

Document Title: Mortgage Impairment Protection

A Data Search offering issued through Old Republic National Title Insurance Company

Fast, low cost way for Home Equity and Second Mortgage Lenders to insure their loan position.

MIP is a "no search" insurance product for Home Equity and Second Mortgages that does not delay the closing process.

MIP protects a lender from undisclosed liens that have priority over their insured mortgage.

MIP insures the superiority of the lender's lien over lien's not disclosed in the credit report, loan application or borrower's affidavit provided those liens were not otherwise known to the lender on or before the date of closing, that results in a loss to the lender in accordance with the policy.

Protects the lender against incorrect information contained in the credit report and against incorrect information provided by the borrower in the application and affidavit.

A master policy provides coverage to the lender.

MIP is available in 39 states and provides coverage up to \$500,000.00.

Coverage is life of loan and begins on the date of the loan closing provided that the insured security instrument is recorded in a timely manner, the premium is paid and the information is sent to Data Search in a timely manner.

Coverage ends when the loan is paid in full or a claim is paid in connection with the foreclosure of the loan.

Application Process:

Lender completes a simple online application which is submitted to Old Republic electronically.

MIP is only available to "A" quality loans.

A review of the lender is done by Old Republic and once their underwriting criteria and guidelines are approved, a master policy is issued to the lender for all loans to be insured.

How it works:

The borrower signs an affidavit at closing.

The lender reviews the borrower's credit report, loan application and affidavit.

The lender closes a home equity or second mortgage that is NOT a first mortgage.

The loan conforms to the loan program that was approved.

The lender pays off all existing loans disclosed on the credit report, loan application and borrower's affidavit to which the lender does not want to be subordinate.

Lender records security instrument with the county clerk.

Lender submits to Data Search information on each loan that is to be covered by the MIP. (Customer Name, Address, Loan Amount, Date Submitted for Recording, Loan Number)

Data Search will return a document acknowledging the coverage for each individual loan.

Requirements:

A proper and validly executed security instrument must be recorded.

Insured loan must be a subordinate security instrument. It can not be a first lien security instrument.

The loan amount can not exceed \$500,000.00.

The collateral must be the borrower's primary residence, owner occupied and 1-4 family residential real property.

Lot loans do NOT qualify.

Bridge loans or piggy back loans do NOT qualify.

Loans originated through mortgage broker channels do NOT qualify.

Loans secured by second homes do NOT qualify.

Purchase money second mortgages do NOT qualify.

Business or Commercial loan secured by residential property do NOT qualify.

CLTV must be equal to or less than 100%.

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Availability:

MIP is approved as a title insurance product in the following states:

AL, AR, AZ, CA, CO, CT, DC, GA, IL, IN, IA, KS, KY, LA, MA, MD, ME, MI, MN, MS, MT, ND, NE, NJ, NV, OH, RI, SC, TN, UT, VA, VT, WA, WI, and WV.

In the state of Washington, NIP is only available in the following counties:

Benton, Clallam, Franklin, Grant, Island, Jefferson, King, Kitsap, Kittitas, Klickitat, Lincoln, Mason, Pend Oreile, Pierce, Skagit, Snohomish, Spokane, Stevens, Thurston, Yakima.

AL, AR, IN, LA, ND, and WV have additional statutory search and/or examination requirements that will involve public record searches.

In the states of DE, ID, NH and PA, MIP is issued by Old Republic Insurance Company (ORINSCO) a sister company of Old Republic National Title Insurance Company.

Pricing:

Loans up to \$100,000.00	\$ 50.00
Loans from \$100,001.00 to \$250,000.00	\$ 65.00
Loans from \$250,001.00 to \$500,000.00	\$125.00

Pricing for the product issued in DE, ID, NH and PA:

Loans up to \$100,000.00	\$ 50.00
Loans from \$100,001.00 to \$500,000.00	\$ 50.00 plus .70 per thousand based on the loan amount.

The above premiums are paid to Data Search as a licensed title insurance agent for Old Republic National Title Insurance Company.