

# **Title Chat**

## **Volume 52**

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## **New 2006 ALTA Commitments, Endorsements and Policy Forms**

Our last Chat listed and described all of the new forms adopted by the American Land Title Association in 2006. Currently the forms are being filed in those states where policy and endorsement forms must be filed and/or approved by the title insurance regulator before being used in that particular state. In the states where North American Title Insurance Corporation does business, these states are Florida, Texas, Maryland, Virginia and the District of Columbia. The forms can be used in Illinois.

### **The 2006 Commitments Forms**

There are two 2006 Commitment forms: a standard commitment and a plain language commitment, both of which are similar to the previous ALTA versions. Both forms now contain a provision referring to the arbitration provision in the Owner's and Loan policies.

### **The 2006 Endorsements**

Until several years ago ALTA Endorsement 9 was the last of the ALTA series of approved endorsements. Now the ALTA series of endorsements ends with Number 22. We will Chat about three of the changed or new endorsements that we listed last month. If you are interested in Chatting about any others, please let us know.

ALTA Endorsements 22-06 (Location) and 22.1-06 (Location and Map). They have been available on a state-by-state basis until now and can be used with either an Owners or Loan policy. In the "Location" endorsement coverage is provided against loss because of the failure of a certain described improvement know as a certain street address to be located on the land at date of policy. The "Location and Map" endorsement contains the same provisions as the "Location" endorsement and adds coverage if the "map" attached to the endorsement fails to show the correct location and dimensions of the land.

ALTA 7.1-06 (Manufactured Housing Unit -- Conversion: Loan) and 7.2-06(Manufactured Housing Unit -- Conversion: Owner's) both expand the coverage that has been provided by the ALTA 7. The new endorsements, in addition to providing that the term "Land" in the policy includes the manufactured housing unit located on the land, provides coverage against loss (i) if such unit is not located on the land, (ii) does not constitute real property, (iii) if the Insured in the Owner's policy does not own the unit, or the insured lender in a Loan policy does not have a lien on the unit, (iv) as to any lien that may have attached to the unit as personal property, and (v) and if in a Loan policy that the lien of the insured mortgage is not enforceable against the land in a single foreclosure procedure.

ALTA 9.3-06; (Loan) 9.4-06 and 9.5-06 (Owner's) are all for use with the 2006 policy forms and add an insuring provision regarding damage to improvements constructed after date of policy resulting from the future exercise of any right of surface entry to extract or develop minerals excepted from the legal description of the land or excepted to in Schedule B.

We will discuss the 2006 policy forms in our next Chat.

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