

**Texas Short Form Residential Loan Policy of Title Insurance (Form T-2R) and Addendum  
(Form T-2R Addendum)**

TEXAS SHORT FORM RESIDENTIAL  
LOAN POLICY-ONE-TO-FOUR FAMILY  
Issued by  
BLANK TITLE INSURANCE COMPANY  
SCHEDULE A

Amount of Insurance:

[Premium: \_\_\_\_\_]

[File Number: \_\_\_\_\_]

Loan Number:

Mortgage Amount:

Mortgage Date:

Policy Number:

Date of Policy: \_\_\_\_\_ or date of recording of insured mortgage, whichever is later.

Name of Insured:

Name of Borrower(s):

Property Address, as shown on the insured mortgage:

County and State:

The estate or interest in the land identified in this Schedule A and which is encumbered by the insured mortgage is fee simple and is at Date of Policy insured as vested in the borrower(s) shown in the insured mortgage and named above.

The land referred to in this policy is described as set forth in the insured mortgage and is identified as the property address shown above.

This policy consists of [one] page, [including the reverse side hereof,] unless an addendum is attached and indicated below:

\_\_\_\_\_ Addendum attached

\_\_\_\_\_ Section 13 of the Conditions of this policy, which relates to Arbitration, is hereby deleted.

The endorsements marked below are incorporated herein:

\_\_\_\_\_ ENDORSEMENT FORM T-30 (Tax Deletion)

\_\_\_\_\_ AMENDMENT OF EXCEPTION 3, SCHEDULE B: Company insures that standby fees, taxes and assessments by any taxing authority for the year \_\_\_\_\_ are not yet due and payable.

\_\_\_\_\_ ENDORSEMENT FORM T-33 (Variable Rate Mortgage)

\_\_\_\_\_ ENDORSEMENT FORM T-33.1 (Variable Rate Mortgage-Negative Amortization)

\_\_\_\_\_ ENDORSEMENT FORM T-28 (Condominium)

The following subparagraph(s) of this endorsement are deleted: \_\_\_\_\_

\_\_\_\_\_ ENDORSEMENT FORM T-39 (Balloon Mortgage)

\_\_\_\_\_ ENDORSEMENT FORM T-17 (Planned Unit Development)

The following subparagraph(s) of this endorsement are deleted: \_\_\_\_\_

\_\_\_\_\_ ENDORSEMENT FORM T-19 (Restrictions, Encroachments, and Minerals Endorsement)

The following subparagraph(s) of this endorsement are deleted:

\_\_\_\_\_ ENDORSEMENT FORM T-19.2 (Minerals and Surface Damage)  
\_\_\_\_\_ ENDORSEMENT FORM T-19.3 (Minerals and Surface Damage)  
\_\_\_\_\_ ENDORSEMENT FORM T-31 (Manufactured Housing) referring to manufactured housing unit serial number: \_\_\_\_\_

\_\_\_\_\_ ENDORSEMENT FORM T-31.1 (Supplemental Coverage Manufactured Housing Unit)

\_\_\_\_\_ ENDORSEMENT FORM T-36 (Environmental Protection Lien) referring to the following state statute(s): (state statutes may be pre-printed) \_\_\_\_\_

\_\_\_\_\_ ENDORSEMENT FORM T-42 (Equity Loan Mortgage) and subparagraph 2(f) of the Equity Loan Mortgage Endorsement set forth in Procedural Rule P-44.C(2) \_\_\_ is \_\_\_ is not added.

The following subparagraph(s) of this endorsement are deleted: \_\_\_\_\_

\_\_\_\_\_ ENDORSEMENT FORM T-42.1 (Supplemental Coverage Equity Loan Mortgage)

The following subparagraph(s) of this endorsement are deleted:

\_\_\_\_\_ ENDORSEMENT FORM T-43 (Texas Reverse Mortgage)

The following subparagraph(s) of this endorsement are deleted:

[Witness clause optional]

SUBJECT TO THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B BELOW, AND ANY ADDENDUM ATTACHED HERETO, BLANK TITLE INSURANCE COMPANY, A BLANK CORPORATION, HEREIN CALLED THE "COMPANY," HEREBY INSURES THE INSURED IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, EXCLUSIONS, AND CONDITIONS SET FORTH IN THE LOAN POLICY OF TITLE INSURANCE (FORM T-2) PRESCRIBED BY THE TEXAS COMMISSIONER OF INSURANCE AND IN EFFECT AT DATE OF POLICY, ALL OF WHICH ARE INCORPORATED HEREIN. ALL REFERENCES TO SCHEDULES A AND B SHALL REFER TO SCHEDULES A AND B OF THIS POLICY. ALL NOTICES REQUIRED TO BE GIVEN TO THE COMPANY AND ANY STATEMENT IN WRITING REQUIRED TO BE FURNISHED THE COMPANY SHALL INCLUDE THE NUMBER OF THIS POLICY AND SHALL BE ADDRESSED TO THE COMPANY AT

\_\_\_\_\_.

**SCHEDULE B  
EXCEPTIONS FROM COVERAGE  
EXPRESS INSURANCE**

Except to the extent of the express insurance set forth below, this policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of those matters contained in any addendum attached hereto or which arise by reason of:

1. Covenants, conditions and restrictions, if any, appearing in the public records; however, this policy insures against loss or damage arising from:

a. the violation of any covenants, conditions and restrictions on or prior to Date of Policy, except that this express insurance does not extend to covenants, conditions and restrictions relating to environmental protection, unless a notice of violation thereof has been recorded or filed in the public records and is not referenced in an addendum attached to this policy.

b. forfeiture or reversion of title from a future violation of any covenants, conditions and restrictions appearing in the public records, including any relating to environmental protection; and

c. any provisions in any covenants, conditions and restrictions under which the lien of the insured mortgage can be extinguished, subordinated or impaired.

2. Any shortages in area. This policy insures against loss or damage arising from any encroachments or protrusions, or any overlapping of existing improvements located on the land onto adjoining land, and encroachments onto the land of existing improvements located on adjoining land.

3. Standby fees, taxes and assessments by any taxing authority which become due and payable subsequent to Date of Policy; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (The Company may add or pre-print promulgated language of P-20, subject to compliance with the terms thereof and payment of the premium set forth in R-24)

4. Any easements or servitudes appearing in the public records; however, this policy insures against loss or damage arising from (a) the encroachment, at Date of Policy, of the improvements on any easement; or (b) any interference with or damage to existing improvements, including lawn, shrubbery or trees, resulting from the use of the easements for the purposes granted or reserved.

5. Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records; however, this policy insures against loss or damage arising from: (a) any effect on or impairment of the use of the land for residential one-to-four family dwelling purposes by reason of such lease, grant, exception or reservation of minerals or mineral rights appearing in the public records; and (b) any damage to existing improvements, including lawn, shrubbery and trees, resulting from the future exercise of any right to use the surface of the land for the extraction or development of the minerals or mineral rights so leased, granted, excepted or reserved. Nothing herein shall insure against loss or damage resulting from subsidence.

ADDENDUM TO TEXAS SHORT FORM

RESIDENTIAL LOAN POLICY

[File Number: \_\_\_\_\_]

Addendum to Policy Number:

SCHEDULE B (Continued)

IN ADDITION TO THE MATTERS SET FORTH ON SCHEDULE B OF THE POLICY TO WHICH THIS ADDENDUM IS ATTACHED, THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE BY REASON OF, AND THE EXPRESS INSURANCE SET FORTH IN PARAGRAPHS 1-5 OF SCHEDULE B SHALL NOT APPLY TO, THE FOLLOWING: (Here add exceptions pursuant to Rule P-2, P-5, P-8, or P-37)

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