

CLOSING INDEMNIFICATION LETTER

Date:

Re: Closing Indemnification Letter

Borrower(s) Name(s): _____

Property Address: _____

Settlement Agent or Approved Attorney: _____

Loan Number: _____

To Whom It May Concern:

Settlement Agent, its vendors, and/or its contracted, affiliated, or full time attorney(s) (the “Company”), agrees to indemnify Lender for actual loss of monies incurred by Lender in connection with the settlement and disbursement of the above-referenced loan closing (the “Loan Closing”) subject to the (i) Conditions and Exclusions, and (ii) Restrictions listed in this letter. This indemnification is solely for the settlement (execution of proper documents) and the disbursement of funds (as set forth in the closing instructions or Attorney Opinion Letter) provided.

CONDITIONS AND EXCLUSIONS

A. Lender’s sending of documents or monies to the Company, or the Company’s retrieval of Lender’s documents or monies for the Loan Closing constitutes Lender’s acceptance of this letter.

B. For the purposes of this letter:

1. “Lender” means:

- i. The Addressee of the letter.
- ii. The warehouse lender in connection with the subject mortgage, and
- iii. Provided such assignment was for value and the assignee was, at the time of the assignment, without knowledge of facts that reveal a claim under this letter, the assignee of the subject mortgage.

2. “Land” is the property described in Appendix A of the Attorney Opinion Letter and includes affixed improvements that are outlined in the last recorded conveyance deed of record.

3. “Attorney Opinion Letter” means Attorney Opinion Letter or Attorney Title Opinion Letter, both of which will be supplied by Lender.

C. The Indemnification of this letter extends only to the Loan Closing. The Law of the Jurisdiction where the Land is located shall be the law applied by any court or arbitrator when enforcing and/or interpreting this letter. Any proceeding or litigated dispute arising under this letter must be filed in a state or federal court that retains proper jurisdiction in the United States.

D. When the Company shall have reimbursed Lender pursuant to this letter, it shall be subrogated to all remedies and rights which Lender would have had against any property or person had Lender not been reimbursed. The Company's liability for reimbursement shall be reduced to the extent that you have voluntarily and knowingly impaired the value of this right of subrogation.

E. Any loss arising from the following list shall be excluded from the liability of the Company:

1. Loss or impairment of Lender's monies, due to bank failure, insolvency, or suspension, in the course of collection or while on deposit with a bank;
2. Fraud, theft, misappropriation, or negligence (together, "Inappropriate Conduct") of Lender;
3. Any claims that should arise out of issues that were assumed, created, or agreed to by Lender;
4. The Loan Closing not occurring within 1 year of the Date of this letter;
5. Release or Settlement of any action or claim by Lender without the Company's written consent;
6. Any consumer financial law; or any law relating to a borrower's ability to repay a loan, to truth-in-lending, or predatory lending law regulating credit, lending, sale, trade, and debt collection practices involving consumers; or
7. State or federal laws establishing the requirements, guidelines, or criteria for asset-backed securitization including, but not limited to, exemption from credit risk retention.

F. Under no circumstances shall a claim arising from this letter have a right to litigation or arbitration as part of a class action.

REQUIREMENTS

A. Lender is the lender secured by a security instrument of an interest in the Land.

B. If you are a lender indemnified under the preceding paragraph, your assignee, and your warehouse lender in connection with a loan secured by a security instrument shall be protected as if this letter were addressed to them.

C. The loss is caused exclusively by:

1. Company's failure to comply with Lender's written closing instructions as they relate to:
 - i. The distribution of monies required to establish first lien position.

ii. The obtaining of executed documents, specifically required by Lender, but only to the extent the failure to obtain the required executed document affects the priority, validity, enforceability of the security instrument and/or the status of lien position.

2. Inappropriate Conduct of the Company in handling your documents or funds in connection with the settlement and/or disbursement to the extent that Inappropriate Conduct relates to the status of the lien position or enforceability of the security instrument and/or lien.

This letter replaces any prior correspondence, letter or similar arrangement for closing indemnification that applies to the Transaction. Modification of this letter by the Company is not permitted.

In witness whereof, the undersigned Settlement Agent on _____ has hereunto set its hand and seal.

By:

[Authorized Signatory]