

## **Teranet expands product offering with mortgage loan processing service**

**TORONTO, ON – November 14, 2006** - Teranet today announced it is expanding its product offering for financial institutions with the introduction of a leading automated collateral management system (CMS). The system streamlines the process for reviewing and approving loans. Teranet Enterprises Inc. is offering the service as the exclusive Canadian agent for FNC Inc., effective immediately.

“This system has already been proven successful in the U.S. and Canadian lenders tell us there is a strong demand here,” said Teranet Associate Director of eServices, Chris Valentine. “We see this as a great opportunity to add value for our customers by bringing them more complete and compelling services.”

The CMS automates the flow of collateral documents and information pertaining to a loan decision. Currently, lenders receive appraisals in multiple formats - paper, fax, email, xml - and processing them by hand can be a time consuming project. CMS automatically feeds the different formats into a single repository to be processed, combined and evaluated with automated valuations (AVMs) and fraud mitigation tools. Lenders need only touch the exceptions, giving them the ability to consider more loans in less time.

FNC Inc. was named by TowerGroup as the leading collateral risk management services vendor in the U.S. TowerGroup is a research and consulting firm headquartered in Boston Mass. and is focused on the global financial services industry.

“Teranet is a leading company with demonstrated expertise in understanding what lenders need. With this agreement, FNC benefits from Teranet’s strong customer relationships in the Canadian market, and Teranet benefits from our proven technology. We’re happy to have such a formidable partner in Teranet,” said Bill Rayburn, Chief Executive Officer of FNC.

CMS complements a full suite of national risk management offerings from Teranet including Purview and Reavs automated valuation tools, as well as REDX services. As leaders in the provision of solutions to mortgage lenders in Canada, Teranet serves more than 100 national credit-granting institutions.

### **About FNC, Inc.**

Headquartered in Oxford, Miss., FNC pioneered real estate collateral information technology. Since 1999, FNC’s Collateral Management System® (CMS®) has streamlined mortgage operations by converting paper to data to knowledge. FNC’s success positioned the company at No. 154 on Inc. 500’s list of the fastest growing private companies in America in 2004. As the mortgage market enters the age of collateral, FNC will continue to provide the data and analytics to help lenders make informed decisions.

### **About Teranet and Teranet Income Fund**

Teranet is a leading provider of integrated land-based information products and services. Teranet operates in Ontario and provides access to the Ontario Electronic Land Registration System (“ELRS”) through its proprietary software application *Teraview*® software. This product enables customers to conduct electronic registrations as well as title and writ searches relating to real property. Teranet has the exclusive right to access the data in and operate the ELRS

and the Writs of Execution database, and create and market value-added products and services in connection with the ELRS and Writs until March 31, 2017. These licenses extend on a non-exclusive basis in perpetuity for the ELRS and until 2047 for Writs. Through its subsidiary, Teranet Enterprises Inc, Teranet has leveraged its core capabilities to create electronic service offerings in complementary information and e-commerce areas.

### **Forward-Looking Statements**

This news release contains statements that, other than statements of historical fact, may be forward-looking statements about the objectives, financial condition and results of operations of the Fund. These statements are forward-looking and reflect management's current views and are based on certain assumptions and expectations as of August 3, 2006. Actual results could be materially different from expectations if known or unknown risks affect the business, or if estimates or assumptions turn out to be inaccurate. No forward-looking statement is a guarantee of future results. Investors are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements do not take into account the effect that transactions or non-recurring items announced or occurring after the statements are made may have on the business. Teranet disclaims any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason. These statements are subject to a number of risks described in the Risks and Uncertainties section of the most recent MD&A, which is available at [www.sedar.com](http://www.sedar.com). Risks and Uncertainties may cause actual results to differ materially from those contained in forward-looking statements.

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