



**JUNIOR LOAN POLICY ENDORSEMENT 2  
(Revolving Credit-Variable Rate)**

Issued by

**First American Title Insurance Company**

Attached to and made part of Policy No.:

- I. Provided that:
  - A. The land is a one-to-four family residence or condominium unit; and
  - B. The insured's mortgage creates a lien on the land; and
  - C. The borrower named in the insured's mortgage ("Borrower") is the owner of the land at the date an advance is made pursuant to the note or agreement secured by the insured's mortgage referred to above; and
  - D. With respect to paragraph A. below the insured's mortgage states that it secures repayment of future advances.
  
- II. The Company hereby insures against loss or damage which the insured shall sustain by reason of:
  - A. The failure of the lien for future advances secured by the insured's mortgage to have the same priority over liens, encumbrances, and other matters disclosed by the public records as advances secured by the insured's mortgage at the date of its recording, except for the following matters:
    - 1. Any real estate taxes, assessments, water and sewer rent charges of any governmental taxing authority which constitute a lien on the title and which appear subsequent to Date of Policy in the official tax records where the land is located;
    - 2. Federal tax liens;
    - 3. Liens, encumbrances, or other matters, the existence of which are actually known to the insured prior to the date of an advance; or
  - B. The invalidity or unenforceability of the lien of the insured's mortgage resulting from the provisions of the insured's mortgage which provide for changes in the rate of interest; or
  - C. Loss of priority of the lien of the insured's mortgage resulting from changes in the rate of interest calculated in accordance with the formula provided in the insured's mortgage at the date it is recorded in the public records.
  
- III. This Endorsement does not insure:
  - A. That the Borrower owns the land nor that the insured's mortgage creates a lien on the land, nor the validity, enforceability, or priority of the lien of the insured's mortgage, except to the extent expressly stated; nor
  - B. Against loss or damage resulting from (1) usury, (2) any consumer credit protection or truth in lending law, or (3) bankruptcy or insolvency proceedings of the Borrower.

This endorsement is made a part of the Policy and is subject to all the terms and provisions thereof and of any other endorsements. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

Dated:

**First American Title Insurance Company**



Dennis J. Gilmore  
President

Timothy Kemp  
Secretary

By: \_\_\_\_\_

Authorized Countersignature