

May 4, 2001

Re: Deficiencies on Title Policies

Dear Mr. :

In response to your letter of October 26, 2000, Chicago Title Insurance Company confirmed that none of the following (singularly or in combination) would provide cause for title policy insurance issued by our Offices or Agents to be invalidated. We understand that XXXXXX X is seeking to expand the scope of this October 26<sup>th</sup> letter. The items italicized below represent these additions. Chicago Title Insurance Company is pleased to announce that none of these additional items (singularly or in any combination) would provide cause for title policy insurance issued by our Offices or Agents to be invalidated:

Missing or incorrect recording/re-recording information (including date, book, page, document number etc) as to the insured Deed of Trust or Mortgage  
Per GNMA guidelines, when the security instrument is re-recorded or a loan modification agreement is recorded to correct a term, the effective date of the policy must reflect the new recording date. The date down from the effective date of policy will not be required on corrected securities instruments. ***The Policy will not be invalidated by the lack of an Endorsement that changes its effective date with the understanding that the Insured may not be protected against loss arising from matters that record between the date of the Policy and the subsequent recording date.***

Missing or incorrect designation of the street type (ex. Lane, Drive, Avenue, Street or Court) referenced in the Short-form policy insuring the Deed of Trust or Mortgage

A difference between a street type shown on the insured Deed of Trust or Mortgage and the Title Policy. The legal description(s) must match on the Deed of Trust or Mortgage and the Title Policy

A difference between the mortgage amount on the Deed of Trust or Mortgage and the Title Policy, as long as the unpaid principal balance on the loan is lower than the mortgage amount on the Title Policy

*Missing countersignatures on the policy, endorsements or jacket*

*Jackets on long form title policies-  
If a jacket is missing, we will still honor the policy without the jacket.*

*Missing Schedule B on a Short Form title policy –  
If a Schedule B is missing, we will still honor the policy without this page.*

*An addendum is missing from a Short Form title policy. If an addendum is missing, we will still honor the policy without this page. **With the understanding that Chicago Title may produce any such addendum from their records and the matters shown thereon applicable in the administration of any claim.***

*Missing Schedule A and/or B and/or missing endorsements from a Long Form Title Policy. **With the understanding that Chicago Title may produce from their records any missing Schedule A and/or Schedule B and/or any missing endorsement and have them applicable in the administration of any claim.***

*Amount of Insurance is missing or incorrect*

*Legal description is missing or incorrect*

*Borrower's name is missing or incorrect*

*Date of Policy is missing or incorrect*

*Property address is incorrect or incomplete on a Long Form or Short Form Title Policy*

I am pleased to provide you with the above affirmative response. If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

Richard M. Klarin  
Vice President  
Chicago Title Insurance Company