



First American Title Insurance Company

WE INSURE MEXICO

OFFERING

International Title Insurance Policies designed for the purchase, financing and leasing of real property throughout Mexico providing unparalleled financial protection, title insurance expertise and superior customer service

**Valuable Title Protection
For Property Owners and Lenders**

First in Protection

First American Title Insurance Company (“First American”) is one of the largest title companies in the world and has been in business since 1889. We are known for our innovative leadership in the industry and expertise in underwriting. First American’s title policies are backed by the financial standing of its parent, First American Corporation, which has revenues of over \$3 billion. Its stock is traded on the New York Stock Exchange (under the symbol FAF).

With a First American International Policy, you are protected by an insurance policy, a true indemnity contract that we uphold in the U.S. If any defect covered by our policy in the chain of title is found, we are responsible for the loss or damage this defect causes. ***The First American difference in protection is that our policies cover non-recorded as well as recorded matters at the Public Registry of Property.***

The policies are issued directly by First American in the U.S. As such, all claims will be handled in the U.S. without the insured having to go through the Mexican court system. Your policy is also backed by our obligation to provide a defense for covered matters. That means that First American will stand by you in response to a challenge to your title in Mexico. You simply tender your claim to First American, and we will defend in Mexico your property rights as insured.

First in Mexico

First American was the first U.S. company to issue title insurance policies on Mexican land. We have been facilitating complex commercial, industrial and residential real estate transactions throughout the country for over twenty -five years. We are experts in the Mexican law, property ownership and transfer system. We have the experience to simplify Mexico’s often difficult and complex real estate transactional processes and eliminate delays, and costly or damaging misunderstandings. Our clients include institutional investors, industrial park developers, hotel/resort owners, retailers, manufacturers, as well as the residential buyer.

First in Service

Our goal at First American is to make every Mexico transaction safe, easy and economical. After twenty -five years of operating in Mexico, we have developed time-tested, efficient policy issuance procedures. We have excellent working relationships with U.S. and Mexican experts, including attorneys, brokers, engineers, appraisers and surveyors, to assist you at every step of a transaction in legal, governmental, banking, tax, and real estate matters.

We also offer escrow services as an independent and neutral holder of funds. We have an international escrow account arranged through a major U.S. bank to securely hold deposits,

proceeds from sales and/or purchase funds. Under your instructions, we will disburse the funds to payoff mortgages, real estate commissions, taxes due at closings, closing fees and/or the purchase price.

First in International

First American currently offers title insurance protection in 51 countries including Canada, the Caribbean, and the majority of Latin America, Europe and Asia.

THE FIRST AMERICAN INTERNATIONAL TITLE INSURANCE POLICIES FOR MEXICO

The First American International Policy of Title Insurance with the Mexican Endorsement (“Mexican Policy”) is very similar to the American Land Title Association (“ALTA”) policy available in the U.S. It is designed to insure any recognized land interest in Mexico such as direct ownership, leasehold and trust or beneficial ownership (“*fideicomiso*”) covering commercial and residential properties, including privatized communal farms (“*ejidos*”), beachfront and border properties (the “excluded zones”).

The Mexican Policy includes specific title risk coverage against marital rights, fraud, mortgages, mechanic’s and/or tax liens, easements, contractual obligations restricting the use of the property, adverse possession by a third party, *ejidos*, forgery and other matters not of record (based upon our receipt of acceptable surveys, surveyor's certificates or affidavits, seller's affidavits and real property tax certificates). The policy insures against loss from defects in title unknown to the insured prior to the date of the transfer of title or loan that were not otherwise stated in the policy, regardless of whether the loss results from errors in the Public Registry, errors in the search of the Public Registry or any other cause. It also covers access to the land. The policy is written in English, insures in dollars and pays claims in dollars. It is a U.S. policy covering land in Mexico issued directly by First American in the U.S. Coverage continues for the duration of time that the insured holds its interest in the real property.

The Mexican Policy has fourteen clauses dealing with significant threats to title of concern to the Mexico investor, including ...

Ownership issues, such as title being vested other than as insured, or having defects, liens, mortgages, contracts, options and other encumbrances on the title.

Fraud and forgery matters, including those resulting from undue influence, duress, incapacity or impersonation affecting the title.

Physical site questions, including right of access to and from the land, covenants limiting its use, easements and rights of way.

Transfer issues, such as unauthorized conveyances by a corporation, partnership, trust, limited liability company or other legal entity, or one derived through a defective judicial proceeding.

Documentation problems, such as the invalidity of a document executed under an invalid power of attorney, or one improperly executed or recorded, or one with an erroneous or inadequate legal description of the land.

In addition to the coverages in the Owner's Policy, the Mexican Loan Policy offers lenders protection regarding ...

Insured mortgage issues, including the invalidity or unenforceability of a lien, charge or privilege of the insured mortgage – or of any assignment of that mortgage – due to, among other things, the invalid or unauthorized execution of the mortgage. It also insures priority of the insured mortgage over any lien, charge, privilege or encumbrance affecting title to the property covered by the insured mortgage.

We can also offer a full array of endorsements to cover the needs of the insured. Most of the standard U.S. type endorsements as well as ones specific to Mexican land or the particular transaction can be added to a policy.