



# **TitleEase**

## **Escrow Rate Manual**

**Effective: September 26, 2023**

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## **GENERAL 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 other, and irrespective of whether a debtor-creditor relationship is created, to a person not otherwise having any right in 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 contingent happening or non-happening of a specific event or performance or non-performance of a prescribed act, when it is then to be delivered by such person to a grantee, grantor, promise, promisor, obligee, obligor, bailee, 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 1988

### **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 are attended to, such as payment of outstanding liens or loans, the transfer of ownership disclosure to homeowners associations of record and payment of any outstanding property taxes due.

### **C. COMPUTATION OF BASIC RATE**

The applicable rate shall be computed on a fair value as defined in Paragraph D below in multiples of \$25,000.00 including any fraction thereof. Whenever percentages of the Basic Escrow Rate are used herein, the charge arrived at from use of the percentage will be rounded up to the nearest dollar.

### **D. FAIR VALUE**

The fair value shall be defined as the sales price including surviving encumbrances. Where a sale is not involved, the fair value will be determined from all available information, i.e. the amount of encumbrances, associated value, appraisals, etc. In no event will it be less than the sum of the unpaid principal balances of the mortgages and/or contracts to which the property is subject to.

### **E. RATE AND CHARGES IN EFFECT PRIOR TO FILING**

All rates contained herein become effective when approved by the Superintendent of Arizona Department of Insurance and Financial Institutions or by operation of law.

### **F. SEPARATE SALES OR EXCHANGES**

The basic escrow rate 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, transactions or exchanges are handled concurrently, and one or more separate escrows are involved.

### **G. REFINANCE DEFINITION**

“Refinance” means any transaction in which no sale is involved, and a lien shall be secured to a residential property.

### **H. INVESTOR DEFINITION**

“Investor” means a person or entity which owns three (3) or more residential properties, or has owned three (3) or more residential properties at some point within the last 24 months.

## **I. CONTRACTUAL PRICING**

In certain cases it may be necessary for the Company to enter into contracts or agreements with a specific buyer or seller, for performance of escrow services at an agreed upon rate for all transactions within a specific project.

### **ESCROW RATES**

#### **ER-I BASIC ESCROW RATE**

The minimum charge of 100% of the Basic Escrow Rate shall be based upon the sales price, loan amount or fair value of the property in the transaction.

The Basic Escrow Rate shall include fees incurred by the company for courier and overnight services, wire transfers and reconveyance tracking.

#### **ER-II REAL PROPERTY SALE TRANSACTION RATE**

The Basic Escrow Rate on sale transactions (cash or loan) as described in section ER-I. In addition to the services listed in ER-I, this rate includes one mobile notary signing service each per buyer side and seller side (limit of 2 notary services per transaction) within Maricopa County, Arizona if utilized. The rate shall be split equally between buyer and seller, unless otherwise instructed in writing by both buyer and seller.

#### **ER-III REAL PROPERTY WITH A LOAN TRANSACTION RATE**

- A. Where there is no transfer of title involved the charge will be 100% of the basic escrow rate described in section ER-II.
- B. When a loan is handled concurrently or simultaneously with a sale transaction covering identical property, an additional rate of \$200.00 per loan will be added to the basic escrow rate described in section ER-II. This additional fee will be split equally between the buyer and seller.
- C. If no sale is involved and the purpose of the transaction is to secure a Construction Loan, an additional rate of \$200.00 per loan will be added to the basic escrow rate described in section ER-I. The basic escrow rate shall be based upon the dollar value of the fully disbursed construction loan. This rate shall include lender requests for additional services such as obtaining lien waivers, architectural approval, etc.

#### **ER-IV REFINANCE RATE**

Residential Refinance transactions shall be charged a flat rate of \$550.00. This rate shall include fees incurred by the company for courier and overnight services, wire transfers, reconveyance tracking and one mobile notary signing service within Maricopa County, Arizona.

#### **ER-V ADDITIONAL LOAN/EQUITY LOAN TRANSACTION RATE**

This rate shall apply to any transaction where a loan is being placed in a position after a 1<sup>st</sup> Lien, wherein the lender is requesting a Junior Loan Policy or a Limited Title Report for processing and closing an escrow transaction. The rate shall be \$750.00 and will include fees incurred by the company for courier and overnight services, wire transfers, reconveyance tracking and one mobile notary signing service within Maricopa County, Arizona.

#### **ER-VI SHORT SALE RATE**

This rate shall apply to any transaction requiring approval by the lender(s) of record as to the terms of the transaction. The rate shall be \$250.00 in addition to the Basic Escrow Rate, based on the final approved sales price.

**ER-VII****COMMERCIAL RATE****A. Commercial (Sale)**

On a sale transaction the fee will be based upon the sales price or fair value of the property. An additional rate of \$500.00 will be added to the Basic Escrow Rate. This additional fee will be split equally between the buyer and seller.

**B. Commercial (Refinance)**

If there is no sale involved and the purpose of the transaction is to secure a commercial loan, the escrow rate charged shall include fees incurred by the company for courier and overnight services, wire transfers and reconveyance tracking, and will be based on the loan amount as follows:

<u>Up to and including:</u>	
\$500,000.00	\$600.00
\$750,000.00	\$700.00
\$1,000,000.00	\$800.00
\$1,500,000.00 and above	\$900.00

**ER-VIII****BUILDER/DEVELOPER RATES****A. Builder/Developer (Sales)**

This rate shall be available to a builder, contractor, developer or subdivider customarily engaged in such business for the units being developed in a common promotional plan. This rate shall apply only when the transaction involves the sale to a consumer homebuyer, lot purchaser, or a transfer to a homeowners' association. This rate shall apply only to the portion of the escrow rate customarily paid by the seller, based on the Basic Escrow Rate. The application of this rate shall be based upon the number of units conveyed within a calendar year by the qualifying transferor.

<u># of Units</u>	<u>% of Basic Escrow Rate</u>
1 – 50 Units	65%
51 – 100 Units	55%
101 – 200 Units	45%
201 – 500 Units	35%
500 or More Units	25%

\*\*Minimum Rate = \$250.00 per Unit

**B. Builder/Developer (Purchase)**

This rate shall be available to a builder, contractor, developer or subdivider customarily engaged in such business when the transaction is to acquire property for the eventual sale to a consumer home buyer, lot purchaser, or a transfer to a homeowners' association. This rate shall only apply to the portion of the escrow rate customarily paid by the buyer, based on the Basic Escrow Rate. The application of this rate shall be based upon the aggregate sale amounts of all property transactions transferred within a calendar year by the qualifying transferee.

<u>Up to and including</u>	<u>% of Basic Escrow Rate</u>
\$2,000,000.00	70%
\$10,000,000.00	65%
\$15,000,000.00	60%
\$20,000,000.00	55%
\$25,000,000.00 and above	50%

**C. Builder/Developer (Loan Only)**

This rate shall be available to a builder, contractor, developer or subdivider customarily engaged in such business when the transaction does not involve a transfer of title. This rate shall be 70% of the Basic Escrow Rate and will be based upon the fair value or loan amount acquired in the transaction.

**ER-IX MILITARY RATE**

This rate shall be available to any individual wherein they are the buyer or seller, who can provide proof of Military Service whether as a Veteran or Active Duty. This rate is only applicable to fees being paid by the qualified party. The rate shall be 75% of the Basic Escrow Rate.

This rate may not be combined with any other discount or special rate.

**ER-X INVESTOR RATE**

This rate shall be available to a licensed real estate professional, licensed mortgage professionals, or any individual, group of individuals or entities customarily engaged in real estate investments, wherein they are the buyer or seller. This rate is only applicable to fees being paid by the qualified party. The rate shall be 70% of the Basic Escrow Rate.

This rate may not be combined with any other discount or special rate.

**ER-XI ESCROW ONLY RATE**

This rate shall apply to any sale transaction with no title policy to be issued in the closing. The rate shall be 100% of the Basic Escrow Rate.

This rate may not be combined with any other discount or special rate.

**ER-XII EMPLOYEE RATE**

This rate shall be available to an employee of TitleEase (including employees on approved retirement) for escrow services performed in connection with the financing, refinancing, sale, or purchase of the employee's bona fide property. The rate shall be \$100.00, said charge is authorized only in connection with those costs which the employee would be obligated to pay as described in sections ER-I, ER-II and ER-III.

**ER-XIII COMPETITOR RATE**

The Company reserves the right to match any escrow rates for residential resale or refinance transactions, providing the following items:

1. The competitor's residential resale or refinance escrow rate must be currently in effect for transactions in Arizona, and filed, published and approved by the Arizona Department of Insurance and Financial Institutions at the time the quote is provided.
  2. A detailed written quote is required to be provided by the competitor's escrow and/or title company, which must include their company logo or letterhead and should be signed and dated by the escrow officer of competing company. Quote must be kept in escrow file.
  3. Evidence of competitor's AZ DIFI filing must be obtained and cross referenced with quote provided by a TitleEase employee. Evidence of filing must be kept in escrow file with quote.
  4. Issuance of this rate requires Escrow Administration or Management Approval.
- This rate may not be combined with any other discount or special rate.
  - Recording Fees and other associated Additional Escrow Charges, shall be added to the Basic Charge above.

## **ESCROW CHARGES**

### **EC-I ADDITIONAL WORK CHARGE**

Additional work charges may be applied to transactions where special services are provided and shall be based upon the difficulty of the transaction and services provided. The charge will be \$100.00 per hour minimum.

Some of the services within this charge may include, FIRPTA processing, 1031 Exchange processing, UCC Termination requests, DPA Loan Payoff and Subordination research and requests, Affidavit of Affixture processing, Affidavit of Disclosure processing. These services and any Other Additional work and services not mentioned above, will be notated in the escrow file by an employee accordingly.

### **EC-II RECORDING CHARGES**

Recording Fees will be equal to the actual amount required to record legal documents. The fees will be based on the current charges from the County Recorder, any submission platforms, and any other services utilized for recordation.

### **EC-III UNSECURED DEBT PAYOFF CHARGE**

This fee will be charged when the company is required to disburse funds from a residential resale or refinance transaction for either buyer or seller, for the purpose of paying unsecured and other non-real estate debts to satisfy approval of a closing. The charge will be \$100.00 for every ten (10) checks processed. The fee will be charged to the party obligated by the debt being paid.

### **EC-IV HOLDBACK CHARGE**

There may be a charge of \$100.00 at the time of closing when funds are being held back to ensure completion of post-closing items.

### **EC-V NOTARY SERVICE CHARGE**

This fee will apply to signings completed by a non-employee of TitleEase. Notary Fees charged will be equal to the actual amount charged by an Outside/Third Party Notary Company, with proper invoices and rates provided and kept in the escrow file.

### **EC-VI RON (REMOTE ONLINE NOTARY) SERVICE CHARGE**

Any transaction requiring the use of RON services shall be charged a fee of \$125.00 to each party utilizing the RON service.

## BASIC ESCROW RATES TABLE

Transaction Amount up to and including:

<u>\$100,000.00</u>	<u>\$995.00</u>	<u>\$550,000.00</u>	<u>\$1,445.00</u>
<u>\$125,000.00</u>	<u>\$1,020.00</u>	<u>\$575,000.00</u>	<u>\$1,470.00</u>
<u>\$150,000.00</u>	<u>\$1,045.00</u>	<u>\$600,000.00</u>	<u>\$1,495.00</u>
<u>\$175,000.00</u>	<u>\$1,070.00</u>	<u>\$625,000.00</u>	<u>\$1,520.00</u>
<u>\$200,000.00</u>	<u>\$1,095.00</u>	<u>\$650,000.00</u>	<u>\$1,545.00</u>
<u>\$225,000.00</u>	<u>\$1,120.00</u>	<u>\$675,000.00</u>	<u>\$1,570.00</u>
<u>\$250,000.00</u>	<u>\$1,145.00</u>	<u>\$700,000.00</u>	<u>\$1,595.00</u>
<u>\$275,000.00</u>	<u>\$1,170.00</u>	<u>\$725,000.00</u>	<u>\$1,620.00</u>
<u>\$300,000.00</u>	<u>\$1,195.00</u>	<u>\$750,000.00</u>	<u>\$1,645.00</u>
<u>\$325,000.00</u>	<u>\$1,220.00</u>	<u>\$775,000.00</u>	<u>\$1,670.00</u>
<u>\$350,000.00</u>	<u>\$1,245.00</u>	<u>\$800,000.00</u>	<u>\$1,695.00</u>
<u>\$375,000.00</u>	<u>\$1,270.00</u>	<u>\$825,000.00</u>	<u>\$1,720.00</u>
<u>\$400,000.00</u>	<u>\$1,295.00</u>	<u>\$850,000.00</u>	<u>\$1,745.00</u>
<u>\$425,000.00</u>	<u>\$1,320.00</u>	<u>\$875,000.00</u>	<u>\$1,770.00</u>
<u>\$450,000.00</u>	<u>\$1,345.00</u>	<u>\$900,000.00</u>	<u>\$1,795.00</u>
<u>\$475,000.00</u>	<u>\$1,370.00</u>	<u>\$925,000.00</u>	<u>\$1,820.00</u>
<u>\$500,000.00</u>	<u>\$1,395.00</u>	<u>\$950,000.00</u>	<u>\$1,845.00</u>
<u>\$525,000.00</u>	<u>\$1,420.00</u>	<u>\$975,000.00</u>	<u>\$1,870.00</u>
		<u>\$1,000,000.00</u>	<u>\$1,895.00</u>

\*\*For any transaction amount exceeding \$1,000,000.00, add \$5.00 for every \$5,000.00