

AGENT UNDERWRITING BULLETIN

WASHINGTON MUTUAL UPDATE

The following is meant to replace, in its entirety, the previous bulletin regarding the closing of Washington Mutual Bank.

Washington Mutual Bank was closed and the FDIC was named Receiver by the Office of Thrift Supervision on September 25, 2008. The FDIC promptly facilitated the acquisition of the assets of Washington Mutual Bank by JPMorgan Chase & Company. The Purchase and Assumption Agreement between them provides that the FDIC, as Receiver, will cooperate in the execution of documents necessary to convey real property interests. Accordingly, the approach to REO has been revised below. However, Chicago Title is willing to insure based on releases executed by JPMorgan Chase Bank as set for below.

PAYOFF OF LOANS: based on payoff statements of whatever date: You may rely on payoff statements of whatever date from Washington Mutual and pay proceeds to Washington Mutual or to JPMorgan Chase, pursuant to their direction. You can accept the releasing party to be JPMorgan Chase Bank, NA., as assignee of the Federal Deposit Insurance Corporation, as Receiver of Washington Mutual Bank, FSB, or Washington Mutual Home Loans, Inc. It is not required that the release is executed by the FDIC as Receiver. If you already have a Washington Mutual release/satisfaction deposited into escrow contingent on paying them, you may proceed to record that release/satisfaction as is.

REO (Real Estate Owned By Washington Mutual): for transactions involving judgments of foreclosure of any date, in which a deed has vested title in Washington Mutual, it is required that the deed out from Washington Mutual be executed by the FDIC, its Receiver. While a deed might run to JPMorgan Chase Bank, followed by a second deed to the end purchaser, it is acceptable that the conveyance from the Receiver run directly to the end purchaser. If you are handling the funds for this sale, it is acceptable for the proceeds to be paid to Washington Mutual or to JPMorgan Chase Bank, pursuant to their direction. It is advisable that commitments anticipating such sales of REO contain an exception in Schedule B requiring that the deed be executed by Washington Mutual by the FDIC as its Receiver. It is expected that the FDIC will utilize powers of attorneys for such deeds, and appointment and authority of such individuals must be confirmed.

PENDING AND FUTURE FORECLOSURES OF MORTGAGES IN FAVOR OF WASHINGTON MUTUAL: the real party in interest on such mortgages has now become JPMorgan Chase Bank, NA. An affidavit from the FDIC is intended by those parties to evidence the transfer of ownership of the loans without the necessity of a loan by loan assignment. Unless some objection is raised in the proceeding itself as to the status of JPMorgan Chase Bank, NA as owner of the indebtedness and proper plaintiff, we will rely on such status without requiring an assignment from the FDIC as Receiver. If the proceeding results in a deed to JPMorgan Chase Bank, NA again, no assignment of the mortgage from the FDIC as Receiver is needed.

For individual questions, please contact your local Chicago Title Underwriter.

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