

Ark Title Agency

ESCROW RATE MANUAL **AND** **SCHEDULE OF ESCROW FEES**

ARIZONA

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ESCROW GENERAL RULES

A. DEFINITION OF ESCROW

Escrow means any transaction wherein any property, money, written instruction or evidence of title or possession of real property or other thing of value 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 non-happening 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 or obligator, bailee, bailor, or designated agent of employee or any of them (A. R. S. 6-801). Escrow includes subdivision trusts and account servicing.

B. COMPUTATION FROM BASIC RATE

Whenever percentages of the basic escrow rates are used herein, the charge arrived at from use of the percentage shall be rounded up to the next dollar.

The rates shall always be applied on fair value as defined in Paragraph C below in multiples of \$5,000.00, including any fraction thereof.

C. FAIR VALUE

The fair value shall be construed as the full value of the property as determined by the Company from all available information, including but not limited to, amount of encumbrances, assessed value, etc.

The company may be entitled to rely on the value provided by the parties to an arms-length transaction.

D. SPECIAL RISKS/EXTRA WORK CHARGE

The charges set forth herein are minimum. A \$125.00 an hour additional work charge will be made when special services are requested. The customer will be notified, in writing, of the amount of the additional charges before they are incurred. In the event such charges are made, the deposit of final funds and the signing of final documents constitute approval of the charges. In all other situations, acceptance by the customer of the work performed shall constitute approval of the charges made.

Minimum: \$125.00

E. RATES AND CHARGES IN EFFECT PRIOR TO FILING

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

F. SEPARATE SALES OR EXCHANGES (DIFFERENT OWNERS)

Basic Charge applicable (Section 101) on each separate sale, seller or exchanger involved.

The applicable charge applied on the amount of each individual sale or exchange even though there may be one common purchaser, and the sales or exchanges are handled concurrently and one or more separate escrows are involved.

G. TRANSFER OF UNDIVIDED INTEREST (WHEN SOLD SEPARATELY FROM REMAINING INTEREST)

Basic Charge applicable (Section 101) based upon the interest covered, the purchase price or the fair value thereof, whichever is the higher.

H. DEPOSIT OF ESCROW FUNDS TO INTEREST BEARING ACCOUNT

Fee for Setup/Deposit of escrow funds into interest bearing account - \$300

We must receive written request to deposit funds into an interest bearing account prior to receiving escrow deposit.

I. PAYMENT OF ESCROW CHARGES

Unless otherwise instructed in writing by the parties, the escrow charges and recording/filing fees shall be paid one-half by Buyer and one-half by Seller.

Unless otherwise instructed in writing by all parties, any charges incurred for miscellaneous or additional services provided or requested by the parties shall be charged to the person who requested such service(s) or who will benefit by such service(s).

J. ABANDONED/DORMANT FUNDS

This fee shall apply when funds are remaining in an escrow account due to a payee's failure to negotiate a check provided as payment or fails to claim the funds belonging to them that remain in the account.

This fee shall also apply to charges that occurred in escrow, wherein a payee other than a principal to the escrow, failed to negotiate amounts tendered to them through the escrow or failed to claim funds belonging to them that remain in escrow.

There shall be a custodial charge of \$150.00, plus costs, if any, to escrow agent, beginning one hundred eighty (180) days from the date the initial check was disbursed or the date the funds became available for disbursement for any dormant funds in the amount of one-cent (\$.01) or more as evidenced by stale-dated checks, outstanding checks, and inactive escrow accounts pursuant to ARS Title 44, Chapter 3, Article 1.

One written notice will be mailed to the last known address within ninety (90) days prior to implementation of the charge.

Custodial charge shall be retroactive to the one hundred eighty-first (181) day following the disbursement or availability of funds.

In the event the amount of the fee(s) incurred is/are more than the amount of funds held in escrow, then the amount of the funds remaining in the file shall be considered payment in full of the fees due.

In the event the amount of the fee(s) incurred is/are less than the amount of funds held in escrow, then the amount of the funds remaining in the file shall be transferred to an escheatable bank account until submitted to the State as required by law.

ESROW RATES

101 **BASIC CHARGE - SALE**

The minimum charge of 100% of the Basic Escrow Rate shall be based upon the fair value of the property in the escrow. If additional charges are applicable, all such additional charges shall be added to the applicable Escrow Rate.

Charge: \$770.00 Minimum charge

102 **BASIC CHARGE – LOAN**

1. If transfer of title is involved :		100% of the Basic Escrow Rate
2. If concurrently with sale for the fair value of the land and improvements:		\$175.00 per loan
3. If the owner or borrower is replacing, refinancing an existing loan or adding a new loan:		Flat rate - \$380.00
4. Construction loans where the One-half of 1% of the amount of the loan lender requests additional services:		Minimum: \$300.00
5. Commercial properties if the owner or borrower is replacing, refinancing an existing loan		Flat rate - \$500.00 for loan amount \$2,000,000.00 or less; Flat rate - \$750.00 for loan amount over \$2,000,000.00

103 **BASIC CHARGE – LEASEHOLD**

1. Leasehold Escrow Rate for items other than oil, gas or mineral Leases Charge: 100% of the Basic Escrow Rate

NOTE: Rate is based upon the fair value of the property leased or the total amount of the lease payments, whichever is less.

2. Leasehold Escrow Rate on oil, gas or mineral lease estates, state land and grazing leases

104 **BASIC CHARGE - SUB ESCROW AND SIGNING SERVICE**

Sub-escrow service may be provided in support of a primary escrow holder for a minimum charge of \$150.00 per escrow, plus actual costs incurred by Company in the closing transaction. Services available under this section are restricted to:

- A. The receipt of funds and written instructions from the primary escrow holder and from a lender whose loan will be insured under the primary escrow.
- B. The disbursement of such funds for the elimination of matters affecting title, but only to the extent authorized under such instructions.
- C. Prepare a transaction closing statement for the parties.

NOTE: This sub-escrow service does not include procuring demands or disbursement of funds to persons other than as instructed by the primary escrow holder.

The duties of the escrow agent shall be only the taking of signature on documents provided by the customer and coordination and recordation of those documents, fees charged by the County Recorder are a separate charge not included herein.

MISCELLANEOUS SERVICES

201 **CHECK FEES**

This fee shall be charged for each check issued after the first five (5) checks issued in connection with an escrow for any payment not directly affecting the real property covered in an escrow (i.e. payoff of credit card(s) or unsecured revolving credit account(s)).

Charge: \$5.00 per check

202 **DELIVERY AND EXPRESS MAIL CHARGE**

When the Company determines that it is required to use express delivery services, there will be a charge for this special handling. Services will include, but not be limited to, Federal Express, Airborne, UPS, Express Mail and local and special couriers.

Charge: \$30.00 per local and overnight delivery

203 **RECORDING SERVICES – RESIDENTIAL**

This charge is applicable on all transactions involving residential property (dwelling and residential vacant land).

This charge includes recording fees charged by the applicable County Recorder's Office, recording service fees charged by outside vendors or fees for the manual delivery of recording documents to the applicable County Recorder, and processing and mailing fees incurred by the Company.

Any excess recording fees collected shall be considered fees earned by the Company and non-refundable.

A. **FLAT RATE RECORDING SERVICE FEE**

This rate shall apply to escrows handled by the Company in any state or county.

For cash transactions: \$80.00

For refinance or new loan – no sale included Charge: \$30 per document

For sales with one or more new loans Charge: \$120

The above fees shall be considered earned at close of escrow and shall be non- refundable. If an institutional lender requires that the recording fee be itemized, Escrow Agent shall comply with those written instructions and the recording fees will be charged in accordance with the actual county recorder pursuant to ARS 11-475 and shall be assessed to the parties in accordance with established custom.

204 **RECORDING SERVICES – COMMERCIAL TRANSACTIONS**

Charge: \$150.00 for Sales and Refinance transactions

The above fees shall be considered earned at close of escrow and shall be non- refundable. If an institutional lender requires that the recording fee be itemized, Escrow Agent shall comply with those written instructions and the

recording fees will be charged in accordance with the actual county recorder pursuant to ARS 11-475 and shall be assessed to the parties in accordance with established custom.

205 **TRACKING FEE**

This fee may be charged when handling the payoff of a loan when the release is not furnished at close of escrow. This charge covers the additional expense of monitoring the follow through with the paid lender, the additional record keeping expense of a delayed reconveyance, and charges which may be incurred by the employment of a third party vendor to provide this service. The above charge includes the recording fee for one release. This fee is non-refundable.

Charge: \$75.00 per reconveyance

206 **WIRE TRANSFER FEE**

Charge: No Charge

207 **FLAT RATE ESCROW FEE – SHORT SALE TRANSACTIONS**

This rate is available on all residential short sale transactions. A short sale is a sale of real estate in which the sale proceeds fall short of the balance owed on the property's loan. It often occurs when a borrower cannot pay the mortgage loan on their property, and the lender agrees to accept a moderate loss or short payoff.

When this rate is utilized, there will be no additional charge for tracking fees, electronic doc charges, recording fees, courier fees, overnight delivery service, wire fees, or loan tie-in fees.

Purchase Price	Escrow Fee
Up to \$200,000	\$1,250.00
\$200,001 to \$500,000	\$1,600.00
\$500,001 to \$750,000	\$1,900.00
\$750,001 to \$1,000,000	\$2,150.00
Over \$1,000,000	Call for quote

SPECIAL RATES

301 **EMERGENCY RELIEF RATE**

This rate is available to parties requesting a discount as a result of the parties being subject to a State or Federally declared disaster area within the State of Arizona.

Charge: 75% of the Basic Escrow Rate. Minimums apply as set forth in Section 101.

302 **FEDERAL, STATE OR MUNICIPAL AGENCIES**

Separate contracts may be entered into with governmental, state or municipal agencies for the furnishing of escrow services.

Charge: 70% of the Basic Escrow Rate. Minimums apply as set forth in Section 101.

303 **INVESTORS, REALTORS, MORTGAGE BROKERS AND LENDERS**

This rate is available to any licensed real estate associate, broker, investor, mortgage banker, bank, savings and loan and insurance underwriter.

Charge: 70% of the Basic Escrow Rate Minimums apply as set forth in Section 101.

304 **LOW INCOME HOMEBUYER DOWN PAYMENT ASSISTANCE PROGRAM**

This rate is applicable to a buyer who qualifies under an assisted loan program. Such rates are authorized only in connection with escrow rate which the buyer would be obligated to pay by established customs.

Charge: 70% of the Basic Escrow Rate applicable to Buyer

305 **NEGOTIATED RATE**

Under certain circumstances Ark Title Agency reserves the right to negotiate fees. Any such negotiated rate agreement must be approved in writing by management and signed by all pertinent parties. A copy of said agreement is to be placed in each escrow file for which the rate applies.

306 **COMPETITOR RATE**

The Company may choose to match written escrow quotes received from a competing escrow and/or title company, providing:

- Competitor rate must be filed with and approved by Arizona Department of Financial Institutions.
- Copy of quote must be retained in file.
- Recording Fees and Additional Work Charges, if applicable, are in addition to and above the Basic Charge.
- If additional charges are applicable, all such additional charges shall be added to the Basic Charge.
- Rate may not be combined with any other discounted or special rate.
- Issuance of this rate requires Escrow Administration Approval.

307 **FIRPTA PROCESSING FEE**

This fee is for processing FIRPTA documents as required by the Internal Revenue Service relating to the reporting of the sale of real property by foreign sellers.

Charge to Seller -----\$150.00

308 **FIRST RESPONDER/VETERAN/MILITARY**

This rate is available to any First Responder/Veteran/or Military person party to an escrow. A First Responder includes police officers, firefighters, emergency personnel, active or retired military, National Guard and Red Cross employees. The person requesting the rate must present proof of employment or military ID.

The charge will be 70% of the Basic Escrow Rate.

309 **SENIOR CITIZEN RATE**

This rate is available to all persons of the age 65 years or older on or before the close of escrow date. The person requesting this rate must present proof of age.

The charge will be 70% of the Basic Escrow Rate.

ESCROW RATES

Amount	Escrow Fee				
\$50,000	\$770	\$440,000	\$1,160	\$820,000	
\$60,000	\$780	\$450,000	\$1,170	\$830,000	\$1,550
\$70,000	\$790	\$460,000	\$1,180	\$840,000	\$1,560
\$80,000	\$800	\$470,000	\$1,190	\$850,000	\$1,570
\$90,000	\$810	\$480,000	\$1,200	\$860,000	\$1,580
\$100,000	\$820	\$490,000	\$1,210	\$870,000	\$1,590
\$110,000	\$830	\$500,000	\$1,220	\$880,000	\$1,600
\$120,000	\$840	\$510,000	\$1,230	\$890,000	\$1,610
\$130,000	\$850	\$520,000	\$1,240	\$900,000	\$1,620
\$140,000	\$860	\$530,000	\$1,250	\$910,000	\$1,630
\$150,000	\$870	\$540,000	\$1,260	\$920,000	\$1,640
\$160,000	\$880	\$550,000	\$1,270	\$930,000	\$1,650
\$170,000	\$890	\$560,000	\$1,280	\$940,000	\$1,660
\$180,000	\$900	\$570,000	\$1,290	\$950,000	\$1,670
\$190,000	\$910	\$580,000	\$1,300	\$960,000	\$1,680
\$200,000	\$920	\$590,000	\$1,310	\$970,000	\$1,690
\$210,000	\$930	\$600,000	\$1,320	\$980,000	\$1,700
\$220,000	\$940	\$610,000	\$1,330	\$990,000	\$1,710
\$230,000	\$950	\$620,000	\$1,340	\$1,000,000	\$1,720
\$240,000	\$960	\$630,000	\$1,350		
\$250,000	\$970	\$640,000	\$1,360		
\$260,000	\$980	\$650,000	\$1,370		
\$270,000	\$990	\$660,000	\$1,380		
\$280,000	\$1,000	\$670,000	\$1,390		
\$290,000	\$1,010	\$680,000	\$1,400		
\$300,000	\$1,020	\$690,000	\$1,410		
\$310,000	\$1,030	\$700,000	\$1,420		
\$320,000	\$1,040	\$710,000	\$1,430		
\$330,000	\$1,050	\$720,000	\$1,440		
\$340,000	\$1,060	\$730,000	\$1,450		
\$350,000	\$1,070	\$740,000	\$1,460		
\$360,000	\$1,080	\$750,000	\$1,470		
\$370,000	\$1,090	\$760,000	\$1,480		
\$380,000	\$1,100	\$770,000	\$1,490		
\$390,000	\$1,110	\$780,000	\$1,500		
\$400,000	\$1,120	\$790,000	\$1,510		
\$410,000	\$1,130	\$800,000	\$1,520		
\$420,000	\$1,140	\$810,000	\$1,530		
\$430,000	\$1,150		\$1,540		

\$1,000,001 to \$2,500,000 add per \$10,000 of fraction thereof \$7.00; Over \$2,500,000, Escrow Rate Based on Quotation, minimum \$1,500.00

FEE SCHEDULE IS SUBJECT TO CHANGE WITHOUT PRIOR NOTICE