

ENDORSEMENTS Enhance Title Coverage...

Endorsements are used to change the coverage of the title insurance policy. ALTA policies and other forms of title insurance policies provide adequate coverage for a majority of the "simple" real property transactions. If the transfer of title is not "simple", the policy coverage needs to be added by endorsement to tailor coverage to meet the home owner's, the seller's, and/or the lender's needs. Endorsements can change any part or portion of the policy, although endorsements are usually used to extend or make policy coverage more comprehensive for a particular title issue.

The following are some of the more commonly used endorsements, but remember that each endorsement is subject to approval in the state where it will be issued or used.

115.1 also known by the ALTA 4 and 4.1 Endorsements:

Condominiums This endorsement insures that 1) the condominium being insured qualifies as a condominium by its creating documents under the applicable state statutes, 2) there are no violations of restrictive covenants which will cause a forfeiture of the title, 3) the liens for homeowners' association assessments will not have priority over the insured mortgage (4.1 limits title insurance coverage to the date of recording), 4) there will be no loss or damage to the insured by reason of the insured's interest not being separately assessed, 5) that there are no encroachments that will cause loss or damage to the insured owner or lender, and 6) that there is no right of first refusal to purchase that will create a loss to the insured.

115.2 also known by the ALTA 5 and 5.1 Endorsements:

Planned Unit Developments This endorsement provides the same basic coverage as 4 and 4.1 as stated above for planned unit developments rather than condominium.

111.5, 111.6, and 111.8, also known by the ALTA 6, 6.1 and 6.2 Endorsements:

Variable Rate Mortgage These endorsements insure a lender against loss or damage arising from the invalidity or unenforceability of the lien of the insured mortgage caused by changes in interest rates in variable or adjustable rate mortgages. The 6.2 endorsement is applicable to negative

amortization mortgages and also insures that the negative amortization of interest to the principal balance will not affect the priority of the lien.

110.9 also known by the ALTA 8.1 Endorsement: Environmental Protection Lien This endorsement does not provide coverage for environmental protection. Rather, this endorsement gives affirmative coverage that no document in the public records discloses an environmental lien or notice of enforcement of a lien. It also insures that there are no super-lien statutes in the state where the land is located that could affect the priority of the lien for the insured mortgage.

100.2 also known by the ALTA 9 Endorsement: Restrictions, Encroachments and Minerals This is a lender's endorsement that is considered an all-inclusive endorsement. It assures that the covenants, conditions and restrictions that are shown in Schedule B of the title insurance policy are not violated, but if they are, the violation will not affect the priority of the mortgage or cause the loss of all, or part, of the title to the property. In addition, there are assurances that there are no violations of building codes relating to setback lines, nor other encroachments. Lastly, the endorsement assures against damage arising out of the right to surface entry resulting from mineral exceptions shown in Schedule B.

Additional endorsements are listed on the reverse side of this page.



EQUITY TITLE

COMPANY

On the web at www.EquityTitle.com

CLTA NO. ALTA NO.	DESCRIPTION	POLICY FORM	CHARGE (Percentage of applicable Base Rate unless otherwise indicated)
100.12	Reverter, right of re-entry or power of termination in CC&Rs not enforceable	Lender: Extended	\$25. On tracts where three or more are issued concurrently, \$15 per issue.
100.13	Lien of assessment in CC&R' subordinate to insured mortgage	Lender: Extended	\$25. On tracts where three or more are issued concurrently, \$15 per issue.
100.18	Exercise of reverter, right of re-entry or power of termination in CC&Rs and unmarketability	Lender: All Policies	\$25. On tracts where three or more are issued concurrently, \$15 per issue.
100.2 ALTA 9	Restrictions, easements minerals	Lender: Extended	No charge
100.29	Mineral rights—damage to improvements	Owner: Standard	20%
103.1	Exercise of right of use or maintenance of easement	Lender: Extended Standard	\$25 10%
103.3	Forced removal of improvements which encroach into easement	Lender: Extended Standard	\$25 10%
103.5	Water rights—damage to improvements	Owner: Extended Lender: Extended	20%, max. \$300 10%, max. \$250
103.6	No encroachment onto specific easement.	Lender: Extended	10%
108 (FA23)	Revolving Credit Loan	Lender: ALTA	No charge
108.1	Equity Advantage		
110.5	Modification of deed of trust	Lender: Extended	45% based upon loan balance, minimum \$300. If a First American policy or 110.5 endorsement has been issued within 18 months, maximum of \$750 applies. When issued in conjunction with a 108.8 endorsement, only charge for highest rated endorsement.
110.8	Environment		
110.9 ALTA 8.1	Priority over environmental protection lien	Lender: Extended	No charge
111.5 ALTA 6	Variable rate mortgage	Lender: All Policies	No charge
111.6 ALTA 6.1	Variable rate mortgage	Lender: All Policies	No charge
111.8	Variable rate mortgage	Lender: All Policies	No charge
111.9	FNMA Balloon Mortgage	Lender: All Policies	No charge
111.11	Revolving Credit Loan	Lender: All Policies	\$25
115	Condominium in fee	All Policies	\$10
115.1 ALTA 4	Condominium	Lender: Extended	No charge
115.2 ALTA 5	Planned unit development	Lender: Extended	No charge
116 ALTA 8	Designation of improvements, common address, location and dimensions	Lender: Extended	No charge if issued concurrently with policy. 10% if issued subsequently. On tracts where three or more are issued concurrently, \$5 per issue.
116.2	Designation of improvements, common address, project boundary dimensions (condominiums)	Owner: Standard Lender: All Policies	20% No charge if issued concurrently with policy. 10% if issued subsequently. On tracts where three or more are issued concurrently, \$5 per issue.
122	Priority of advance over intervening matters	Lender: All Policies	If base policy is for full amount of loan: 10% based upon amount of advance, minimum \$100 per issue, maximum \$300 per issue.