Participant must obtain

1. CMA executed by all parties holding title to the Land during the 90 days preceding the date of closing verifying no materials delivered or work performed, or
2. Satisfactory evidence of payment in full of the cost of furnishing services, labor, and materials in connection with any improvement made to the Land 90 days prior to closing. It is advisable to obtain and review affidavits from the owner and general contractor disclosing all materialmen and all persons contracted with on the property along with all final lien waivers attached thereto, or
3. If materials provided and/or work performed but final mechanic lien waivers were not obtained, the proposed Guaranteed must provide by final appraisal or other satisfactory evidence that all construction is completed. Upon the expiration of the 90 mechanic lien period after the date of completion, a mechanic lien search may be completed disclosing no mechanic lien claims upon which an Owner Certificate may be issued along with the Standard Exception Waiver Endorsement deleting Standard Exception No. 4.

If a mechanic lien is found, a mechanic’s lien may be discharged by the owner, principal contractor, or intermediate subcontractor by filing with the clerk of the district court of the county in which the property is located a bond in twice the amount of the sum for which the claim for the lien is filed, with surety or sureties, to be approved by the clerk.

Any indemnification taken as a condition precedent to the waiver of Standard Exception No. 4 must be pre-approved in writing from the Division.

Standard Exception No. 4 remains if clearance is not obtained.

Standard Exception No. 5: “Taxes or special assessments which are not shown as existing liens by the Public Records.” To waive this exception from the Owner Certificate, the Participant must review the CMAs and the abstract/search for special assessments and taxes and raise such matters as exceptions on Schedule B.

Complete this Endorsement by inserting the number(s) of the standard exceptions to be deleted from the Certificate into the blank area on the Endorsement.



Street Assessments ALTA Endorsement 1-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of the lack of priority of the lien of the Guaranteed Mortgage over the lien of any assessments for street improvements under construction or completed at Date of Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

SAMPLE

Street Assessments ALTA Endorsement 1-06 Instructions

This Endorsement is for use with the Lender Certificate to provide the guaranteed lender protection against loss sustained by reason of any assessments for street improvements under construction or completed at the Date of Certificate having priority over the lien of the Guaranteed Mortgage.

This coverage may be furnished, provided:

1. An inspection of the secured property discloses that at the time of recording there is no evidence of street improvements under construction or recently completed; the attached Affidavit for Lender's Street Assessment Endorsement is obtained from the seller or titleholder of the property stating that there has been no recent street improvements and that the seller or titleholder has not received notice (or become aware of) proposed street improvements.
2. The abstract/search does not disclose any new assessment districts, bonds or pending assessments or bonds filed in the appropriate office of the applicable agencies empowered to issue such bonds or assessments.

If street assessments or possible street assessments are found, list said assessments or bonds as exceptions in Schedule B – Part I, unless released.

**AFFIDAVIT FOR
LENDER'S STREET ASSESSMENT ENDORSEMENT**

STATE OF IOWA
COUNTY OF _____

Date: _____

Property Legal Description:

The undersigned, being the seller(s) and/or owner(s) of record for the above described property, hereby verify the truth and accuracy of the following statements:

- 1. There have been no recent street improvements that would benefit the above referenced legal description.
- 2. I (we) have not received notice or have become aware of any proposed street improvements that would benefit the above referenced legal description.

This affidavit is given to the Title Guaranty Division as an inducement to issue the Street Assessments Endorsement with the Lender Certificate providing protection against loss sustained by reason of any assessments for street improvements having priority over the Guaranteed Mortgage.

[Name of seller and/or owner]

[Name of seller and/or owner]

Subscribed and sworn to before me this _____ day of _____, 200_

(Notary Public)



Variable Rate Mortgage ALTA Endorsement 6-06

Certificate Number:

The Division hereby guarantees against loss or damage sustained by the Guaranteed by reason of:

1. The invalidity or unenforceability of the lien of the Guaranteed Mortgage resulting from its provisions that provide for changes in the rate of interest.
2. Loss of priority of the lien of the Guaranteed Mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the Guaranteed 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 Guaranteed Mortgage at Date of Certificate.

This Endorsement does not guarantee against loss or damage based upon:

1. usury, or
2. any consumer credit protection or truth in lending law.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Variable Rate Mortgage ALTA Endorsement 6-06 Instructions

The Variable Rate Mortgage Endorsement may be attached to a Lender Certificate guaranteeing the lien of a variable rate mortgage loan made pursuant to the terms of the regulations of the Federal Home Loan Bank Board or the Comptroller of the Currency.

This Endorsement guarantees the provisions of the mortgage that provide for changes in the interest rate will not impair the validity, enforceability, or the priority of the mortgage. Coverage for loss due to usury, consumer credit protection or truth-in-lending law is excluded.

The mortgage documentation should be examined to determine whether the mortgage is in compliance with the applicable regulations.



Variable Rate Mortgage, Negative Amortization ALTA Endorsement 6.2-06

Certificate Number:

The Division guarantees against loss or damage sustained by the Guaranteed by reason of:

1. The invalidity or unenforceability of the lien of the Guaranteed Mortgage resulting from its provisions that provide for (a) interest on interest, (b) changes in the rate of interest, or (c) the addition of unpaid interest to the principal balance of the loan.
2. Loss of priority of the lien of the Guaranteed 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 Guaranteed Mortgage, interest on interest, or interest as changed in accordance with the provisions of the Guaranteed Mortgage, which loss of priority is caused by (a) changes in the rate of interest, (b) interest on interest, or (c) increases in the unpaid principal balance of the loan resulting from the addition of unpaid interest.

"Changes in the rate of interest", as used in this Endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the Guaranteed Mortgage at Date of Certificate.

This Endorsement does not guarantee against loss or damage based upon:

1. usury, or
2. any consumer credit protection or truth in lending law.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Variable Rate Mortgage, Negative Amortization ALTA Endorsement 6.2-06 Instructions

The Negative Amortization Endorsement is a lender's endorsement. This Endorsement may be issued if the requirements listed for the Variable Rate Mortgage Endorsement and the requirements set forth below have all been met. Usually the lender will require coverage amount to be increased by 110-125% of the mortgage amount. This is acceptable to Title Guaranty.

There must be a detailed description of the negative amortization feature of the loan contained in the Guaranteed Mortgage or a rider attached to the Guaranteed Mortgage. The mortgage must clearly state that the installments when paid may not be sufficient to pay the interest which has accrued; therefore, the interest which is unpaid will be added to the principal and like interest will be charged on the interest so added to the principal.



Zoning - Unimproved Land ALTA Endorsement 3-06

Certificate Number:

1. The Division guarantees against loss or damage sustained by the Guaranteed in the event that, at Date of Certificate,

a. According to applicable zoning ordinances and amendments, the Land is not classified Zone Insert Zone;

b. The following use or uses are not allowed under that classification:

(Insert disallowed uses)

2. There shall be no liability under this Endorsement based on

a. Lack of compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments, including but not limited to the failure to secure necessary consents or authorizations as a prerequisite to the use or uses. This paragraph 2.a. does not modify or limit the coverage provided in Covered Risk 5.

b. The invalidity of the zoning ordinances and amendments until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.

c. The refusal of any person to purchase, lease or lend money on the Title covered by this Certificate.

This Endorsement is issued as part of the Certificate. Except as it expressly states, it does not (i) modify any of the terms and provisions of the Certificate, (ii) modify any prior endorsements, (iii) extend the Date of Certificate, or (iv) increase the Amount of Coverage. To the extent a provision of the Certificate 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 Certificate and of any prior endorsements.

Zoning - Unimproved Land ALTA Endorsement 3-06 Instructions

This Endorsement may be issued with Owner and Lender Certificates to provide assurance concerning zoning on land which is unimproved as of the date of Certificate. This Endorsement may also be used on improved land.

The following procedure is recommended:

1. Examine the applicable zoning ordinances and amendments thereto to determine the particular zone and permitted use of improvements to be located on the guaranteed land.
2. It is advisable that you obtain a letter from the governing agency whether it is the city, county or state depending upon where the land is situated, stating what the zone is and the uses for which the zoning would allow the property to be used.

Complete this Endorsement by inserting the applicable zoning classification(s) and the use or uses allowed for the applicable classification(s) in the appropriate areas or blanks on the form.