



HARMONY TITLE AGENCY

ESCROW RATE MANUAL

EFFECTIVE February 26, 2013

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TABLE OF CONTENTS

General Rules	4-5
Definition of Escrow	
Computation From Basic Escrow Rate	
Fair Value	
Minimum Charges and Special Rates	
Rates and Charges in Effect Prior to Filing	
Separated Sales or Exchanges (Different Owners)	
Undivided Interest, Transfer of Interest (when sold separate from remaining interest)	
Basic Escrow Rate- Sale	6
Maricopa County	
Arizona Other Than Maricopa County	
Short Term to Permanent Financing Escrow Fee	6
Basic Charge- Loan	7
Basic Charge-Leasehold	7
Basic Charge-Subdivision(Builder, Contractor, Developer)	7
Basic Charge-Broker and Investor	8
Basic Charge-Sub-Escrow	8

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

Flat Rate Escrow Fee for Short Sale	9
Miscellaneous Fees and Charges	9
Bulk Sale, Pledge Escrow, Miscellaneous Transactions	9
Relocation Rate	9
Resale Bundled Service Fee	10
Refinance Rate	10
Reconveyance Tracking Fee	10
File Maintenance Fee	10
Direct Transaction Fee	10
Flat Rate Recording Fee	11
Courier Service Fee	11
Stop Pay Fee	11
Wire Funds Fee	11
Interest Bearing Account Fee	11
Overnight Delivery Charge	11
Special Services (Hourly Work Fee)	12
Telecommunication Loan Package and Closing Documents	12
Second Equity Loan Transaction	12
Processing Service Fee	12
Escheat Servicing Fee	12
Mobile Notary Fee	13

HARMONY TITLE AGENCY
ESCROW RATE MANUAL

Holdback Processing Fee	13
Special Rates, Credits and Discounts	13
Contractual Rate (Federal, State or Municipal Agencies)	13
First Responder Rate	13
Employee Rate	13
Transfer of Existing Escrow Files from other Licensed Escrow Agents	14
Inspection Fee	14

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

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, 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 on 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, promisee, promisor, obligee, obligor, bailee, bailor, or any designated agent or employee of any of them. (A.R.S. 6-801) Escrow includes subdivision trusts and account servicing.

B. COMPUTATION FROM BASIC RATE

The rates will always be applied on fair value as defined in D. below in multiples of \$1,000.00 including any fraction thereof. Whenever percentages of the Basic Escrow Rate are used herein, the charged arrived at from use of the percentage will be rounded off to the nearest dollar.

C. FAIR VALUE

The fair value will be construed as the full value of the property, including the encumbrances. Where a sale is not involved, the fair value will be determined from all the available information, i.e. amount of encumbrances, assessed value, 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.

D. MINIMUM CHARGES AND SPECIAL RISKS

The charges set forth herein are the minimum charges. Any additional charges will be made when unusual conditions are encountered in the escrow, or when special risks are assumed, or when special services are provided.

E. RATE AND CHARGES IN EFFECT PRIOR TO FILING

All rates contained herein become effective when approved by the Superintendent of Banks or by operation of law.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

F. SEPARATED SALES OR EXCHANGES (DIFFERENT OWNERS)

Basic charge applicable (section 801) on each separate sale, seller, or exchanger, involved. The applicable charge applies on the amount of each individual sale or exchange, even though there may be on (1) common purchaser, and the sales or exchanges are handled concurrently, and one (1) or more separate escrows involved.

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

Basic charge applicable (section 801) based upon the interest covered, the purchase price or the fair value thereof, whichever is higher.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

801 Basic Escrow Rate

The minimum charge of 100% of the Basic Escrow Rate will be based upon the fair value of the property in the escrow. If additional charges are applicable, all such charges will be added to the Basic Escrow Rate. If discounts are applied the escrow rate will not be lower than our minimum charge.

Note: Please contact the Escrow Administrator for rates applicable to escrows that are outside Maricopa County.

<u>AMOUNT OF TRANSACTION</u>	<u>RATE</u>
Up to \$100,000.00	\$700.00
\$100,001.00 to \$200,000.00	\$800.00
\$200,001.00 to \$300,000.00	\$900.00
\$300,001.00 to \$400,000.00	\$1000.00
\$400,001.00 to \$500,000.00	\$1100.00
\$500,001.00 to \$1,000,000.00	\$1200.00
Over \$1,000,001.00	\$1.35 per \$1,000.00 or fraction Thereof, in addition to the rate Of \$1,200.00

801-A Escrow Fee- Short Term to Permanent Financing

The charge for an escrow fee used in a purchase transaction wherein short-term financing is used from an alternate lender, due to the primary lender's inability to fund the original loan, will include the escrow fee* which would be charged to refinance the property with permanent financing if the permanent financing is completed within 90 days.

*Basic Escrow Fee is a stand-alone fee and will be charged in accordance with the most current escrow fee rate filing with the Department of Financial Institutions. The Escrow Fee does not include any miscellaneous escrow processing, or other fees filed by Harmony Escrow, Inc.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

802 – Basic Charge – Loan

Summary Account:

- A. Where there is no transfer of title involved, the charge will be 100% of the Basic Escrow Rate.
- B. Loan concurrent with sale escrow- When a loan is handled **simultaneously** with a sale escrow covering identical property, add \$100.00 to the Basic Escrow Rate. The additional fee will be charged to the buyer. This fee will be charged in addition to all the other applicable fees. Discounts, if any, do not apply to this fee. This rate does not apply to Section 813 C and D.
- C. For construction loan where the lender requests additional services such as obtaining lien waiver, architectural approval, etc. a fee of one-half percent (0.5%) of the loan amount will be charged in addition to all other applicable fees.

803-Basic Charge (leasehold)

Summary Account:

- A. The leasehold Escrow Rate (other than Oil, Gas or Mineral Leases) will be 100% of the Basic Escrow Rate based upon fair value of the property leased or the total amount of the lease payments, whichever is less.
- B. Escrow on Oil, Gas or Mineral Lease Estate, as negotiated, based on the services rendered.

804-Basic Charge (subdivision)-Builder, Contractor, Developer and Subdivider

Summary Account:

This rate is available to a builder, contractor, developer or subdivider customarily engaged in such business. This rate will be applicable only to those rates available under Sections 801, 802A and 802B. This rate is not available to Section 813C and D.

Number of units:

Precent of Basic Escrow Rate:

1 to 50	70%
51 to 100	60%
101 to 200	50%
201 to 500	40%
501 or more	30%

Minimum rate per unit \$100.00

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

805- Basic Charge- Broker and Investor

Any licensed real estate broker or salesperson, mortgage broker, or any other individual, group or individuals or entities customarily involved in real estate investments will be charged seventy percent (70%) of the Basic Escrow Rate.

806- Basic Charge-(sub-escrow)

Summary Account:

A. Sub-Escrow Service

Sub-Escrow service will be provided in support of a primary escrow holder for a minimum charge of \$150.00 per escrow. Services available under this section are restricted to:

1. The receipt of funds and written instructions from the escrow holder and from the lender, whose loan will be insured.
2. The disbursement of such funds for the elimination of matters affecting title, but only to the extent authorized under such instructions.

B. Sub-Escrow Service- volume discount

The rate for this service is available to an institutional lender utilizing more than 300 sub-escrows per year. The charge is \$100.00 per escrow.

1. This sub-escrow service does not include procuring demands nor disbursements of funds to persons other than the escrow the holder for the purposes except elimination of matters affecting title to the land to be insured.
2. If a lenders instructions authorized disbursement to persons other than the escrow holder, the escrow holder must approve the lenders instructions in writing and supplement them with its own written instructions for disbursement of any loan funds which remain for disposition by the escrow holder or any party to the escrow.
3. This sub-escrow service includes all recording fees.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

807- Flat Rate Escrow Fee for Short Sales

This rate is available on all Short Sale transactions. A Short Sale is a sale in which the proceeds are insufficient to pay off the entire balance owed on the property's loan(s). When using this rate, the processing fee (section R) will not be charged. The rate includes all Recon/Tracking fees, e-doc fees, recording fees, courier fees, overnight delivery fees, wire fees and loan tie-in fees.

Up to \$200,000.00	\$1375.00
\$200,001.00 to \$500,000.00	\$1660.00
\$500,001.00 to \$750,000.00	\$1860.00
\$750,001.00 to \$1,000,000.00	\$ 2200.00

808- Miscellaneous Fees and Charges

Summary Account:

There are a variety of services and/or products that may be necessary or required to service escrows. The rates included in this section will be charged is and as those services and/or products are provided. These rates will be charged in addition to any other applicable rates as may be charged.

A. Bulk Sale, Pledge Escrows, Miscellaneous

This rate applies to bulk sale escrows, pledge holder escrows and other escrows not specifically set forth here. Because of the variation of services required and liabilities assumed, it is impractical to establish other than the minimum Basic Escrow rate per Section 801, the minimum commensurate with the service rate and liability assumed.

B. Relocation Rate

If an employee is participating in a company sponsored relocation plan, the rate charged for escrow services performed in connection with the sale or purchase of an employee's bona fide home property will be seventy percent (70%) of the applicable Basic Escrow Rate. Such rates are authorized only in connection with those costs which the employee would be obligated to pay by established custom as a party to the transaction, and may be charged through escrow to the employee, employer or relocation company acting on behalf of the parties.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

C. Resale Bundled Service Fee **\$250.00**

The Resale Bundled Service fee is a stand alone fee. This amount includes all courier/overnight mail delivery fees, wire fees and e-doc fees. If the Resale Bundled Service fee is not used then the standard rate for each courier/overnight mail delivery fee, each wire fee and e-doc fee will apply. There will not be a Processing fee (Section R) charged when using this rate.

D. Refinance Rate **\$250.00**

The escrow fee will be \$250.00 for handling a loan escrow involving residential real property where the purpose of said loan is to refinance the existing encumbrance(s) on the subject property

NOTE: The Processing fee and Reconveyance Tracking fee will not apply.

E. Reconveyance Tracking Rate **\$100.00**

This fee will be charged when handling the payoff of a loan when the release is not furnished at close of escrow. This charge covers the additional record keeping expense of monitoring the follow through with the paid lender and record keeping for a delayed reconveyance, and the charges that may be incurred by employing a third party vendor to provide this service to the company. The reconveyance tracking fee, which is \$100.00 per loan payoff, is non-refundable once the real estate transaction to which it is attached is closed and recorded, and is earned concurrent with issuing the payoff check at closing.

F. File Maintenance Fee **\$10.00 per month**

This fee will be charged when funds retained or remaining in escrow 30 days after closing (i.e., held for repairs, checks not cashed, checks returned because of address change, etc.) require escrow personnel to review the escrow file to determine who to contact and who to disburse money to. This fee will be charged as the rate of \$10.00 per month and effective at the time files are pulled for review and checks reissued and disbursed.

G. Direct Transaction Fee **\$200.00 plus 100% of Basic Escrow Rate**

In absence of a written residential purchase contract, as currently in use by the Arizona Board of Realtors, there will be a \$200.00 work charge in addition to the Basic Escrow Rate and all other applicable charges.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

H. **Flat Rate Recording Fee** **\$75.00**

This fee will be charged on all escrow transaction(s) involving the recordation of documents in counties where an outside vendor is employed to electronically process the recordings for escrow, with the EXCEPTION of transactions involving a commercial property.

Recording fees on commercial property transactions will be charged in accordance with the fees/costs set forth by the County Recorder's Office.

I. **Courier Fee** **\$25.00 per pick-up or delivery**

This fee will be charged when courier services must be employed to retrieve or send documents either to or from parties to the escrow. Courier services will be provided to high volume accounts as rates agreed upon by and between the Company and such account(s); such fees will not be less than zero nor more than 200% of the applicable rate.

J. **Stop Payment Fee** **\$25.00 per check**

This fee will be charged when a stop payment must be placed on a check written from an escrow. Management discretion may be used to not impose this fee depending upon the circumstances.

K. **Wire Funds Fee** **\$30.00 per disbursement**

This fee will be charged when wiring funds to or on behalf of a party to an escrow transaction. This fee will also be charged when receiving wired funds on behalf of a party to an escrow transaction.

L. **Interest Bearing Account Fee** **\$25.00 per account**

This fee will be charged when requested to establish a separate interest bearing account for either the buyer, borrower or seller of a transaction.

M. **Overnight Delivery Fee** **\$25.00 per letter size or package**

The applicable fee(s) will be charged when overnight delivery service is required on any document or package. The charge will be a non-refundable fee regardless of the zone or weight involved. This fee is not contingent upon the actual closing of the transaction. Overnight delivery services may be provided to high volume accounts at rates agreed upon by and between the Company and such account(s); such fees will not be less than zero not more than 200% of the applicable rate.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

N. Special Services/Hourly Work Fee \$135.00 per hour

A fee of \$135.00 per hour, or fraction thereof, starting with a minimum increment of one quarter hour will be charged when special services are requested and/or required. Signing final documents will constitute approval of this fee for special services rendered.

O. Telecommunication Loan Package and Closing Documents \$25.00 per item

A fee of \$25.00 will be charged for servicing and processing each loan package and/or other documents that are sent via e-mail, facsimile transmission or any other form of electronic transmission.

P. Second Equity Loan Transaction rate \$250.00 per transaction

This fee will be used on all second position equity loans wherein the lender does not require title insurance and is requesting a limited title report for processing and closing an escrow transaction.

Q. Processing Services Fee \$125.00 per transaction

The following charges are the rates applicable for services rendered in connection with regular services provided by the Company for processing an escrow file. The following fees will be included and considered earned income and non-refundable: 1 courier charge, 1 receipt and printing of e-mail documents (i.e. loan documents) 2 overnight delivery fees at \$15.00 each or 1 overnight pack and 1 wire fee. Should services rendered exceed the quantity as listed herein, those services will be charged in accordance with filed rates in addition to the Processing Service Fee.

R. Escheat Servicing Fee pursuant to A.R.S 44-317 and Escrow Accounting Fee

A \$25.00 service fee will be charged for the processing and administration coincidental with any unclaimed escrow funds. This one time \$25.00 charge will be earned by the Company after the Company has made a diligent effort to locate the party. This fee will be charged as the time the funds are transferred to the Escheat Account.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

S. Mobile Notary Fee

The following rates may be charged when an outside Vendor is employed to perform signings on behalf of the Company:

1. Fee for residential purchases or refinance loans when signing is conducted throughout Arizona or outside the state of Arizona: \$150.00
2. Redraw or resigning fee: \$125.00 to \$150.00
3. If Vendor is required to print the closing documents the following additional rate may be charged: \$30.00

T. Holdback Processing Fee \$150.00

A minimum Holdback fee of \$150.00 will be charged at time of closing when funds are held back to ensure completion of specific items. Additional charges may apply.

U. First Responder Rate 10% discount from Basic Escrow Rate

Active Duty Law Enforcement Officers, Firefighters, Search and Rescue personnel, U.S. Military personnel or Emergency Medical Technicians will be given a discount of 10% off their Basic Escrow Rate when dealing with their primary residence.

809 –Special Rates, Credits and Discounts

A. Contractual Rate- Federal, State or Municipal Agencies

Separate contracts may be entered into with Federal, State or Municipal agencies for performing Escrow Services for such charges as may be agreed upon by and between the Company and the governmental agency. Such charges will not be less than fifty percent (50%) nor more than two hundred percent (200%) of the applicable rate. A fixed price may also be bid on those types of contracts.

B. Employee Rate

Thirty percent (30%) of the applicable escrow rate will be charged to an employee of any title insurer, or any title insurance agent (including employee on approved retirement) for escrow services performed in connection with the financing, sale or purchase of the employee's bona fide home property. Such rates are authorized only in connection with those costs which the employee would be obligated. These rates will not apply to any other family member.

HARMONY TITLE AGENCY

ESCROW RATE MANUAL

C. Transfer of Existing Escrow Files from other Licensed Escrow Agents

The rate for existing escrows with other licensed Escrow Agents transferred to Harmony Title Agency at the clients request may be negotiated on a case by case basis depending upon the work involved.

D. Inspection Fee **\$75.00**

When an inspection of the subject property is required for the issuance of any title insurance product there will be an inspection fee charged per inspection.