

NY STG TIRSA Reverse Mortgage for Mortgages Made Pursuant to Sections 280 and 280-A of the Real Property Law Endorsement

**ATTACHED TO AND MADE A PART OF POLICY NUMBER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

ISSUED BY

STEWART TITLE GUARANTY COMPANY

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| **File No.:** \_\_\_\_\_\_\_\_\_\_\_ |  |

1. This endorsement and the insurance provided hereby is only effective if the Insured Mortgage is given as security for a “reverse mortgage loan” as defined in New York State Real Property Law Sections 280 or 280-a.

2. The insurance for Advances added by Section 4 of this endorsement is subject to the exclusions in Section 5 of this endorsement, the Exclusions from Coverage in the policy, except Exclusion from Coverage 3(d), the provisions of the Conditions, and the exceptions contained in Schedule B of the policy.

3. For the purposes of this endorsement only:

a. “Agreement” means the note or loan agreement, the repayment of Advances under which is secured by the Insured Mortgage.

b. “Advance” means an advance of principal [indebtedness] made on or after the Date of Policy as provided in the Agreement and secured by the Insured Mortgage, shared appreciation, accrued but unpaid interest, and/or compound interest as set forth and defined in the Insured Mortgage and/or the Agreement.

c. “Changes in the rate of interest” means only those changes in the rate of interest calculated pursuant to a formula provided in the Insured Mortgage or the Agreement at Date of Policy.

4. The Company insures against loss or damage sustained by the Insured by reason of:

a. The invalidity or unenforceability of the lien of the Insured Mortgage as security for each Advance.

b. The lack of priority of the lien of the Insured Mortgage as security for each Advance over any lien or encumbrance on the Title.

c. The invalidity or unenforceability of the lien of the Insured Mortgage resulting from any provisions of the Agreement that provide for (i) shared appreciation interest, (ii) changes in the rate of interest or (iii) the compounding of unpaid interest.

d. The lack of priority of the lien of the Insured Mortgage as security for the Indebtedness, including interest on interest, or interest as changed in accordance with the provisions of the Insured Mortgage, which lack of priority is caused by (i) changes in the rate of interest, (ii) interest on interest or (iii) compounding of unpaid interest.

5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys’ fees, or expenses) sustained by the Insured by reason of:

a. The invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as security for any Advance made after a Petition for Relief under the Bankruptcy Code (11 U.S.C.) has been filed by or on behalf of the holder of the Title;

b. The lien of real estate taxes, water and sewer rent charges, and/or assessments on the Title imposed by governmental authority arising after Date of Policy;

c. The lack of priority of the lien of the Insured Mortgage as security for any Advance to a federal tax lien filed against the holder of the Title, which Advance is made after the filing of the federal tax lien on the Public Records;

d. liens arising after the Date of Policy which by virtue of federal, state or local laws are entitled to priority over the Insured Mortgage;

e. Loss of priority of the lien of the Insured Mortgage as security for any Advance after an event of default as set forth in the Agreement and/or the Insured Mortgage; or

f. any violation or asserted violation of (i) usury laws, (ii) consumer credit, protection, or truth-in-lending laws, (iii) any of the provisions of the New York Reverse Mortgage Statute (Sections 280 et seq of the New York Real Property Law or any amendments, supplements, replacements or successor statute) or the regulations pertaining thereto;

g. the lifetime possession as is stated under Section 280-a (2)(a) of the New York Real Property Law, or

h. any action or proceeding, by judicial procedure or otherwise required to obtain a determination of the amount of (i) shared appreciation interest, (ii) accrued but unpaid interest, or (iii) compound interest.

This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys’ fees, or expenses) resulting from (a) any violation or asserted violation of usury laws, (b) any violation or asserted violation of consumer credit protection or truth-in-lending law, (c) any violation or asserted violation of any of the provisions of the New York Reverse Mortgage Statute (Sections 280 et seq of the New York Real Property Law or any amendments, supplements, replacements or successor statute) or the regulations pertaining thereto, (d) the lifetime possession as is stated under Section 280-a (2)(a) of the New York Real Property Law, or (e) any action or proceeding, by judicial procedure or otherwise required to obtain a determination of the amount of (i) shared appreciation interest, (ii) accrued but unpaid interest, or (iii) compound interest.

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the \_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 20\_\_.

**Dated:** \_\_\_\_\_\_\_\_\_\_\_\_

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| |  | | --- | | Countersigned by: | | Authorized Countersignature | | Company Name | | City, State | |  |  |
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