

SOUTHERN TITLE INSURANCE CORP.

Three James Center - 7th Floor
1051 East Cary Street, Richmond VA 23219
Toll Free 800-468-0151 Local 804-648-6000 Ext # 3018 Fax 804-643-4139
rblanton@southerntitle.com

Rob Blanton
CFO and Treasurer

Re: Financial Overview of Southern Title Insurance Corporation

To whom it may concern:

Southern Title Insurance Corporation was incorporated in 1925 as Virginia Realty Guaranty Title Corporation. In 1948, the company's name was changed to Southern Title Insurance Corporation ("Southern Title"). Our company issues title insurance and provides related services through a network of branch and agency operations. The company is licensed to conduct business in the 20 states as well as in the District of Columbia. The states where Southern Title is licensed as an insurer are as follows:

Alabama, Arkansas, Colorado, Delaware, Florida, Georgia, Louisiana, Maryland, Mississippi, New Jersey, New Mexico, Nevada, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia and D.C.

Southern Title has been the only title insurance subsidiary that is part of Attorneys Liability Protection Society RRG, (ALPS), a lawyers professional liability insurer with headquarters in Missoula, Montana.

Southern Title has extensive experience and expertise in providing comprehensive title insurance services for all forms of real estate transactions ranging from a home purchase or refinance to the most complex commercial transaction.

Annually, Southern Title Insurance Corporation undergoes a rigorous, quantitative analysis of its financial condition by Demotech, Inc., a third party, independent Title underwriter rating service, Demotech, Inc. Financial Stability Rating® are accessible via the internet at www.demotech.com.

The 2010-11 Financial Stability Rating® awarded by Demotech, Inc to Southern Title Insurance Corporation is:

A' (A Prime) Unsurpassed

the secondary mortgage marketplace which in turn facilitates the acceptance of title underwriters rated S or better. Demotech indicates that the following statement is applicable to all Title underwriters possessing an A' (A Prime) FSR:

Regardless of the severity of a general economic downturn or deterioration in the insurance cycle, insurers earning a Financial Stability Rating® of A' (A prime) possess Unsurpassed financial stability related to maintaining positive surplus as regards policyholders.

Demotech has also assigned Southern Title Insurance Corporation a Commercial Real Estate recommendation of “Strongly Recommended for Commercial Real Estate Transactions”.

The data Demotech utilized to assign our A' (A Prime) FSR was obtained from statutory annual statements. The most recent complete year's Form 9, along with quarterly statements, are available on our agent support website at www.stichome.com under the “Current Financials” button.

Additionally, for the past 30 years, Southern Title has, as corporate policy, protected corporate assets by reinsuring all single title risks in excess of \$1,000,000 through the use of a Reinsurance Treaty with several of the largest national underwriters and is currently reinsured through several syndicates with Lloyds of London. This corporate philosophy of spreading risks through the use of reinsurance allows our policyholders to have comfort in knowing that a catastrophic loss on any policy would have minimal impact on our financial condition.

In order to allow you some insight into the names of lenders with whom we deal with daily, we make available a list of lenders who have accepted our insured closing service letters and policies. This list, and other specific financial information, is available on our agent and approved attorney support website at www.stichome.com under the “Rating, Financial Information and Representative Lender Clients” button.

If you need additional financial information or have any other questions regarding Southern Title, please contact me, as Southern Title's CFO and Treasurer, at 1-(800)-468-0151, ext. # 3018, or contact me via e-mail [at rblanton@southerntitle.com](mailto:rblanton@southerntitle.com).

Sincerely yours,

.....Blue ink signature available upon request.....

Rob Blanton
CFO and Treasurer