

Underwriting Bulletin: MI-2021-002

Date: January 30, 2021
To: Michigan Agents of FNTI
From: FNTI Underwriting Department
RE: **Standard Title Commitment Exceptions**

The following exceptions should be used in title commitments issued in Michigan:

STANDARD EXCEPTIONS:

1. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting title, including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the land, and that are not shown in the public records.
2. Any facts, rights, interests, or claims that are not shown by the public records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or materials imposed by law and not shown by the public records.
5. Taxes and assessments not yet due and payable at Commitment Date.
6. Taxes and assessments that become a lien against the property after the Date of Policy. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land or usage thereof or loss of any homestead exemption status of the Land.

EXCEPTIONS WHICH MAY BE ADDED, DEPENDING UPON THE CIRCUMSTANCES:

7. Interest of others in oil, gas and mineral rights, if any, whether or not recorded in the public records.
8. Easements or servitudes, if any, appearing in the public records.
9. Covenants, conditions and restrictions, if any, appearing in the public records.

Note that exceptions 8 and 9 should not be used in an owner's policy or for any commercial transactions.

Further, the agent should strive to be as specific as possible in adding any title exception to a title commitment or policy, including an adequate description thereof, and any instrument number as found in the public records.

Please contact an FNTI underwriter if you have any questions about this topic.

NOTE: This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting First National Title Insurance Company's best business judgment. The information contained in this Bulletin is intended solely for the use of employees of FNTI, its title insurance agents, and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the FNTI Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.