ENDORSEMENT

Attached to Policy No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Issued by



1. The Company agrees that advances made subsequent to Date of Policy pursuant to the terms of the \_\_\_\_\_\_\_\_\_\_ ("Agreement"), which the Insured is obligated to advance and that are secured by the Insured Mortgage (an “Advance”), will be included within the Indebtedness, not to exceed the Amount of Insurance.
2. The Company insures against loss or damage sustained by the Insured by reason of the lack of priority of the lien of the Insured Mortgage as security for each Advance over any lien or encumbrance on the Title arising or attaching after Date of Policy, except with respect to the following matters:
   1. federal tax liens;
   2. liens, encumbrances or other matters, the existence of which are Known to the Insured prior to the date of an Advance, if the Advance is made subsequent to the occurrence of a default (of which the Insured has Knowledge) under the terms of the Agreement and prior to the cure of such default;
   3. bankruptcies affecting the Title prior to the date of an Advance; or
   4. taxes or assessments of any taxing authority that levies taxes or assessments on real property.
3. If the Agreement secured by the Insured Mortgage provides for changes in the rate of interest, the Company further insures against loss or damage sustained by reason of:
   1. the invalidity or unenforceability of the lien of the Insured 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; or
   2. lack of priority of the lien of the Insured 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 Insured Mortgage, which lack 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.
4. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys’ fees, or expenses) resulting from:
   1. any federal or state environmental protection lien; *[or]*
   2. usury, or any Consumer Protection Law*[.][; or*
   3. *any mechanic’s or materialmen’s lien.]*

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: \_\_\_\_\_\_\_\_\_\_

|  |  |  |
| --- | --- | --- |
|  | | |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Authorized Countersignature |  | **FIRST NATIONAL TITLE INSURANCE COMPANY**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  J. Christopher Phillips, President / CEO  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Patrick McMillan, Treasurer |