

Title

FREQUENTLY ASKED ^ QUESTIONS

April 2010

The proposed insured lender is insisting that I issue an ALTA 1-06. I thought that that endorsement was withdrawn. What should I do?

Contrary to local “title-lore”, the ALTA 1 endorsement, commonly known as the “Street Assessment Endorsement”, was not withdrawn when the 2006 ALTA forms were approved in 2007. Rather, the 2006 version of the endorsement was adopted (the ALTA 1-06) but the \$25.00 charge for the endorsement was eliminated.

The ALTA 2006 form of loan policy provides similar coverage to the ALTA 1-06 in Covered Risk 11(b) where it provides coverage over

11. The lack of priority of the lien of the Insured Mortgage upon the Title... (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.

Many lenders, however, prefer to also have an ALTA 1-06 endorsement issued with their policy. This is absolutely acceptable however you may no longer charge for issuance of this endorsement.

The ALTA 1-06 endorsement may be found in section 10.14 of our Rate Manual.