



Newest Endorsements

- Access Endorsement (T-23)
- Condominium Endorsement (T-28)
- Contiguity Endorsement (T-25)
- Non-Imputation Endorsement (T-24)
- Co-Insurance Endorsement (T-48)

Changes to Existing Endorsements

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Frequently Used Endorsements

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- Environmental Protection Lien Endorsement (T-36)
- Home Equity Endorsement (T-42)
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- Tax Amendment Endorsement (T-30)
- Modification Endorsement (T-38)

New Endorsements

Access Endorsement (T-23)

- Provides coverage for loss or damage caused by lack of actual, physical access to the land.
- Insures that the land abuts a (named) street, road or highway.
- Insures that the land has both vehicular and pedestrian access to and from such street, road or highway.
- Insures against loss due to such street, road or highway not being physically open.

Access Endorsement (T-23)

(continued)

- Requires review of a survey to ascertain actual access (e.g. driveways, curb-cuts, sidewalks, etc.).
- Only available for non-residential (commercial) property
- May be issued with an OTP or MTP
- Procedural Rule P-54
- Rate Rule R-30
- Premium is \$100

Condominium Endorsement (T-28)

- Insures that:
 - the condominium has been properly formed
 - there are no restriction violations
 - encroachments will not be removed
 - assessment liens are subordinate to the mortgage

Condominium Endorsement (T-28)

(continued)

- Issued in connection with MTP
- May not be issued in conjunction with the PUD Endorsement (T-17)
- Procedural Rule P-9.b(15)
- Rate Rule R-11.m
- No premium may be charged

Contiguity Endorsement (T-25)

- Provides coverage for loss or damage caused by reason of:
 - The failure of the boundary line of a parcel(s) of land to be contiguous to the boundary line of a separate, adjacent parcel(s); or
 - The presence of any gaps, strips or gores separating any of the contiguous boundary lines (set forth in the endorsement)

Contiguity Endorsement (T-25)

(continued)

- Review of a survey to determine actual contiguity of the boundaries of the adjacent tracts
- Only available for non-residential (commercial) property
- May be issued with an OTP or MTP
- Procedural Rule P-56
- Rate Rule R-32
- Premium is \$100

Non-Imputation Endorsement (T-24)

- Provides coverage for new investors when they acquire an interest in an existing entity (partnership, limited liability company, or corporation)
- Insures that STG will not deny coverage based on matters known to an outgoing (or remaining) member being imputed to an incoming member by operation of law

Non-Imputation Endorsement (T-24) (continued)

- Only available for non-residential (commercial) property
- May only be issued with an OTP
- Issuance will require non-imputation affidavit(s) from such person(s) whose knowledge is in question (i.e. current or prior member(s) of the proposed insured entity)
- Procedural Rule P-55
- Rate Rule R-31
- Premium is 5% of the Basic Rate with a minimum of \$25

Co-Insurance Endorsement (T-48)

- Allows two title insurers to agree they are both issuing policies in the same transaction
- Confirms that each title insurer is providing exactly the same land description, schedule B exceptions, and other coverages
- Discloses proportionate amount of liability
- May be issued by title insurance agent(s) or directly by the title insurer.
- Effective May 1, 2008

Changes to Existing Endorsements

Manufactured Housing Supplemental Endorsement (T-31.1)

- Amended to conform to the new ALTA endorsements 7.1 and 7.2
- Clarifies the insurance against personal property liens
- Insures that a foreclosure of a insured mortgage (if issued with an MTP) may be conducted by one procedure.

Manufactured Housing Supplemental Endorsement (T-31.1) (continued)

- May be issued with an OTP or MTP
- Procedural Rule P-9.a.(4) OTP or P-9.b.(7) MTP
- Rate Rule R-15 OTP or R-11.e MTP
- Premium is \$50

Reverse Mortgage Endorsement (T-43)

- **Not an amendment to the endorsement**
- Amended Procedural Rule P-45 to make the rule consistent with FHA-insured loans and to allow the insured amount to be determined by lenders through a lender estimation of the maximum amount that may be secured by the lien
- This amount may not equal or may exceed 150% of the total advances made in accordance with the plan established by the original loan agreement
- This amendment allows the MTP to meet these federal requirements

**Reverse Mortgage Endorsement
(T-43)**
(continued)

- There is no premium for this endorsement
- Reverse mortgage may be used to satisfy an existing home equity loan
- Endorsement is comparable with ALTA 14.3

**Future Advance/Revolving Credit
Endorsement (T-35)**

- Name of the endorsement has been changed from "Revolving Credit Endorsement"
- Conforms to the ALTA 14 endorsement
- Expands coverage to the lender
- Insures compliance with future advance laws
- Includes protective advances in the scope of coverage
- Limits applications of MTP provisions relating to subsequent advances

**Future Advance/Revolving Credit
Endorsement (T-35)**
(continued)

- Only available on non-residential (commercial) transactions
- Procedural Rule P-9.b(8)
- Rate Rule R-11.f
- Premium is \$50

Frequently Used Endorsements

Restrictions, Encroachments, Minerals Endorsement (T-19)

- Insures against:
 - Existing violations of restrictions
 - Priority of maintenance liens over the insured mortgage
 - Encroachments except those stated in Schedule B
 - Damage to existing **and future** improvements because of mineral development.

Restrictions, Encroachments, Minerals Endorsement (T-19) (continued)

- Procedural rule P-50
- Rate Rule R-29
- May be issued on residential and non-residential property
- Premium is 5% of basic rate on residential, and 10% of basic rate on non-residential, minimum premium of \$25
- Comparable to the ALTA 9.3-06 endorsement

Restrictions, Encroachments, Minerals Endorsement (T-19)

(continued)

- Endorsement instruction II.B.4. and Procedural rule P-8 authorize issuance or update of the T-19 with the Completion Endorsement.

Planned Unit Development Endorsement (T-17)

- May only be issued on residential property
- Insures against:
 - violations of restrictions including reversion of title
 - Priority of assessment liens over the insured lien
 - removal of encroachments (other than fences and boundary walls)
 - failure of title due to a right of first refusal.
- Comparable to the ALTA 5 endorsement

Planned Unit Development Endorsement (T-17)

(continued)

- Procedural rule P-9.b.(14)
- Rate rule R-11.1
- Premium is \$25
- If issued with two or more MTPs issued simultaneously, covering the same land, then the premium is only charged for one endorsement.
- May not be issued in conjunction with the Condominium Endorsement (T-28)

Environmental Protection Lien Endorsement (T-36)

- Insures against environmental liens filed of record that could have priority over the insured lien
- Available for issuance on land that is used “primarily for residential purposes” which includes multifamily housing that may have commercial features

Environmental Protection Lien Endorsement (T-36) (continued)

- May only be issued with an MTP
- Comparable to ALTA 8.1 endorsement
- Procedural rule P-9.b.(9)
- Rate rule R-11.g
- Premium is \$25

Home Equity Loan Mortgage Endorsement (T-42)

- Provides insurance as to some constitutional requirements:
 - Execution by all owners and their spouses
 - Land is not designated for agricultural use for property taxes (except for dairy farming)
 - No other HEL on the land
 - No HEL within the last 12 months
 - Disclosure that loan is a HEL
 - That closing occurred at the title company (optional)

Equity Loan Mortgage Endorsement (T-42)

(continued)

- Endorsement is mandatory when insuring a home equity loan
- Procedural rule P-44
- Rate rule R-28.A
- Premium is 10% of the Basic Premium Rate

Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1)

- Insures against loss arising by reason of:
 - Mortgage and note being executed before the specific date in the closing instructions
 - Disbursement of loan proceeds prior to the 4th calendar day after the note and mortgage were executed
 - Execution of the election not to rescind being executed prior to the date of the note and mortgage were executed
 - Failure of title company to provide the owner with a copy of all documents

- Title company collecting or disbursing any fees not shown on the settlement statement (previously sent to lender)
- Blanks in the mortgage, note, acknowledgement of fair market value, affidavit of compliance or documents prepared by the title company.
- Failure of acknowledgment of FMV to have purported evaluation or appraisal attached when executed by owner
- Failure of execution of acknowledgment of FMV at same time note and mortgage are executed
- Failure of any part of the land to be homestead of the owner

- Home equity mortgage(s) on other homestead land of the owner in the same (or adjoining) county
- Home equity mortgage(s) on other homestead land of the owner in the same (or adjoining) county closed within the last year.
- Failure of the title company to provide the owner(s) with a final settlement statement itemizing all fees, points, interest, costs and charges collected or disbursed by the title company at least one calendar day before the business day or subsequent calendar day that the owner(s) execute(s) the mortgage and note

- Supplemental Coverage Equity Loan
Mortgage Endorsement (T-42.1)**
(continued)
- Procedural rule P-47
 - Rate rule R-28.B
 - Premium is 15% of the Basic Premium Rate

- Modification Endorsement (T-38)**
- For use with:
 - Partial Release
 - Release of additional collateral
 - Modification Agreement
 - Reinstatement Agreement
 - Release from Personal Liability

Modification Endorsement (T-38) (continued)

- Procedural Rule P-9.b.(3)
- Rate Rule R-11.b.
- Premium is \$100 if issued within one year after the date of the original MTP
- If after one year, then premium is an additional \$10 for each year
- Maximum premium of 50% of the premium of the original MTP

Modification Endorsement (T-38) (continued)

- Does not change the original effective date of the MTP or the face amount of insurance
- Does not alter or increase coverage of the MTP
- Not available if:
 - Modification creates or grants a new lien
 - The indebtedness is evidenced by a new note
 - There is additional principal indebtedness (other than accrued/deferred interest or advances pursuant to terms or original mortgage)
 - Insured mortgage is cross-collateralized or covers new property

In other words...

If there is:

- A new lien
- New note
- New money; or
- New land
- Then the endorsement is not available and a new MTP is required
