

# Owner Policy Endorsement

HOMEOWNER EXTENDED COVERAGE



Attached to and made a part of Policy No.

ALTA Owner Policy Form revised 06/17/06, of

Old Republic National Title Insurance Company, a Minnesota Corporation.

The coverage contained herein applies only to single family dwellings or condominiums.

1) Said Policy is hereby amended by adding the following coverage:

## INCREASED POLICY AMOUNT

The Policy Amount will increase by ten percent (10%) of the Policy Amount shown in Schedule A each year for the first five years following the policy date shown in Schedule A, up to one hundred fifty percent (150%) of the Policy Amount shown in Schedule A. The increase each year will happen on the anniversary of the policy date shown in Schedule A.

2) Said Policy is hereby amended by deleting paragraphs 1 through 10 of the covered risks of the policy and adding the following **COVERED RISKS** section:

## COVERED RISKS

We insure you against actual loss resulting from any title risks covered by this Policy up to the Amount of Insurance set forth in Schedule A hereof, except with respect to the deductible amount and maximum dollar limits set forth in certain COVERED RISKS and any costs, attorneys' fees and expenses we have to pay under this Policy.

The Covered Risks are:

1. Someone else owns an interest in Your Title.
2. Someone else has rights affecting Your Title arising out of leases, contracts, or options.
3. Someone else claims to have rights affecting Your Title arising out of forgery or impersonation.
4. Someone else has an easement on the Land.
5. Someone else has a right to limit Your use of the Land.
6. Your Title is defective.
7. Any of Covered Risks 1 through 6 occurring after the Policy Date.
8. Someone else has a lien on Your Title, including a:
  - a. mortgage;
  - b. judgment, state or federal tax lien, or special assessment;
  - c. charge by a homeowner's or condominium association; or
  - d. lien, occurring before or after the Policy Date, for labor and material furnished before the Policy Date.
9. Someone else has an encumbrance on Your Title.
10. Someone else claims to have rights affecting Your Title arising out of fraud, duress, incompetency or incapacity.
11. You do not have both actual vehicular and pedestrian access to and from the Land, based upon a legal right.
12. You are forced to correct or remove an existing violation of any covenant, condition or restriction affecting the Land, even if the covenant, condition or restriction is excepted in Schedule B. However, You are not covered for any violation that relates to any obligation to perform maintenance or repair on the Land, or relates to environmental protection of any kind or nature, including hazardous or toxic conditions or substances, unless notice of the violation is recorded in the Public Records.
13. Your Title is lost or taken because of a violation of any covenant, condition or restriction, which occurred before You acquired Your Title, even if the covenant, condition or restriction is excepted in Schedule B.
14. Because of an existing violation of a subdivision law or regulation affecting the Land:
  - a. You are unable to obtain a building permit;
  - b. You are required to correct or remove the violation; or
  - c. someone else has a legal right to, and does, refuse to perform a

contract to purchase the Land, lease it or make a Mortgage loan on it.

- The amount of Your insurance for this Covered Risk is subject to a deductible amount of one percent of the Amount of Insurance, not to exceed \$5,000 and subject to our maximum dollar liability of \$25,000.00.
15. You are forced to remove or remedy Your existing structures, or any part of them - other than boundary walls or fences - because any portion was built without obtaining a building permit from the proper government office. The amount of Your insurance for this Covered Risk is subject to a deductible amount of one percent of the Amount of Insurance, not to exceed \$5,000 and subject to our maximum dollar liability of \$25,000.00.
  16. You are forced to remove or remedy Your existing structures, or any part of them, because they violate an existing zoning law or zoning regulation. If You are required to remedy any portion of Your existing structures, the amount of Your insurance for this Covered Risk is subject to a deductible amount of one percent of the Amount of Insurance, not to exceed \$5,000 and subject to our maximum dollar liability of \$25,000.00.
  17. You cannot use the Land because use as a single-family residence violates an existing zoning law or zoning regulation.
  18. You are forced to remove Your existing structures because they encroach onto Your neighbor's land. If the encroaching structures are boundary walls or fences, the amount of Your insurance for this Covered Risk is subject to a deductible amount of one percent of the Amount of Insurance, not to exceed \$5,000 and subject to our maximum dollar liability of \$25,000.00.
  19. Someone else has a legal right to, and does, refuse to perform a contract to purchase the Land, lease it or make a Mortgage loan on it because Your neighbor's existing structures encroach onto the Land.
  20. You are forced to remove Your existing structures which encroach onto an easement or over a building set-back line, even if the easement or building set-back line is excepted in Schedule B.
  21. Your existing structures are damaged because of the exercise of a right to maintain or use any easement affecting the Land, even if the easement is excepted in Schedule B.

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- 22. Your existing improvements (or a replacement or modification made to them after the Policy Date), including lawns, shrubbery or trees, are damaged because of the future exercise of a right to use the surface of the Land for the extraction or development of minerals, water or any other substance, even if those rights are excepted or reserved from the description of the Land or excepted in Schedule B.
- 23. Someone else tries to enforce a discriminatory covenant, condition or restriction that they claim affects Your Title which is based upon race, color, religion, sex, handicap, familial status, or national origin.
- 24. A taxing authority assesses supplemental real estate taxes not previously assessed against the Land for any period before the Policy Date because of construction or a change of ownership or use that occurred before the Policy Date.
- 25. Your neighbor builds any structures after the Policy Date - other than boundary walls or fences - which encroach onto the Land.
- 26. Your Title is unmarketable, which allows someone else to refuse to perform a contract to purchase the Land, lease it or make a Mortgage loan on it.
- 27. A document upon which Your Title is based is invalid because it was not properly signed, sealed, acknowledged, delivered or recorded.
- 28. The residence with the address shown in Schedule A is not located on the Land at the Policy Date.
- 29. The map, if any, attached to this Policy does not show the correct location of the Land according to the Public Records.

**3) The following is hereby added to the Exclusions:**

Added to Exclusion No. 1: This Exclusion does not limit the coverage described in items 12, 14a, 14b, 15, 16 and 17 of Covered Risks.

**4) The following are hereby added to Conditions at paragraph 7 as 7 (b)(iii) - 7(b)(vi):**

- (iii) To cancel the coverage described in items 14, 15, 16 or 18 of Covered Risks by paying the maximum dollar limit provided under such Covered Risk, minus any applicable deductible, plus those costs, attorneys' fees and expenses incurred up to the time the Company selects this payment option and only such costs and attorneys' fees which we are obligated to pay.
- (iv) After subtracting any deductible amount that applies, we will pay up to (i) your actual loss, (ii) the amount of insurance specified in the given item as the limit for the particular Covered Risk for claims based upon the coverage described in Items 14, 15, 16 and 18 of Covered Risks, or (iii) the Amount of Insurance in force when the claim is made-whichever is less.
- (v) If we remove the claim against your title within a reasonable time after receiving notice of it, we will have no further liability for it.
- (vi) If you cannot use any of your land because of a claim against your title and you rent reasonable, substitute land or facilities, we will repay you for your actual rent until (a) the cause of the claim is removed or (b) we settle the claim. In the event of a claim based upon Covered Risk 14, 15, 16 or 18, we will be deemed to have "settled your claim" for purposes of obligating us to pay you for your actual rent upon payment to you of the maximum dollar limit for the particular Covered Risk.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

**IN WITNESS WHEREOF**, the Company has caused the Endorsement to be signed and sealed as of the date set forth below, to be valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws.

Countersigned:

\_\_\_\_\_  
 Authorized Officer or Agent

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

A Stock Company  
 400 Second Avenue South, Minneapolis, Minnesota 55401  
 (612) 371-1111

By



President

Attest



Secretary