



First American Title Insurance Company

D.C. District Office

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Date: June 22, 2001

To: All Agents Doing Business in the District of Columbia
and First American Offices

From: Elisabeth Zajic, V.P. and D.C. Manager/Counsel

Subject: **NEW TITLE INSURANCE RATES FOR THE DISTRICT OF COLUMBIA
EFFECTIVE JULY 1, 2001**

First American Title Insurance Company is pleased to announce its new schedule of Title Insurance Rates for the District of Columbia, **effective July 1, 2001**. Attached is a copy of the new Rate Schedule. Rate booklets are being printed and will be distributed to your offices as soon as they are available.

Please advise all personnel in your office of the new Rate Schedule, so that correct title insurance premium charges may be made. In the event that a different premium rate has already been quoted to a client in a scheduled transaction, you may charge the premium rate previously provided.

The new Rate Schedule is responsive to title insurance liabilities and risks in the current District of Columbia market.

Any questions relative to the new Rate Schedule may be directed to me at (202) 530-1200 or our Regional Agency Department at (703) 383-9400.

TITLE INSURANCE RATES FOR THE DISTRICT OF COLUMBIA



*First American Title
Insurance Company*

Effective Date: July 1, 2001

ORIGINAL TITLE INSURANCE RATES FOR OWNER'S OR LEASEHOLD

An owner's policy, insuring the fee simple estate, cannot be issued for less than the sales price of the property or, in the event there is no sale, for less than the full reasonable value of the premises. An owner's policy, insuring a leasehold estate, cannot be issued for less than the reasonable value of said leasehold estate, which value shall be arrived at by negotiation with the insured.

The premium charge for original owner's or leasehold insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$4.75
Over \$250,000 and up to \$500,000	4.25
Over \$500,000 and up to \$1,000,000	3.75
Over \$1,000,000 and up to \$5,000,000	3.25
Over \$5,000,000, add	2.75
Minimum Premium	\$190.00

NOTE: To compute any insurance premium on a fractional thousand of insurance (except as to minimum premium), multiply such fractional thousand by the rate per thousand applicable, considering any fraction of \$1,000 as a full \$1,000.

ORIGINAL TITLE INSURANCE RATES FOR “FIRST MORTGAGES”

(The word “Mortgages” shall be construed to mean any instrument commonly used in any given jurisdiction to secure a loan on real estate.)

A first mortgage policy cannot be issued for an amount less than the full principal debt. A policy can, however, be issued for an amount up to 125% of the principal debt to reimburse for interest, foreclosure costs, etc.

Mortgagee insurance expires with the payment or the satisfaction of the mortgage described in the policy, except when satisfied by foreclosure or other lawful means of acquiring title in settlement of the mortgage debt. A new mortgage given to renew an old mortgage debt which was originally covered by insurance is a new transaction, creating a new liability, and if insured, carries the original mortgagee insurance rate, unless it comes within the classifications of “Re-issue Title Insurance Rates for First Mortgages” or “Title Insurance Rates for Substitution Loans.”

The premium charge for original first mortgagee title insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$3.75
Over \$250,000 and up to \$500,000	3.25
Over \$500,000 and up to \$1,000,000	2.75
Over \$1,000,000 and up to \$5,000,000	2.25
Over \$5,000,000, add	1.75
Minimum Premium	\$140.00

NOTE: To compute any insurance premium on a fractional thousand of insurance (except as to minimum premium), multiply such fractional thousand by the rate per thousand applicable, considering any fraction of \$1,000 as a full \$1,000.

TITLE INSURANCE RATES FOR SECOND MORTGAGE

The rate for title insurance on second mortgage transactions will be the same as on the first mortgage transactions.

SIMULTANEOUS ISSUE RATE

When one or more mortgagee policies are issued simultaneously with an owner's policy, the rate for the mortgagee policy(ies) so simultaneously issued is \$25.00 (each) for the amount of insurance not in excess of the owner's policy. When additional coverage is needed for the mortgagee policy(ies), the premium shall be computed at the original mortgagee title insurance rates under the applicable bracket. Policies simultaneously issued must cover identical land.

OWNER'S OR LEASEHOLD REISSUE RATES

A reissue rate for an owner's title insurance policy is applicable if any of the following apply:

(a) A purchaser or lessee of real estate from one whose title thereto has been insured within ten (10) years prior to the application for a new policy, shall be entitled to the reissue rate for owner's insurance in an amount up to the face amount of such former policy.

(b) When acreage is platted into smaller subdivisions and covered by one blanket policy as of the approximate date of filing such subdivision plat, the subdivider, his successors or assigns, will be allowed the owner's reissue rate on parcels sold out of such subdivision within ten (10) years from the date of the blanket policy or until the aggregate of the policies issued on such parcels equals the face amount of the original blanket policy. Thereafter, additional blanket insurance should be purchased or subsequent policies will be charged for at original rates.

(c) Where a mortgagee policy is outstanding and an owner's policy on the same property is ordered subsequently, the owner's policy will be entitled to the reissue rate to the amount of the mortgagee policy.

The reissue rates, when applicable as outlined above (see sections (a), (b) and (c) above) shall be 60% of the published rates in force for original insurance.

The ten (10) year age limit on the prior policy referenced in paragraphs (a) and (b) does not apply to commercial transactions.

Reissue rates apply up to the face amount of the previous policy. If more insurance is desired under a reissue policy than was written in the policy which is supplants, the additional coverage must be computed at original title insurance rates under the brackets applicable to the amount and kind of insurance applied for.

The reissue premium charge for owner's or leasehold title insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$2.85
Over \$250,000 and up to \$500,000	2.55
Over \$500,000 and up to \$1,000,000	2.25
Over \$1,000,000 and up to \$5,000,000	1.95
Over \$5,000,000, add	1.65
Minimum Premium	\$114.00

“FIRST MORTGAGES” REISSUE RATES

A reissue rate for a “first mortgages” title insurance policy is applicable if any of the following apply:

(a) When, within ten (10) years prior to the application for mortgagee insurance, a policy has been issued on the identical property to the mortgagor as owner.

(b) When, within ten (10) years prior to the application for mortgagee insurance, a mortgagee policy has been issued for the same mortgagor on the same property.

(c) When, preparatory to a building program, the owner of ten or more lots or an established subdivision negotiates a blanket mortgage to finance the construction of houses on such lots and such blanket mortgage is covered by a policy or mortgagee title insurance by this Company, such owner or such mortgagee, as houses are built on such lots, respectively, within ten (10) years of the date of such blanket policy, shall be allowed the mortgagee reissue rate on replacement mortgages as such properties are sold to new owners and a new mortgage is substituted for the blanket mortgage pro tanto, until the aggregate of reissue policies issued on such individual mortgages equals the face amount of the blanket mortgage. The minimum charge per policy is \$50.00. Any insurance required in excess of the face of the blanket policy shall carry original mortgagee rates. The new lot owner with reference to future insurance shall be entitled to reissue rates on both owner’s or mortgagee insurance within the ten (10) year period.

The reissue rates, when applicable as outlined above (see sections (a), (b) and (c) above) shall be 60% of the published rates in force for original insurance.

The ten (10) year age limit on the prior policy referenced in paragraphs (a), (b) and (c) does not apply to commercial transactions.

Reissue rates apply up to the face amount of the previous policy. If more insurance is desired under a reissue policy than was written in the policy which is supplants, the additional coverage must be computed at original title insurance rates under the brackets applicable to the amount and kind of insurance applied for.

The premium charge for reissue “first mortgages” title insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$2.25
Over \$250,000 and up to \$500,000	1.95
Over \$500,000 and up to \$1,000,000	1.65
Over \$1,000,000 and up to \$5,000,000	1.35
Over \$5,000,000, add	1.05
Minimum Premium	\$84.00

TITLE INSURANCE RATES FOR SUBSTITUTION LOANS

When a substitution loan is made on the same property with either the same mortgagor or mortgagee, the title to which was insured by this Company in connection with the original loan, the following rates will be charged for issuing the policy in connection with the new loan, provided the Company is furnished with information showing these rates are applicable, including the number of its former policy and the amount of the unpaid balance secured by the original loan:

<u>Age of Original Loan</u>	<u>Rates</u>
3 years or under of liability	30% of regular rates
From 3 years to 4 years	40% of regular rates
From 4 years to 5 years	50% of regular rates
5 years to 10 years	60% of regular rates
Over 10 years	100% of regular rates
Minimum Premium	\$100.00

EXTENSION OF MORTGAGE LOANS

When the debt secured by a mortgage on real property, the title to which has been insured by this company, is renewed by an extension agreement or is modified, a new title policy (upon surrender of the policy for the original loan) or an endorsement to the existing policy, furnishing coverage up to and including the date of recording of the extension or modification agreement will be issued at the following rates:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$ 1.50
Over \$250,000 and up to \$500,000	1.00
Over \$500,000 and up to \$1,000,000	.90
Over \$1,000,000 and up to \$5,000,000	.75
Over \$5,000,000, add	.60
Minimum Premium	\$100.00

These rates apply to routine cases. This rate does not apply if the modification is to add additional security to the mortgage. Additional premium may be charged depending upon the extent of services rendered. If the purpose of the modification is to increase liability, the amount of additional liability will be charged full mortgagee rates at the applicable bracket or brackets.



EAGLE

TITLE INSURANCE RATES

FOR THE

DISTRICT OF COLUMBIA

ORIGINAL TITLE INSURANCE EAGLE RATES FOR OWNER'S OR LEASEHOLD

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The premium charge for original Eagle owner's or leasehold insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$5.70
Over \$250,000 and up to \$500,000	5.10
Over \$500,000 and up to \$1,000,000	4.50
Over \$1,000,000 and up to \$5,000,000	3.90
Over \$5,000,000, add	3.30
Minimum Premium	\$228.00

NOTE: To compute any insurance premium on a fractional thousand of insurance (except as to minimum premium), multiply such fractional thousand by the rate per thousand applicable, considering any fraction of \$1,000 as a full \$1,000.

ORIGINAL TITLE INSURANCE EAGLE RATES FOR "FIRST MORTGAGES"

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The premium charge for original Eagle first mortgagee title insurance shall be:

	<u>Per Thousand</u>
Up to \$250,000 of liability written	\$4.50
Over \$250,000 and up to \$500,000	3.90
Over \$500,000 and up to \$1,000,000	3.30
Over \$1,000,000 and up to \$5,000,000	2.70
Over \$5,000,000, add	2.10
Minimum Premium	\$168.00

NOTE: To compute any insurance premium on a fractional thousand of insurance (except as to minimum premium), multiply such fractional thousand by the rate per thousand applicable, considering any fraction of \$1,000 as a full \$1,000.

TITLE INSURANCE RATES FOR EAGLE SECOND MORTGAGE

The Eagle rate for title insurance on second mortgage transactions will be the same as on the first mortgage transactions.