**COMPREHENSIVE ENDORSEMENTS**

**Comprehensive Endorsement 1** is available for loan policies on residential properties typically at no additional premium. It provides the lender with affirmative coverages as to matters such as encroachments and violations and the effect of a present or future violation of a restriction on the lien of the insured mortgage. (See page 5 for the text of the endorsement.)

For existing 1-4 family residential subdivided properties, vacant properties, or agricultural unimproved properties, the Comprehensive Endorsement can be given without the need for a survey or inspection. Unless there is some reason for concern, the endorsement is issued on a risk basis. It is recommended that you obtain the “Affidavit in Lieu of Survey” which follows this section.

In order to issue the endorsement on commercial properties a survey is required. Requests to issue the endorsement on commercial properties without a survey should be referred to an underwriter of the company. Additionally, a fee is usually imposed for issuance of the endorsement on commercial transactions.

**NEW CONSTRUCTION** If new construction is currently ongoing or if we are insuring a construction loan, the following should be raised instead of approving Comprehensive Endorsement 1.

ATTENTION IS DIRECTED TO THE FACT THAT THE IMPROVEMENTS ON THE LAND HAVE NOT BEEN COMPLETED. THEREFORE, THIS COMMITMENT/POLICY IS SUBJECT TO SUCH FURTHER EXCEPTIONS, IF ANY, AS MAY BE DISCLOSED UPON THE COMPLETION OF THE IMPROVEMENTS, AT WHICH TIME A DETERMINATION WILL BE MADE AS TO WHETHER THE COMPANY’S COMPREHENSIVE ENDORSEMENT 1 MAY ISSUE.

This approach is necessary because of the increased risk that an improvement under construction may, for example, encroach across a property line, or onto an easement, or violate a building line. However, if
there is reliable information that any ongoing construction is only a rehab of the interior of the building(s), then Comprehensive Endorsement 1 may be approved.

Upon completion of improvements on 1–4 family residential, subdivided properties, the endorsement can be issued on the basis of a survey, appraisal or inspection.

**UNINSURABLE ENCROACHMENT**

If you are raising an encroachment of an improvement onto adjoining land and the encroachment presents such a great risk that it may not be insured over on the loan policy, Comprehensive Endorsement 1A should be approved (with paragraph 3 being deleted).

**UNINSURABLE VIOLATION**

If you are raising a building violation or a violation of a covenant, condition or restriction and the violation presents such a great risk that it may not be insured over on the loan policy, Comprehensive Endorsement 1A should be approved (with paragraph 3 being deleted).

**ENFORCEABLE REVERTER PROVISION**

If you are raising a covenant, condition and restriction (other than as contained in an insured easement, an insured lease or in a condominium covenant contains an enforceable revertor provision or provisions which might impair the validity, priority or enforceability of the lien of the insured mortgage, Comprehensive Endorsement 1A should be approved (with paragraphs 1(a) and 2 being deleted).

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The provisions contained in paragraph 1(b) of the endorsement never need be deleted. The assurances contained therein, however, are one reason why the following should be raised in Schedule B when performing any title examination:

- If a building line or other covenant is being violated, an exception relating to the violation;
- If covenants and restrictions are being raised, an exception which specifically references the following provisions if they are contained in the instrument: easements, assessment provisions, an option to purchase, a right of refusal or provisions regarding the imposition of a lien for liquidated damages; and
- If a survey or other documentation discloses the encroachment of an improvement onto adjoining property, onto the land or onto an easement, an exception relating to the encroachment.

In addition, because of the endorsement’s assurance that there are no encroachments of existing improvements onto any easement shown in Schedule B, caution also should be exercised when the land is encumbered by a blanket easement or an easement with an imprecise legal description.
Variations on Comprehensive Endorsement 1

COMPREHENSIVE ENDORSEMENT 1 (PLANS AND SPECS)
This endorsement is usually requested when we are asked to insure a construction mortgage. It contains all the assurances contained in Comprehensive Endorsement 1 as to any existing improvements and also provides assurances that future improvements, if built in conformity with specified plans and specifications, will not encroach or violate any building line or other restriction.

Before this endorsement may issue, a current, ALTA-standard survey certified to the underwriter should be reviewed to verify that any existing improvements do not encroach, etc. In addition, the plans and specifications submitted by the customer must be reviewed carefully to verify that the contemplated improvements will not result in any encroachment, building line violation or violation of any other restriction on the property. Because of the increased time, work and risk involved in approving this endorsement, an additional premium should be charged.

ALTA FORM 9
This endorsement is an ALTA form endorsement. It provides essentially the same coverage as Comprehensive Endorsement 1, except that it also contains assurances relating to damage to improvements, lawns, shrubbery and trees located over easements or resulting from the exercise of mineral rights.

COMPREHENSIVE ENDORSEMENT FOR OWNER'S POLICY
The endorsement contains essentially the same assurances that are contained in Comprehensive Endorsement 1, except that no assurance is provided regarding the encroachment of fences, boundary walls, sidewalks, driveways or other paved areas of the land. Because it is for an owner’s policy, however, this endorsement presents a greater risk than Comp 1.

This endorsement is available only upon specific customer request. Before it may issue, a current, ALTA-standard survey, certified to the underwriter, should be examined. In addition, Schedule B must be carefully reviewed to verify that all easements and building lines have been depicted on the survey and that any encroachments or violations may be safely insured over. An underwriter of the company should be consulted prior to its issuance and an additional premium should be charged.
ENDORSEMENT
ATTACHED TO AND FORMING A PART OF
POLICY NUMBER __________

ISSUED BY
CHICAGO TITLE INSURANCE COMPANY

COMPREHENSIVE ENDORSEMENT 1

THE COMPANY HEREBY INSURES THE INSURED AGAINST LOSS OR DAMAGE WHICH THE INSURED SHALL SUSTAIN BY REASON OF:

1. ANY INACCURACIES IN THE FOLLOWING ASSURANCES:
   
   (A) THAT THERE ARE NO COVENANTS, CONDITIONS OR RESTRICTIONS UNDER WHICH THE LIEN OF THE MORTGAGE REFERRED TO IN SCHEDULE A CAN BE DIVESTED OR SUBORDINATED OR ITS VALIDITY, PRIORITY OR ENFORCEABILITY OTHERWISE IMPAIRED;
   
   (B) THAT, UNLESS EXPRESSLY SET FORTH OR INDICATED TO THE CONTRARY IN SCHEDULE B: (1) THERE ARE NO PRESENT VIOLATIONS ON SAID LAND OF ANY ENFORCEABLE COVENANTS, CONDITIONS OR RESTRICTIONS OR PLAT BUILDING LINES; (2) ANY INSTRUMENT REFERRED TO IN SCHEDULE B AS SPECIFICALLY CONTAINING “COVENANTS AND RESTRICTIONS” AFFECTING SAID LAND DOES NOT, IN ADDITION, ESTABLISH AN EASEMENT THEREON OR PROVIDE FOR EITHER A LIEN FOR LIQUIDATED DAMAGES, A LEVY OF A PRIVATE CHARGE OR ASSESSMENT, AN OPTION TO PURCHASE, OR THE PRIOR APPROVAL OF A FUTURE PURCHASER OR OCCUPANT; (3) THERE ARE NO ENCROACHMENTS OF EXISTING IMPROVEMENTS LOCATED ON SAID LAND ONTO ADJOINING LAND, NOR ANY ENCROACHMENTS ON SAID LAND OF EXISTING IMPROVEMENTS LOCATED ON ADJOINING LAND; (4) THERE ARE NO ENCROACHMENTS OF EXISTING IMPROVEMENTS LOCATED ON SAID LAND ONTO THOSE PORTIONS OF SAID LAND SUBJECT TO ANY EASEMENT SHOWN IN SCHEDULE B.

2. ANY FUTURE VIOLATIONS ON SAID LAND OF ANY COVENANTS, CONDITIONS OR RESTRICTIONS OCCURRING PRIOR TO THE ACQUISITION OF TITLE TO SAID LAND BY THE INSURED, PROVIDED SUCH VIOLATIONS RESULT IN LOSS OF THE LIEN OF THE MORTGAGE REFERRED TO IN SCHEDULE A OR IMPAIR THE VALIDITY, PRIORITY OR ENFORCEABILITY OF SUCH LIEN, OR RESULT IN LOSS OF THE TITLE TO SAID ESTATE OR INTEREST IF THE INSURED SHALL ACQUIRE TITLE IN SATISFACTION OF THE INDEBTEDNESS SECURED BY SUCH MORTGAGE.

3. THE ENTRY OF ANY COURT ORDER OR JUDGMENT WHICH CONSTITUTES A FINAL DETERMINATION AND DENIES THE RIGHT TO MAINTAIN ANY EXISTING IMPROVEMENTS ON SAID LAND BECAUSE OF ANY VIOLATION OF ANY COVENANTS, CONDITIONS OR RESTRICTIONS OR PLAT BUILDING LINES OR BECAUSE OF ANY ENCROACHMENT THEREOF OVER ONTO ADJOINING LAND.

WHEREVER IN THIS ENDORSEMENT ANY OR ALL THE WORDS “COVENANTS, CONDITIONS OR RESTRICTIONS” APPEAR, THEY SHALL NOT BE DEEMED TO REFER TO OR TO INCLUDE THE TERMS, COVENANTS, CONDITIONS OR LIMITATIONS CONTAINED IN ANY LEASE, INSTRUMENT CREATING AN EASEMENT OR DECLARATION OF CONDOMINIUM REFERRED TO IN SCHEDULE A.

THIS ENDORSEMENT IS MADE A PART OF THE POLICY AND IS SUBJECT TO ALL THE TERMS AND PROVISIONS THEREOF AND OF ANY PRIOR ENDORSEMENTS THERETO. EXCEPT TO THE EXTENT EXPRESSLY STATED, IT NEITHER MODIFIES ANY OF THE TERMS AND PROVISIONS OF THE POLICY AND PRIOR ENDORSEMENTS, IF ANY, NOR DOES IT EXTEND THE EFFECTIVE DATE OF THE POLICY AND PRIOR ENDORSEMENTS, NOR DOES IT INCREASE THE FACE AMOUNT THEREOF.
COMPREHENSIVE ENDORSEMENT 1A

THE COMPANY HEREBY INSURES THE INSURED AGAINST LOSS OR DAMAGE WHICH THE INSURED SHALL SUSTAIN BY REASON OF:

1. ANY INACCURACIES IN THE FOLLOWING ASSURANCES:
   
   (A) THAT THERE ARE NO COVENANTS, CONDITIONS OR RESTRICTIONS UNDER WHICH THE LIEN OF THE MORTGAGE REFERRED TO IN SCHEDULE A CAN BE DIVESTED OR SUBORDINATED OR ITS VALIDITY, PRIORITY OR ENFORCEABILITY OTHERWISE IMPAIRED:
   
   (B) THAT, UNLESS EXPRESSLY SET FORTH OR INDICATED TO THE CONTRARY IN SCHEDULE B: (1) THERE ARE NO PRESENT VIOLATIONS ON SAID LAND OF ANY ENFORCEABLE COVENANTS, CONDITIONS OR RESTRICTIONS OR PLAT BUILDING LINES; (2) ANY INSTRUMENT REFERRED TO IN SCHEDULE B AS SPECIFICALLY CONTAINING “COVENANTS AND RESTRICTIONS” AFFECTING SAID LAND DOES NOT, IN ADDITION, ESTABLISH AN EASEMENT THEREON OR PROVIDE FOR EITHER A LIEN FOR LIQUIDATED DAMAGES, A LEVY OF A PRIVATE CHARGE OR ASSESSMENT, AN OPTION TO PURCHASE, OR THE PRIOR APPROVAL OF A FUTURE PURCHASER OR OCCUPANT; (3) THERE ARE NO ENCROACHMENTS OF EXISTING IMPROVEMENTS LOCATED ON SAID LAND ONTO ADJOINING LAND, NOR ANY ENCROACHMENTS ONTO SAID LAND OF EXISTING IMPROVEMENTS LOCATED ON ADJOINING LAND; (4) THERE ARE NO ENCROACHMENTS OF EXISTING IMPROVEMENTS LOCATED ON SAID LAND ONTO THAT PORTION OF SAID LAND SUBJECT TO ANY EASEMENT SHOWN IN SCHEDULE B.

2. ANY FUTURE VIOLATIONS ON SAID LAND OF ANY COVENANTS, CONDITIONS OR RESTRICTIONS OCCURRING PRIOR TO THE ACQUISITION OF TITLE TO SAID LAND BY THE INSURED, PROVIDED SUCH VIOLATIONS RESULT IN LOSS OF THE LIEN OF THE MORTGAGE REFERRED TO IN SCHEDULE A OR IMPAIR THE VALIDITY, PRIORITY OR ENFORCEABILITY OF SUCH LIEN, OR RESULT IN LOSS OF THE TITLE TO SAID ESTATE OR INTEREST IF THE INSURED SHALL ACQUIRE TITLE IN SATISFACTION OF THE INDEBTEDNESS SECURED BY SUCH MORTGAGE.

3. THE ENTRY OF ANY COURT ORDER OR JUDGMENT WHICH CONSTITUTES A FINAL DETERMINATION AND DENIES THE RIGHT TO MAINTAIN ANY EXISTING IMPROVEMENTS ON SAID LAND BECAUSE OF ANY VIOLATION OF ANY COVENANTS, CONDITIONS OR RESTRICTIONS OR PLAT BUILDING LINES OR BECAUSE OF ANY ENCROACHMENT THEREOF OVER ONTO ADJOINING LAND.

THE FOLLOWING NUMBERED PARAGRAPH(S) IS/ARE HEREBY DELETED: ~

WHEREVER IN THIS ENDORSEMENT ANY OR ALL THE WORDS “COVENANTS, CONDITIONS OR RESTRICTIONS” APPEAR, THEY SHALL NOT BE DEEMED TO REFER TO OR TO INCLUDE THE TERMS, COVENANTS, CONDITIONS OR LIMITATIONS CONTAINED IN ANY LEASE, INSTRUMENT CREATING AN EASEMENT OR DECLARATION OF CONDOMINIUM REFERRED TO IN SCHEDULE A.

THIS ENDORSEMENT IS MADE A PART OF THE POLICY AND IS SUBJECT TO ALL THE TERMS AND PROVISIONS THEREOF AND OF ANY PRIOR ENDORSEMENTS THERETO. EXCEPT TO THE EXTENT EXPRESSLY STATED, IT NEITHER MODIFIES ANY OF THE TERMS AND PROVISIONS OF THE POLICY AND PRIOR ENDORSEMENTS, IF ANY, NOR DOES IT EXTEND THE EFFECTIVE DATE OF THE POLICY AND PRIOR ENDORSEMENTS, NOR DOES IT INCREASE THE FACE AMOUNT THEREOF.
AFFIDAVIT IN LIEU OF SURVEY

The undersigned ("Owner") being first duly sworn, under oath, state as follows:

That the Owner of record of the real estate described in Chicago Title Insurance Company’s Commitment referred to above have not made or caused to be made any structural additions or improvements to the existing improvements.

That Owner did not receive any survey at the time we purchased the property, nor have we subsequently obtained a survey.

To the best of our knowledge, we certify that the improvements (house, garage, outbuildings, etc.) on the subject property are within the boundary lines and set back lines, if any, of said property, and that there are no encroachments (fence, walkways, driveway, eaves, drains, etc.) by improvements on adjoining property onto the subject property, and that we know of no assertion being made by any adjoining property owner nor by us against them as to the location of boundary lines or disputes as to occupancy of any portion of our property or their property except (list any):

________________________________________________________________________

Owner affirmatively states that the land is not affected by or subject to:
I. Rights of way, including those for roads, lanes, driveways or walks across said premises serving other property;
II. Underground installations such as sewers, water pipes, gas or oil pipe lines, conduits, across said premises serving other property;
III. Joint, driveways or walkways; party or curtain walls; beam rights; porches, steps or roofs used in common or joint garages.

The land has access by means of a public road known as _____________________________.

The improvements on the land have the address of _____________________________.

The land is improved with: together with:

single story residence
multi-story residence

attached garage
detached garage

no garage

This affidavit is made to induce Chicago Title Insurance Company to provide title insurance coverage over questions of survey on the policy or policies issued under the title commitment mentioned above.

__________________________________        ________________________________
owner     owner

Subscribed and sworn to before me this ______ day of ____________, ______.

______________________________________
Notary Public