



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 encroachment, encumbrance, violation, variation, or adverse circumstance affecting Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, 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 imposed by law and not shown by the Public Records.

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 and assessments not due and payable at Commitment Date.
6. 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.

Requirement:

None. Exceptions 5 and 6 are not deleted.

7. Interest of others in oil, gas and mineral rights, if any, whether or not recorded in the Public Records.

Requirement:

Exception 7 may be deleted with a proper search of the records for oil, gas and mineral rights for 20 years. Plus a search of the GIS Maps located at State of Michigan website.

General Exceptions

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:

8. Easements or servitudes, if any, appearing in the Public Records.
9. Covenants, conditions and restrictions, if any, appearing in the Public Records.
10. Interest of others in oil, gas, and minerals rights, if any, whether or not recorded in the Public Records.

Requirement:

If you are asked to remove the general exceptions 8-10 you would need to perform your regular search for each items and take the appropriate exceptions based on the search.

REMINDER: GENERAL EXCEPTIONS CAN NEVER BE USED ON AN OWNER'S POLICY OR FOR A COMMERCIAL TRANSACTION.