

REQUIREMENTS FOR DELETING REQUIRED EXCEPTIONS FOR THE STATE OF MICHIGAN

Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

Requirement: This Exception is deleted from all policies when issued. You must update title prior to disbursing/recording to narrow the gap between the Date of Commitment and the Date of Policy.

Standard Exceptions

1. Any rights, interests or claims of parties in possession not shown by the Public Records.
2. Any encroachment, encumbrance, violation, variation, or adverse circumstance or other matter affecting the Land that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments on the Land of existing improvements located on adjoining land.
3. Easements or claims of easements not shown by the Public Records.

Requirement: Exceptions 1-3 may be deleted from owner's policies upon request of the proposed insured provided you have obtained a seller/buyer affidavit and a survey.

Exceptions 1-3 may be deleted from loan policies up to \$5 million upon request of the proposed insured provided you have obtained a seller/buyer affidavit. Survey is required for all commercial loan policies over \$5 million. Also, survey is required for loan policies insuring newly constructed improvements.

4. Any lien, or right to a lien, for services, labor, or materials in connection with improvements, repairs or renovations provided before, on, or after Date of Policy and not shown by the Public Records at Date of Policy.

Requirement:

Exception 4 may be deleted from all policies upon request of the proposed insured provided you have obtained a seller/buyer affidavit that certifies that no new improvements/construction has occurred in the last 120 days.

Other Required Exceptions

5. Taxes or special assessments not due and payable at Commitment Date.
6. **For Owner's Policy Only:** Taxes and assessments that become a lien against the property after the Date of Policy. The Company assumes no liability for tax increases occasioned by retroactive revaluation, changes in the land or usage thereof or loss of any homestead exemption status of the Land.
7. **For Loan Policy Only:** Those taxes and assessments that become due or payable subsequent to Date of Policy. This does not modify or limit the coverage provided in Covered Risk 11(b).

Requirement: None. Exceptions 5 and 6/7 are not deleted.

8. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; and (c) Oil, natural gas, coal, fissionable materials or other minerals previously conveyed, leased or retained by prior owners, whether or not appearing in the Public Records or listed in Schedule B.

Requirement: Exception 8 may be deleted with a proper search of the records for oil, gas and mineral rights

General Exceptions for Residential Refinances Only

For Loan Policies issued in connection with the refinance of 1-4 family residential, the following general exceptions (General Exceptions) may be used in lieu of searching the required time period for specific easements and restrictions:

9. Any easements or servitudes appearing in the Public Records, if any
10. Covenants, conditions, or restrictions, if any, appearing in the Public Records.

Requirement: If you are asked to remove 9 and 10 you would need to perform your regular search for each items and take the appropriate exceptions based on the search.