

ENDORSEMENT



Policy No.:

State Issued:

BALLOON MORTGAGE ENDORSEMENT

1. The Company insures the Insured against loss or damage sustained by the insured by reason of:
 - a. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein, which provide for a Conditional Right to Refinance and a change in the rate of interest as set forth in the Mortgage Rider.
 - b. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest thereon, which loss of priority is caused by the exercise of the Conditional Right to Refinance and the extension of the loan term to the New Maturity Date set forth on the Rider and a change in the rate of interest, provided that all the conditions set forth in Paragraphs 2 and 5 of the Balloon Mortgage Rider have been met and there are no other liens, defects, encumbrances, or other adverse matters affecting title arising subsequent to the date of policy.
2. This endorsement does not insure against loss or damage based upon:
 - a. usury; or
 - b. any consumer credit protection or truth-in-lending law; or
 - c. bankruptcy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not: (i) modify any of the terms and provisions of the policy; (ii) modify any prior endorsements; (iii) extend the Date of Policy; or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date

Agent No.

Signature of Agent or Authorized Signatory