



**RATE MANUAL  
FOR  
TITLE INSURANCE ON RESIDENTIAL PROPERTY  
IN  
KING, PIERCE, SNOHOMISH AND KITSAP COUNTIES  
THE STATE OF WASHINGTON  
Effective September 1, 2015  
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This manual is for the use of Stewart Title Guaranty Company's ("Stewart" or "Underwriter") Title Insurance Policy Issuing Attorneys, Agents, and Offices. Any other use or reproduction of this manual is prohibited

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## SECTION ONE

### GENERAL RULES AND DEFINITIONS

#### **1.1 Title Insurance on Residential Property**

This Manual only applies if the property to be insured is “Residential Property.” As used in this Manual, the term “Residential Property” means property that is either (1) not used for and not intended for use for commercial or industrial purposes, or (2) is used or intended for use for commercial or industrial purposes but has a value of less than \$1,000,000.

This Manual shall be applicable in issuing commitments, owner’s policies, loan policies, guarantees, endorsements, certificates and other products and services described herein. Unless otherwise noted, owner’s policies, guarantees and certificates shall be issued in an amount at least equal to the full value of the estate or interest insured, without deduction for encumbrances. Owner’s policies may be issued in an amount greater than the full value of the estate insured to cover anticipated improvements. Loan policies shall generally be issued in an amount equal to the amount of the insured loan.

#### **1.2 Title Insurance on Commercial Property**

Property that is not “Residential Property” (as defined in Section 1.1 above) shall be rated pursuant to a separate rate manual for commercial property.

#### **1.3 Standard vs. Extended Coverage**

Standard Coverage: *Does not* insure against matters described under extended coverage below.

Extended Coverage: *Does* insure against the following matters:

- Rights or claims of parties in possession not shown by the public records;
- Public or private easements, or claims of easements, not shown by the public records;
- Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises;

- Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records, or liens under the Workmen's Compensation Act not shown by the public records.

#### **1.4 Minimum Charges**

The rates quoted in this Manual are minimum charges that are to be made for the services performed and the usual risks assumed in the issuance of a title insurance policy. If it is determined that additional work is required, the Company reserves the right to make such additional charges as may be deemed necessary to properly compensate the Company for such additional work and risk. If this becomes necessary, the applicant will be advised of these additional charges as soon as possible and afforded the opportunity to cancel.

#### **1.5 Charges for Services Not Scheduled**

Other services may be required by an applicant for which no rate has been provided for in this Manual. In such cases a charge will be made which, in the opinion of the Company, is consistent with the general pattern of pricing provided in this Manual and which will provide adequate payment for the work performed.

#### **1.6 Cancellation Fees**

1.6.1 Cancellation After Issuance of Preliminary Commitment. After the issuance of a Commitment to insure, if no transaction is consummated in reliance thereon, the charge for the Commitment shall be reduced to an amount which, in the opinion of the Company, is reasonable compensation for liability incurred and the work performed.

The entire charge may be waived if:

- a. Through error, a duplicate order has been entered at the same or competing companies; or
- b. A transaction is not consummated;
- c. The Company, for underwriting reasons, makes a decision not to insure; or
- d. Another party to the transaction requests that the title insurance policy be provided by another title insurance company.

If a transaction is consummated in reliance upon a commitment issued by the Company, but without requesting a policy of title insurance, the full

charge appropriate to the type of insurance normally issued on such transaction will apply.

- 1.6.2 Cancellation of Litigation or Trustees Sale Guaranty. After the issuance of the Company's Litigation or Trustee's Sale Guarantee (see Section 4.2), should the trustee, mortgagor, or vendee, or their successors in interest, reinstate the deed of trust, mortgage, or contract, or pay the indebtedness in full and the sale or forfeiture is canceled, the charge for said Guaranty may be reduced to 70% of the amount charged. In no event, however, shall the charge be reduced to less than \$200.

## SECTION TWO

### RATES FOR BASIC INSURANCE PRODUCTS

#### **2.1 Standard Coverage Owner's Policy**

The charge for a standard coverage owner's policy shall be computed in accordance with Column 2 of Exhibit A.

#### **2.2 ALTA Homeowner's Policy of Title Insurance**

The charge for an ALTA Homeowner's Policy of Title Insurance shall be computed in accordance with Column 3 of Exhibit A.

#### **2.3 Extended Coverage Owner's Policy**

The charge for an extended coverage owner's policy shall be computed in accordance with Column 4 of Exhibit A.

#### **2.4 Standard Coverage Loan Policy**

The charge for a standard coverage loan policy, when the transaction does not qualify for the refinance rate described in Section 2.9 and when the loan policy is not being issued simultaneously with an owner's policy, shall be computed in accordance with Column 5 of Exhibit A.

#### **2.5 Extended Coverage Loan Policy**

The charge for an extended coverage loan policy, when the transaction does not qualify for the refinance rate described in Section 2.9 and when the loan policy is not being issued simultaneously with an owner's policy, shall be computed in accordance with Column 6 of Exhibit A.

## **2.6 Standard Loan Policy Issued Simultaneously with an Owner's Policy**

When a standard coverage loan policy is issued simultaneously with a standard coverage owner's policy, a Homeowner's Policy, or an extended coverage owner's policy, then the charge for the standard coverage loan policy shall be computed in accordance with Column 10 of Exhibit A.

## **2.7 Extended Loan Policy Issued Simultaneously with an Owner's Policy**

When an extended coverage loan policy is issued simultaneously with an owner's policy, then the charges shall be computed as follows:

2.7.1 If the owner's policy provides extended coverage, then the charge for the extended coverage loan policy shall be computed in accordance with Column 10 of Exhibit A.

2.7.2 If the owner's policy provides standard coverage or is a Homeowner's policy, then the charge for the extended coverage loan policy shall be calculated in accordance with Column 9 of Exhibit A.

## **2.8 Simultaneous Loan Policies**

When two or more loan policies are issued simultaneously each such policy shall be computed and charged separately in accordance with Columns 5-10 (as applicable) of Exhibit A

## **2.9 Refinance Rate**

When a standard or extended coverage loan policy is being issued on a new deed of trust, and the property secured by the new deed of trust was previously secured by another deed of trust that was insured by the Company or any other title insurance company, then the charge for the loan policy shall be computed in accordance with Column 7 of Exhibit A.

## **2.10 Home Equity Rate**

The charge for a standard coverage loan policy containing special exceptions for all covenants, conditions, or restrictions, all easements or other servitudes, and all mineral reservations which appear of record or indicated on a recorded plat, shall be computed in accordance with Column 8 of Exhibit A.

## 2.11 Builder's and Subdivider's Rate

Title insurance involving the acquisition and development of land for residential use, residential construction, and sale of newly constructed or renovated one to four family units, residential condominium units and manufactured homes will be rated in accordance with the following schedule:

- 2.11.1 The charge for a standard or extended lender's policy insuring the development loan, and for owner's policies issued following the sale or lease of land developed into subdivided parcels (or to be developed into four or more building sites) shall be 40% of the General Schedule Rate as shown in Column 1 of Exhibit A. The charge for an owner's extended coverage policy shall be 50% of the General Schedule Rate as shown in Column 1 of Exhibit A.
- 2.11.2 When a lender's policy is issued insuring the lien of a mortgage for financing construction, the charge shall be 35% of the General Schedule Rate as shown in Column 1 of Exhibit A. There shall be no surcharge for extended coverage on the lender's policy,
- 2.11.3 The charge for a standard coverage owner's policy to be issued following the completion of residential construction as described above will be 27% of the General Schedule Rate as shown in Column 1 of Exhibit A.
- 2.11.4 The charge for a Homeowner's coverage policy to be issued following the completion of residential construction as described above will be 37% of the General Schedule Rate as shown in Column 1 of Exhibit A.
- 2.11.5 The charge for an extended coverage owner's policy to be issued following the completion of residential construction as described above will be 50% of the General Schedule Rate as shown in Column 1 of Exhibit A.

NOTE: The minimum charge for a policy issued under Section 2.11 shall be \$200.00.

## SECTION THREE

### SPECIAL RISKS AND ADDITIONAL CHARGES

Title insurance, under the following circumstances, shall be considered a special risk and shall be rated as follows:

#### **3.1. Tax Title**

The charge for insuring any title within three (3) years after the issuance of a deed resulting from an action foreclosing the lien of delinquent real property taxes or a local improvement district assessment shall be 120% of the applicable amount for the transaction calculated in accordance with Exhibit A. The potential insured shall also pay any additional investigative costs incurred by the Company or third parties to confirm all necessary and proper foreclosure procedures were followed.

#### **3.2. Special Exceptions Insurance**

Special exceptions may be insured against for a charge commensurate with the risk assumed.

#### **3.3. Additional Examination Charges**

3.3.1 Additional Parcels. \$100 for each additional parcel over one (i.e., more than one section, donation claim or plat, or combination thereof).

3.3.2 Easements. \$50 for each appurtenant easement insured as a part of the legal description.

#### **3.4. No Administration of Decedent's Estate (Lack of Probate).**

In selected cases, the Company may agree to issue insurance even though there has been no administration of a decedent's estate. Such insurance must be based on adequate proofs of heirship, indebtedness and related matters. If the policy is issued within six (6) years of the decedent's death, there shall be an additional charge of 100% of the applicable charge calculated under Exhibit A. If the policy is issued more than six (6) years but less than ten (10) years following the decedent's death, the additional charge shall be 50% of the applicable charge calculated under Exhibit A. If the policy is issued more than ten (10) years after the decedent's death, there is no additional charge.



In the event the property was held as community property and one of the persons in title died without a probate of their estate, the Company may reduce the above surcharge to based on the perceived risk. In no event, however, shall the surcharge be reduced below 10% of the applicable charge calculated under Exhibit A.

### **3.5 Reinsurance**

The cost of any reinsurance that may be required may be added to the charges defined herein.

### **3.6 Rewritten Policy**

The charge for rewriting or retyping a policy as of the date of its original issuance to replace a lost or destroyed policy shall be \$50.

## SECTION FOUR

### ADDITIONAL PRODUCTS

#### **4.1 Introduction**

The insurance products described in Sections 4.2 through 4.11 shall be available at the charges described below. None of the rate reductions described in Section Five shall apply to these products unless specifically noted below. References to the "General Schedule Rate" shall mean the applicable rate set forth in Column 1 of Exhibit A.

#### **4.2. Trustee's Sale Guarantee/Litigation Guarantee/Contract Forfeiture**

4.2.1. Trustee's Sale Guarantee. The charge for a trustee's sale guarantee shall be 100% of the General Schedule Rate based upon the outstanding balance of the deed of trust in default. The charge shall include two (2) continuation endorsements within twelve (12) months from the date of guarantee at the request of the applicant. The charge for additional date-down endorsements will be commensurate with the work required. Where multiple deeds of trust executed by the same grantor cover land in the same plat or subdivision and the beneficiary is the same, the charge shall be based on the aggregate balance of the deeds of trust, *plus* \$75 for each deed of trust over one.

- 4.2.2 Litigation Guarantee. The charge for a litigation guarantee shall be 100% of the General Schedule Rate based upon the outstanding balance of the deed of trust, mortgage, lien or contract which is the subject of the action, or in those instances where the action does not involve foreclosures or forfeiture, the charge shall be 100% of the General Schedule Rate, based upon the value of the estate or interest involved. The charge shall include two (2) continuation endorsements at the request of the applicant.
- 4.2.3 Contract Forfeiture Guarantee. The charge for a contract forfeiture guarantee shall be 100% of the General Schedule Rate, based upon the outstanding balance of the contract being forfeited and shall include one (1) continuation endorsement at the time of filing the notice of intent to forfeit. The charge for additional date-down endorsements will be commensurate with the work required.
- 4.2.4 Insuring Owner Following Foreclosure, Trustee's Sale or Deed in Lieu.

In the event the Company has issued a Trustee's Sale Guaranty on the property, and the defaulted encumbrance was previously insured by the Company or another title insurance company, then the charge for owner's insurance to the beneficiary following foreclosure, trustee's sale or deed in lieu shall be computed as follows:

In the event the owner's policy liability amount is equal to or less than the liability amount of the guarantee, then the charge for the owner's policy shall be zero. In the event the owner's policy liability amount exceeds the liability amount of the guarantee, the charge for the owner's policy shall be calculated by taking the difference in liability amounts and applying either Column 2, 3 or 4 (as applicable) of Exhibit A.

### **4.3 Binder Rates**

A title commitment in the form of a binder may be issued for the purpose of providing title insurance to the current owner and committing to insure a sale of the subject property to an ultimate purchaser. The binder will be issued to the current owner of the property in lieu of a policy of title insurance. The binder commits the Company to issue an owner's policy to the ultimate purchaser, provided the sale to the ultimate purchaser is recorded within ninety (90) days

from the date of the binder. Items affecting the title which intervene between the binder date and the policy date must be cleared or shown as exceptions in the policy to the ultimate purchaser. If the sale is not recorded within ninety (90) days of the date of the binder, the policy of title insurance will automatically be issued (as of the date of the binder) insuring the assured named in the binder in the amount of the binder.

The charge for a binder to issue an owner's policy based on the full value of the initial sale shall be 110% of the amounts set forth in Columns 2-4 (as applicable) of Exhibit A. The minimum charge shall be \$400.

If the resale amount is in excess of the binder amount, the charge for the additional amount of insurance shall be the difference between the rate applicable to the amount of the outstanding binder and the rate applicable to the amount of the policy to be issued. When a beneficiary of a deed of trust requests a binder after receiving a trustee's sale guarantee from the Company, the charge for the binder shall be 10% of the rate calculated pursuant to Columns 2-4 (as applicable) of Exhibit A. (minimum \$100).

#### **4.4 Chain of Title Report**

This report shows the recorded instruments purporting to transfer title to a particular parcel of land as filed with the county auditor. The charge for the report shall be based on the amount of work involved. (Minimum \$125.00)

#### **4.5 Subdivision Guarantee**

This guarantee reports documents recorded against a particular parcel of land required for the application of plat, short plat or boundary line adjustment. The charge for this guarantee shall be \$300.00

#### **4.6 Ownership and Encumbrance and Judgment Report**

This report reports the last recorded instrument purporting to transfer title, any recorded monetary encumbrances and filed judgments. The charge for the report shall be based on the amount of work involved (minimum \$225.00).

#### **4.7 Secondary Market Short Form Residential Loan Policy**

<b>Range of Liability</b>	<b>Fee:</b>
Up to \$ 100,000.00 of liability written:	\$ 350.00
Over \$ 100,001.00 and up to \$ 250,000.00	\$ 450.00
Over \$ 250,001.00 and up to \$ 500,000.00	\$ 600.00

Over \$ 500,001.00 and up to \$ 750,000.00	\$ 850.00
Over \$ 750,001.00 and up to \$1,000,000.00	\$ 1,100.00
Over \$1,000,001.00 and up to \$1,250,000.00	\$ 1,500.00
Over \$1,250,001.00 and up to \$1,500,000.00	\$ 1,700.00

**4.8 ALTA Expanded Coverage Residential Loan Policy  
ALTA Short Form Expanded Coverage Residential Loan Policy**

The charge for the ALTA Expanded Coverage Residential Loan Policy and the ALTA Short Form Expanded Coverage Residential Loan Policy is 110% of the amount computed in accordance with Column 5 of Exhibit A, plus any additional charges for endorsements, if any, issued separately or included in the ALTA Expanded Coverage Residential Loan Policy coverages.

SECTION FIVE

RATE REDUCTION

**5.1 Assignment of Seller’s Interest in Contract of Sale**

The charge for an owner’s policy insuring full assignment of the seller’s interest in a contract of sale wherein the purchaser’s interest has been previously insured shall be 50% of the applicable charge computed under Columns 2-4 (as applicable) of Exhibit A. (\$300 minimum charge).

**5.2 Charitable or Non-Profit Entities**

The Company reserves the right to reduce any rate herein when the party being charged is a charitable or non-profit entity.

**5.3 Governmental Agencies**

The charge for title insurance for government agencies acquiring or disposing of real estate may be based upon agreement between such agency and the Company.

## **5.4 Renewal Insurance**

In the event a currently insured owner (whether insured by the Company or another title insurer) obtains a new owner's policy for the same property covered by their existing owner's policy, the charge for the new policy shall be computed as follows:

- 5.4.1 as to that portion of the liability amount of the new policy that does not exceed the liability amount of the existing policy, the charge shall be 50% of the charge computed under Columns 2-4 (as applicable) of Exhibit A. (minimum \$300).
- 5.4.2 as to that portion of the liability amount of the new policy that exceeds the liability amount of the existing policy, the charge shall be the charge computed under Columns 2-4 of Exhibit A.

## **5.5 Bridge Loan**

If a loan policy is issued insuring a bridge loan pending the sale of the property, the charge for the loan policy shall be 50% of the charge computed under Columns 5 - 8 (as applicable) of Exhibit A. If an owner's policy is issued to a new purchaser within one year of the loan policy, up to 80% of the loan policy's premium will be credited towards the premium for the owner's policy provided the amount credited does not reduce the premium retained for the loan policy below \$100.

## **5.6 Policies Ordered Electronically**

Orders for title insurance which are ordered electronically will be discounted 5% of the applicable rate, subject to minimum charges.

## **5.7 Resale Title and Escrow Orders**

When an escrow order is placed simultaneously with the residential resale title order for the same transaction, the following credits will apply: (1) a \$50 credit will be applied to the owner's title policy, and (2) a \$50 credit will be applied to the lender's title policy for the buyer's first mortgage.

## **5.8 Prior Title Policy or Commitment**

If a prior owner's or loan policy of title insurance is provided to the Company at the time a new title order is placed, and the prior policy covers all of the same property being insured in the new policy, then the charge for the new policy shall be discounted by 10% from the amount computed in accordance with Exhibit A.

This discount shall only apply if the prior policy is a “long form” policy and includes specific exceptions for matters of record, including Auditor’s file numbers and related information. If the new order involves both an owner’s and a loan policy, the 10% discount shall only apply to the owner’s policy. If the order involves two or more loan policies, the 10% discount shall apply only to the highest priced loan policy.

## SECTION SIX

### ENDORSEMENTS

Endorsement charges shall be based on a separate rate filing for endorsements.