



EquityProtection

powered by  NFP®

Lien Protection Program

Lien Protection Program

Our Lien Protection Program (LPP) offers lenders a streamlined approach to coverage for errors or omissions occurring in lien searches and mortgage origination services for equity loans and lines.

Using LPP eliminates the need for traditional title insurance, providing coverage for economic damages arising from undiscovered liens or recording errors in the event of loan default.

How Does LPP Benefit Lenders?

- Claims are paid directly to the lender to restore your lien position.
- Coverage can be obtained post-closing, simplifying and speeding up the closing process.
- Reduce title-related costs.
- Available for all junior liens you originate.

**Reduce
origination
expenses and
close home
equity loans and
lines of credit
faster knowing
that your lien
position is
protected.**

Lien Protection Program

The LPP Solution:

- Maintained by an AM Best "Excellent" Rated carrier
- Covers 1-4 family residential properties
- Offers extensive E & O coverage up to \$500,000 per loan/line
- Coverage is for the life of the loan
- Coverage follows the mortgage agreement and can be assigned to investors
- LPP insurance is only billed to loans that close
- Maximum CLTV is 100%
- Minimum credit score is 600

Benefits of the Lien Protection Program

Uninsured Search	Insured Search (LPP)
Lender's staff responsible for clearing all undischarged liens which can result in errors.	LPP covers lenders up to \$500,000 per property against Errors and Omissions in property searches and recording the security instrument.
Only insured for Errors and Omissions and may only carry \$1000-\$15,000 worth of coverage.	LPP insurance is billed only on the loans that close.
Can cause serious economic and reputation damage to search provider.	LPP coverage follows the associated loan regardless of who currently owns the loan.

Maximum Loan Amount:	\$500,000
Qualified Loan Type:	Junior lien position, home equity lines, loans and First Position loans in some instances
Coverage Period:	Life of loan
Limited Liability Coverage:	No aggregate limit of liability (no limit on the number of loans included on the master policy)



Program Disclaimer: This coverage is strictly limited to the damages associated with restoring the lender to the same lien position before the E & O incident in the event of a default. If a home equity loan defaults and there was no E & O incident, then there is no claim under this policy. The policy does not pay for damages for a lender's credit risk or business risk of originating a home equity mortgage that defaults. Lenders are officially recognized as potential "claimants" under the policy through the issuance of a third party beneficiary endorsement.

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