



OLD REPUBLIC
National Title Insurance Company

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ALERT!

To: All Agents & Attorneys in the States of Texas & New Mexico
From: Stephen R. Streiff
Date: August 16, 2007
Re: First Magnus Financial Corporation and HomeBanc

First Magnus Financial Corporation ("First Magnus") issued a press release today announcing that the company **will not fund any future mortgage loans and is no longer accepting loan applications or funding any mortgage loans** previously originated and not yet funded.

HomeBanc, an Atlanta mortgage banking company, announced it is **bowing out of the lending business** and announced its **filing for Chapter 11 bankruptcy protection**.

As a result of these announcements, **Old Republic operations or agents should not close loans** involving either First Magnus or HomeBanc **unless they currently have good funds** in their escrow account for the loan. For purposes of this **ALERT!**, the term "good funds" should be construed to mean that the funds for the loan have actually been received by the bank and have been credited to the appropriate escrow account.

This **ALERT!** is being issued for the sole purpose of meeting the Company's predetermined underwriting criteria and should in no way be construed as slanderous or defamatory material against any of the parties named herein.

Should you have any questions or require further information, please contact David Rhodes or Steve Streiff in our Legal Department.