



## ISSUING GUIDELINES

### ALTA Endorsement: 42-06 (Commercial Lender Group Endorsement)

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#### **Explanation:**

This endorsement may be appropriate when a group of lenders, described as a "Lender Group" for this endorsement, own portions of the indebtedness. An individual lender which is a member of the Lender Group is described as a "Participant". The composition of the Lender Group may change by the addition or withdrawal of Participants. A Participant is an Insured under the policy to the extent of its ownership of a portion, whether it acquires its portion of the Indebtedness on or after Date of Policy.

In this endorsement, the Company insures against loss sustained by reason of the invalidity or unenforceability of the lien of the Insured Mortgage, and the loss of priority of the lien of the Insured Mortgage which losses are caused by transfers after the Date of Policy of portions of the Indebtedness by the Participants.

The Company reserves all rights and defenses as to any Participant that the Company would have had against any other Insured under the policy, unless the Participant acquired its portion of the Indebtedness as a purchaser for value without Knowledge of the asserted defect, etc.

#### **Underwriting Requirements:**

The Land is not improved with a one-to-four family residential dwelling.

The agreement between the Participants is reviewed for any provision inconsistent with the coverages of this endorsement.

This endorsement may be issued or modified only after written approval is obtained from Dakota Homestead Underwriting.

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#### **Issuing guideline applies to the following Endorsement(s):**

ALTA 42-06 Commercial Lender Group Endorsement - 2006 ALTA Loan Policy