

TPAZ, LLC

Title, Closing and Settlement Fees and Charges
Effective October 1, 2019

For Use in the State of Arizona

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Section I: General Escrow Rules

- A. Definition of Escrow** – “Escrow” means any transaction in which any escrow property is delivered with or without transfer of legal or equitable title, or both, and irrespective of whether a debtor-creditor relationship is created, to a person not otherwise having any right, title or interest therein in connection with the sale, transfer, encumbrance or lease of real or personal property, to be delivered or redelivered by that person upon the contingent happening or nonhappening of a specified event or performance or nonperformance of a prescribed act, when it is then to be delivered by such person to a grantee, grantor, promisee, promisor, obligee, obligor, bailee or bailor, or any designated agent or employee of any of them. Escrow includes subdivision trusts and account servicing. (A.R.S. 6-801, as amended).
- B. Definition of Transaction** – “Transaction” means the process of completing a real estate closing during which deeds, mortgages, leases and other required instruments are signed and/or delivered, an accounting between the parties is made, the money is disbursed, the papers are recorded, and all other details such as payment of outstanding liens and transfer of hazard insurance policies are attended processed.
- C. Computation from Basic Escrow Rate** – The applicable rate shall be computed on the fair value as defined in Paragraph D. Whenever percentages of the Basic Escrow Rate are used herein, the charge arrived at from use of the percentage shall be rounded up to the highest dollar.
- D. Fair Value** – Fair value shall be defined as the sales price or the sales price including surviving encumbrances, whichever is higher. Where a sale is not involved, the fair value shall be determined from all available information, i.e., amount of encumbrances, assessed value, current appraisals and/or underwriter direction, etc.
- E. Employee Rates** – No charge shall be made to an employee of TPAZ, LLC for escrow services performed in connection with the financing, re-financing, sale, or purchase of the employee’s property. Waiver of said charge is authorized only in connection with those costs which the employee would be obligated to pay by established custom, as a party to the transaction. (Note: The term “employee” also applies to an individual employed by the parent and/or subsidiary of TPAZ, LLC).
- F. Rates and Charges in Effect Prior to Filing** – All rates contained herein become effective when approved by the Arizona Department of Financial Institutions or by operation of law.
- G. Separate Sales or Exchanges** – Basic Escrow Rate in Section II is applicable on each transaction, and shall be charged on the amount of each individual sale or exchange even though there may be one common purchaser, or seller, and the sales or exchanges are handled concurrently, and one or more separate escrows are involved.
- H. Refinance** – “Refinance” means any transaction in which no sale is involved, and a lien shall be secured to a real property which has been previously unencumbered or an existing first lien shall be replaced.
- I. Transfer of Separate Sold Interest in Real Property** – Basic Escrow Rate applicable in Section II shall be based upon the purchase price or the fair value of the percentage of interest being conveyed, whichever is higher.
- J. Contract Pricing** – In certain cases TPAZ, LLC may find it necessary to enter into contracts or agreements with a specific buyer or seller to charge an agreed upon rate for all transactions within a specific project.
- K. Affiliated Contracts** – In order to comply with government mandated mortgage regulations, TPAZ, LLC may find it necessary to enter into an agreement with its affiliated lender(s) for a reduction in fees, in accordance with written directives. This agreement will not apply to transactions involving any other lenders, nor does it apply to cash transactions. Any negotiated rate will be in writing and placed on file.

Section II: A. Basic Escrow Rate Table

Amount to and Including	Rate
\$1,000,000.00	\$1,500.00
\$10,000,000.00	\$1,650.00
\$20,000,000.00	\$1,800.00
For amounts over \$20,000,000.00 the Rate will be \$2,000.00	

Section III: Escrow Rates

- A. Rate (Real Property Sale Transaction)** – The minimum charge of 100% of the Basic Escrow Rate shall be based upon the fair value of the property in the transaction. If additional charges are applicable, all such charges shall be added to the Basic Escrow Rate. Unless otherwise noted or instructed in writing, the rate shall be paid one-half by the buyer and one-half by the seller.
- B. Rate (Real Property Loan Transaction)**
1. If no transfer of title is involved, the charge is 100% of the Basic Escrow Rate.
 2. If concurrent with a sale transaction, there shall be an additional rate added to the Basic Escrow Rates as described in Section III A. The rate shall be \$100.00 per loan.
 3. If no sale is involved and the purpose of the transaction is to secure a construction loan, the rate shall be based upon the dollar value of the fully disbursed construction loan under the Basic Escrow Rates herein. This rate shall include lender requests for additional services such as obtaining lien waivers and architectural approval.
- C. Rate (Sub-Escrow)** – Sub-Escrow services may be provided in support of primary escrow holder or institutional lenders, etc. At a fixed rate agreed upon by and between TPAZ, LLC and said primary escrow holder or lender, dependent upon the difficulty of the escrow. The minimum shall not be less than \$250.00 and the maximum shall not exceed 50% of the applicable rate. The agreed upon rate shall be in writing and kept in the file.
- D. Rate (Leasehold)** – The Leasehold Escrow Rate (other than Oil, Gas or Mineral Leases) shall be 100% of the Basic Escrow Rate based upon the fair value of the property leased or the total amount of the lease payments whichever is less.
- E. Rate (Escrow Only)** – This rate shall apply to any sale transaction with no title policy to be issued by TPAZ, LLC. No other rates shall apply. The rate shall be 50% of the Basic Escrow Rate.
- F. Rate (First Responder/Military)** – This rate is available to any bona fide first responder personnel, including but not limited to, active members of any police, fire, EMT, military, or civil defense organization wherever situated. Proof of said affiliation must be provided to TPAZ, LLC 5 days prior to escrow closing. This rate is applicable only to fees customarily paid by the qualified party. The rate shall be 70% of the Basic Escrow Rate.
- G. Rate (Investor)** – This rate is available to licensed real estate professionals, licensed mortgage professionals, or other individuals or entities customarily engaged in real estate investments wherein they are a buyer or seller. This rate is applicable only to fees customarily paid by the qualified party. 70% of the Basic Escrow Rate will be charged.
- H. Rate (Church and Non-Profit)** – Rates under this section shall apply to transactions involving the purchase or resale of **property** by any organization which is recognized as a non-profit organization by the federal government. Proof of non-profit status must be provided to TPAZ, LLC 5 days prior to escrow closing. This rate is applicable only to fees customarily paid by the qualified party. The rate shall be 50% of the Basic Escrow Rate.

- I. **Rate (Negotiated)** – Under certain circumstances, the Company reserves the right to negotiate fees. Any such rate must be approved in writing by an Officer of TPAZ, LLC and signed by all pertinent parties. A copy of said agreement is to be retained in the files of the Company.

IV: Miscellaneous Service Charges

The following charges may be applicable for services not included in the Basic Escrow Rate. All charges collected for services rendered in this section shall be considered earned income. Upon cancellation, said charges may be deducted from any earnest money prior to disbursement.

- A. **Charge (Recording Fee)** – TPAZ, LLC will charge a recording fee equal to the amount required to record legal documents. These fees shall include charges from the county recorder, any submission platforms and any other service utilized for recordation.
- B. **Charge (Inspection)** – There shall be a charge for each physical property inspection required. The charge shall be \$100.00 for a single lot or parcel. For multiple lots in a common subdivision or contiguous parcels of land, the charge shall be \$100.00 for the first lot/parcel plus \$25.00 for each additional common lot or contiguous parcel thereafter.
- C. **Charge (Post Escrow Holding)** – There will be a \$250.00 charge when an escrow agent is employed by separate escrow instructions to hold funds after an escrow transaction has closed.
- D. **Charge (Document Preparation Fee)** – Standard document preparation may be charged at the rate of \$150.00 per document.
- E. **Charge (Tax Certificate Fee)** – There will be a \$9.50 charge (per tax parcel number) for each tax Certificate provided.