

ISSUING GUIDELINES

ALTA Endorsement: 20-06 (First Loss – Multiple Parcel Transactions)

Explanation:

This endorsement is effective if the Collateral (any real and personal property that secures the loan) includes at least two parcels of land. This endorsement, unlike many prior proprietary endorsements, contains no threshold or deductible (such as the commonly used 10% deductible), other than impairment that diminishes the value of the Collateral below the Indebtedness. Unlike many prior proprietary endorsements, this endorsement also does not require the lender to pursue its remedies against the insured land. This endorsement acknowledges that the title insurer will not require maturity of the Indebtedness, pursuit of remedies against any of the Collateral (including the land), or pursuit of its remedies against any guaranty, bond or insurance policy.

Underwriting Requirements:

We require the following:

- Verify the Indebtedness is secured by at least two tracts of land. We do not require that the Loan Policy insure all tracts.
- Issue only with a Loan Policy. This Endorsement is not designed for issuance with an Owner's Policy.
- This endorsement does not contain any blanks that must be completed.

Issuing guideline applies to the following Endorsement(s):

ALTA 20-06 First Loss – Multiple Parcel Transactions - 2006 ALTA Loan Policy