

FLORIDA BULLETIN 05-01

TO: ALL AGENTS AND TITLE PLANT OPERATIONS
FROM: UNDERWRITING DEPARTMENT
DATE: July 29, 2005
RE: PRIOR PURCHASE CONTRACT

The Florida real estate market has been experiencing unprecedented price appreciations. While our business has benefited from this environment in many ways, Old Republic has had a significant rise in contract dispute claims. Our agents' risk of involvement in these contract disputes has increase tremendously as well.

Sellers are increasingly accepting back up contracts or seeking the termination of original contracts for whatever technical reason in order to take advantage of another, higher offer. The result has been an increase in the number of actions for specific performance where the lis pendens has been found in the gap.

Accordingly, Old Republic Title requests that each agent:

1. Exercise its best efforts to reduce the gap period;
2. Utilize the attached affidavit on every buy/sell transaction; and
3. Seek approval of underwriting whenever there has been the termination of a prior contract on the property to be insured.

Should you have any questions, please contact your Old Republic Underwriting Department.

AFFIDAVIT OF PRIOR CONTRACT

STATE OF)
COUNTY OF)

BEFORE ME, the undersigned authority, personally appeared _____, who being first duly sworn, deposes and says that:

1. We are either the buyer or seller of real property located at _____ and more particularly described as:

2. No party to this transaction is aware of any previous contract entered into by this seller for the sale of the referenced property.

3. This Affidavit is given as an inducement to Old Republic National Title Insurance Company and any of its agents or insureds, to issue and accept Old Republic National Title Insurance Company's policies of title insurance based on instruments signed by Affiant.

4. We further state that we are familiar with the nature of this oath and with the penalties by law for falsely swearing to statements made in an instrument of this nature; that under the penalties of perjury, the above statements are true and correct.

FURTHER, AFFIANTS SAITH NOT.

Affiant/Buyer

Affiant/Seller

Affiant/Buyer

Affiant/Seller

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20____, by _____, personally known to me or who produced _____ as identification and who did / did not take an oath.

Notary Public
My Commission Expires:

(SEAL)