

What is an LP10 with a 102.5 endorsement?

It's really not complicated and it's actually quite common.

An LP10 is a title industry term for the combination of both the ALTA Policy of Title Insurance that is issued with an original construction loan (*a loan used to pay for land and for the construction of buildings and/or detached homes*) and the ALTA Policy of Title Insurance that is issued for the take-out loan (*also known as a permanent loan*). There is a single title charge for both the construction loan title policy and the take-out loan title policy.

The 102.5 Endorsement may be attached to the ALTA Policies of Title Insurance.

This endorsement insures:

- (1) That the foundations of the structure under construction on said land at the date of issuance are within the boundary lines of said land.*
- (2) That the location of said foundations does not, as of the date of issuance, violate the covenants, conditions or restrictions referred to in a Schedule B.*
- (3) Said foundations do not, as of the date of issuance, encroach onto any of the easements referred to in a Schedule B.*

There are other types of title coverage and many different endorsements that may be specified or required for a specific property. Please call me for more detailed information or to discuss your particular needs and situation.



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