

## **SECTION 14: REFINANCE AND SUBORDINATE MORTGAGE**

- (A) (1) Whenever a new loan policy (a "New Loan Policy") is issued in the amount of \$475,000 or less, the charge for the New Loan Policy shall be 50% of the applicable full loan rate up to the greater of:
- (a) the full consideration paid for the deed, lease or assignment of lease vesting title in The mortgagor (the "Vesting Instrument");
    - (i) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument, or
    - (ii) otherwise shown on the Vesting Instrument, or
    - (iii) shown in the public records, or
  - (b) the face amounts of all existing mortgages (including the consolidated amount of consolidated or modified mortgages) made by the owner of the fee or leasehold estate created by the Vesting Instrument (the "Existing Mortgage(s)");
- (2) provided that:
- (a) the Vesting Instrument or the Existing Mortgage(s) on which the reduced rate is based was created within ten years before the date the order for the New Loan Policy was placed; and
  - (b) the new loan is to be made by all of the same or by some of the same persons as shown as the owners of the fee or leasehold estate in the Vesting Instrument, or by all of the same or some of the same persons as shown as the mortgagors in the Existing Mortgages; and
  - (c) The New Mortgage describes the same property or some of the same property as is set forth in the Vesting Instrument or the "Existing Mortgage(s)": means the New Mortgage describes all of the same property or some of the same property as shown in the Vesting Instrument or the Existing Mortgages.
- (3) For any insurance that exceeds the greater of the amounts set forth in (A) (1) (a) or (A)(1)(b) above, the charge for such insurance shall be the full applicable loan rate.
- (B) (1) Whenever a new loan policy (a "New Loan Policy") is issued in the amount of more than \$475,000, the charge for the New Loan Policy shall be 70% of the applicable full loan rate up to the greater of:
- (a) the full consideration paid for the deed, lease or assignment of lease vesting title in the mortgagor (the "Vesting Instrument");
    - (i) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument, or
    - (ii) otherwise shown on the Vesting Instrument, or
    - (iii) shown in the public records, or
  - (b) the face amounts of all existing mortgages (including the consolidated amount of consolidated or modified mortgages) made by the owner of the fee or leasehold estate created by the Vesting Instrument (the "Existing Mortgage(s)");
- (2) provided that:
- (a) the Vesting Instrument or the Existing Mortgage(s) on which the reduced rate is based was created within ten years before the date the order for the New Loan Policy was placed; and
  - (b) the new loan is to be made by all of the same or by some of the same persons as shown as the owners of the fee or leasehold estate in the Vesting Instrument, or all of the same or some of the same persons as shown as the mortgagors in the Existing Mortgages.; and

(c) New loan describes all of the same property or some of the same property as shown in the Vesting Instrument or the Existing Mortgages.

(3) For any insurance that exceeds the greater of the amounts set forth in (A)(1)(a) or (A)(1)(b) above, the charge for such insurance shall be the full applicable loan rate.

(C) "Existing mortgage" includes only mortgages that are open of record and have not been paid off prior to the transaction being insured.

(D) Additional discounts may be applicable pursuant to the following sections 14(A) and 14(B).

**Note: see examples at the end of Section 14 B**