

**AMERICAN DIGITAL TITLE INSURANCE
COMPANY**

**SCHEDULE OF TITLE
INSURANCE RATES
FOR THE STATE OF WASHINGTON**

Effective: 2020

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DEFINITIONS

ALTA: American Land Title Association.

Applicable Rate: Percentage of the Basic Rate applicable for the type of coverage.

Basic Rate: Basic rate for insurance as set forth in the Basic Rate table.

Commitment: A report furnished in connection with an application for title insurance stating the requirements, terms, and conditions upon which the Company is willing to insure an interest in the subject property.

Company: American Digital Title Insurance Company, a title insurer who issues title insurance directly or through its agent in accordance with this manual.

Extended Coverage: Coverage without the Standard Exceptions to Coverage with respect to matters that would be disclosed on an accurate survey or with respect to parties in possession.

Fair Value: The Fair Value is the sale price, including any encumbrances being assumed by the buyer, except that where no sale is involved, the Fair Value is determined based on available information, but in no event is less than the sum of all the monetary encumbrances to which the title is subject, excluding blanket encumbrances.

Institutional Reseller: Any entity formed for business purposes that include the acquisition of titles to residential 1-4 family residences, for the express purpose of accommodating a homeowner's decision to engage in an immediate sale of their residence to the entity, so as to allow the homeowner to purchase a new residence without the need to wait for a sale of the residence via the traditional residential market. The institutional reseller will seek to place the acquired property on the market for resale as soon as possible after acquisition, sometimes after performing necessary refurbishing of the property. The Company must approve the institutional reseller prior to the first application of the "Institutional Reseller" rate to the proposed entity. The Company's underwriting department will review the structure, management and financial resources of the entity as part of its approval to assure the Company of the financial and managerial soundness of the entity, and the capability of the entity to accomplish the simultaneous acquisition and resale of multiple residential properties with proper financial and procedural controls to eliminate financial and transactional risk to the Company and the selling and purchasing homeowners.

Loan Policy: A title insurance policy insuring the enforceability of a security instrument against the land described in Schedule A of the policy.

Owner's Policy: A title insurance policy insuring an owner, optionee, vendee, or lessee.

Residential: Improved one-to-four (1-4) family residential property.

Short Term Rate – Residential Only: When a Lender's Policy or an Owner's Policy (other than a junior Loan Policy) on Residential property is ordered within five (5) years of the effective date of a prior Owner's or Lender's Policy.

Standard Coverage: Coverage with the Standard Exceptions preprinted in ALTA policies with respect to matters that would be disclosed on an accurate survey or with respect to parties in possession.

GENERAL RULES

A. COMPUTATION OF BASIC RATE

This Schedule shall be used to calculate the price for any policy of title insurance contracted for on or after the effective date of the filing. Where rates calculated with this Schedule compute to a fraction of a dollar, the rate shall be rounded up to the next dollar.

Amounts of Insurance shall be rounded up as indicated in the Schedule of Basic Rates. Any reference to "per \$1,000" shall mean and include "per \$1,000 and any portion thereof." The charge for increased liability shall be the difference between the scheduled charge based upon the amount of insurance shown in the initial policy or binder and the scheduled charge based upon the amount and type of insurance ultimately issued. The charges in accordance with this Schedule for a policy imposing liability on the Company shall accrue immediately upon recording of any document insured by the policy in question.

Any order for title insurance will be calculated with the rates and procedures that are in effect as of the effective date of the policy.

B. ADDITIONAL CHARGES AND FEES

The following charges are in addition to the otherwise applicable charge for the title insurance.

a) Closing Protection Letters

The fee for a closing protection letter issued to a seller, buyer, borrower and/or lender shall be \$25 for each party protected by a closing protection letter provided in a transaction. The closing protection letter fee charged by a title insurer shall not be subject to any agreement requiring a division of fees or premiums.

C. ISSUANCE OF POLICIES

No policy will be issued until the charges therefor have been paid. Further, the conditions set forth in the Commitment must be complied with or the final policy will reflect as an exception to coverage any condition not fulfilled. .

D. REINSURANCE

Whenever the Company is requested to assume less than its self-imposed limit of liability and purchase reinsurance to cover a part of the total policy liability, the premium shall be the facultative cost for such reinsurance increased by the actual expenses incurred in obtaining the reinsurance, not to exceed 50% of the cost for such reinsurance. Any such request shall be submitted to the Home Office of the Company.

E. MINIMUM CHARGES

Unless otherwise stated, the minimum charge shall be the minimum amount shown in the Basic Rate Table.

F. ZONES

In this manual, the prices of rates and services sometimes vary by the geographic location of the property to be insured. For such purposes, the state is broken into Zones as follows:

- **ZONE 1:** Includes King, Kitsap, Pierce, Snohomish, and Thurston counties.
- **ZONE 2:** Includes all other Washington counties.

BASIC RATE TABLE

| Policy Liability | | | | Zone 1 | Zone 2 |
|-------------------------|----|--------------|--|---------------|---------------|
| Up to | | \$20,000 | Minimum | \$247 | \$216 |
| \$20,001 | to | \$50,000 | For each \$1,000 of additional liability, add: | \$5.83 | \$5.10 |
| \$50,001 | to | \$75,000 | | \$4.88 | \$4.24 |
| \$75,001 | to | \$100,000 | | \$2.72 | \$2.40 |
| \$100,001 | to | \$200,000 | | \$2.65 | \$2.32 |
| \$200,001 | to | \$1,000,000 | | \$2.30 | \$2.30 |
| \$1,000,001 | to | \$2,000,000 | | \$1.55 | \$1.55 |
| \$2,000,001 | to | \$5,000,000 | | \$1.55 | \$1.55 |
| \$5,000,001 | to | \$10,000,000 | | \$1.15 | \$1.15 |
| \$10,000,001 | to | \$50,000,000 | | \$0.60 | \$0.60 |
| Over | | \$50,000,000 | | \$0.55 | \$0.55 |

CHAPTER I - OWNER'S INSURANCE

The provisions within this section are applicable to title insurance issued against the land described in Schedule A of the policy for the benefit of a Buyer/Purchaser. The applicable rate(s) shall be charged when insuring the interest of the Buyer/Purchaser for title insurance insuring a fee interest, or a lesser estate or interest.

This section shall be subject to the minimum charges set forth in the General Rules, except for Section 106.

Owner's policies as described herein, unless otherwise noted, include the ALTA Owner's Policy (including withdrawn versions). Additional coverages or deletions of standard exceptions or endorsements for each policy type will incur charges as priced elsewhere in this Schedule.

101. STANDARD COVERAGE OWNER'S POLICY & FORMER ALTA RESIDENTIAL TITLE INSURANCE POLICY 1-4 SFR ("PLAIN LANGUAGE")

An Owner's Policy, including the basic ALTA Owner's Policy form, the ALTA Residential Owner's Policy, or the ALTA U.S. Policy, shall be issued to a Buyer/Purchaser at 100% of the Basic Rate, subject to any discount in this Schedule that is applicable.

102. HOMEOWNERS POLICY OF TITLE INSURANCE

A Homeowners Policy of Title Insurance shall be issued to a Buyer/Purchaser at 110% of the Basic Rate, subject to any discount in this Schedule that is applicable.

103. EXTENDED COVERAGE OWNER'S POLICY

An Extended Coverage Policy of Title Insurance shall be issued to a Buyer/Purchaser at 135% of the Basic Rate, subject to any discount in this Schedule that is applicable.

104. INSTITUTIONAL RESELLER

This rate is available when the insured is in the business of acquiring title to residential properties, so as to enable homeowners to immediately proceed to purchase a replacement residence, without the necessity of waiting for the sale of their original residence in the normal course of the real estate market. The transaction where the institutional reseller acquires title shall be called the Acquisition. The transaction wherein the institutional reseller conveys title shall be called the Resale.

On the Acquisition, upon payment of the applicable premium to the Company, a policy will be issued naming as the insured the institutional reseller, with an endorsement establishing that for a period of 365 days from the date the insured takes title to the subject property, the reseller may cause a policy to be issued by the Company to insure a purchaser in the Resale (subject to the provisions hereof regarding increased liability or increased coverage).

The charge to issue upon the policy upon resale shall be 25% of the applicable owner's rate. If the Resale price is greater than the Acquisition price, a charge will be made for the increased liability, calculated on the increased premium difference between the existing coverage and the new coverage at the Applicable Rate.

In addition, the following applicable rate shall be charged for any upgrade in coverage:

20% of the Basic Rate if the upgrade is to the Homeowner's Policy calculated on the total

amount of policy coverage after the increase.

If the Resale price is less than the Acquisition price, there shall be no refund of the charges paid at time of Acquisition by the reseller or of any extension fee paid thereafter. There shall be no minimum charge applied at time of issuance of the final policy at time of resale. No other discount, special rate or credit shall be applied to the 25% Institutional Reseller Rate at the Resale. Applicable discounts, credits and special rates will apply to the Acquisition policy.

The one-year period above between the Acquisition and Resale may be extended for up to two successive periods of one year for a charge of 25% of the applicable Owner's Rate per extension.

105. SHORT TERM RATE

The charge for the new Policy shall be priced at 80% of the Applicable Rate.

CHAPTER II - LENDER'S INSURANCE

The provisions within this section are applicable to title insurance issued against the land described in Schedule A of the policy for the benefit of a lender or its assignee. The applicable rate(s) shall be charged when insuring the interest of the lender or assignee when the loan is secured by either a fee title interest or leasehold interest.

The minimum charge shall be based upon an amount no less than the portion of the encumbrance allocated to the property covered and contemplates a single parcel or chain of title. Additional parcels, chains of title, coverage, or work charges will incur additional charges added to the applicable insurance rate as set forth herein.

Additional coverages or deletions of standard exceptions or endorsements for each policy type will incur charges as priced elsewhere in this Schedule.

201. STANDARD COVERAGE LOAN POLICY - NO SIMULTANEOUS OWNER'S INSURANCE

A Standard Coverage Loan Policy shall be issued to the Lender at 100% of the Basic Rate, subject to any discount in this Schedule that is applicable.

202. EXTENDED COVERAGE RESIDENTIAL LOAN POLICY - NO SIMULTANEOUS OWNERS INSURANCE

An Extended Coverage Loan Policy shall be issued to the Lender at 135% of the Basic Rate, subject to any discount in this Schedule that is applicable.

203. SHORT FORM LOAN POLICIES

The rate for a Short Form Loan Policy shall be the same as for a regular loan policy of a given coverage type.

204. SHORT TERM RATE

The charge for the new Policy shall be priced at 80% of the Applicable Rate.

Short Term Rate does not apply to the rates set forth in Section 207.

205. SIMULTANEOUS ISSUE OF LOAN AND OWNER'S POLICY

This subsection applies when an owner's and loan policy or policies, covering the same land, are issued simultaneously. The Rate for Owner's Policy shall be the Scheduled Rate. No other special rate or credit shall be applied to the rates as outlined below.

The rate applicable for the Owner's Policy shall be the rate applicable to the coverage type selected in Chapter 1.

The rate applicable for the simultaneously issued Loan Policy must be calculated as follows:

| Coverage | Rate for the loan policy |
|--|--|
| Standard Loan Policy Issued simultaneously issued with any Owner's Policy | \$100 for each loan policy for an amount of coverage not in excess of the owner's liability. Loan policy liability in excess of the owner's policy liability shall be charged at the Scheduled Rate. |
| Extended or Short Form Extended Loan Policy Issued simultaneously with a Standard Owner's Policy | \$100 plus a surcharge of 35% for the portion of the aggregate loan liability that is Extended Coverage, calculated in accordance with the Scheduled Rate. |
| Extended or Short Form Extended Loan Policy Issued simultaneously with a Homeowner's Policy | \$100 plus a surcharge of 25% for the portion of the aggregate loan liability that is Extended Coverage, calculated in accordance with the Scheduled Rate. Loan policy liability in excess of the owner's policy liability shall be charged at the Scheduled Rate. |

206. REFINANCE RATE – RESIDENTIAL PROPERTY

When a new refinance loan is being made on improved 1-4 family residential property or residential condominium unit, the following is available for a loan policy insuring a deed of trust or mortgage.

The Short Term Rate and any other discounts shall not apply to this section.

The premium shall be based upon the amount and schedule below:

| POLICY AMOUNT | Rate |
|---------------------------|-------------|
| \$1 - \$250,000 | \$384 |
| \$250,001 - \$500,000 | \$612 |
| \$500,001 - \$750,000 | \$836 |
| \$750,001 - \$1,000,000 | \$1,045 |
| \$1,000,001 - \$1,250,000 | \$1,241 |
| \$1,250,001 - \$1,500,000 | \$1,422 |
| \$1,500,001 - \$2,000,000 | \$1,694 |
| \$2,000,001 - \$3,000,000 | \$2,238 |

For each \$10,000 of liability or fraction thereof above \$3,000,000 add \$4.

Where the applicable rate(s) and form(s) is filed, or otherwise authorized to be issued,

coverages provided under the following endorsements will be included at no additional charge upon request of the lender at the time of policy issuance:

ALTA 4-06 OR ALTA 4.1-06;
ALTA 5-06 OR ALTA 5.1-06;
ALTA 6-06 OR ALTA 6.2-06;
ALTA 8.1-06;
ALTA 9-06;
ALTA 22-06 OR ALTA 22.1-06;
ALTA 28-06

All other endorsements shall be charged in accordance with this manual.

This rate does not apply to loan policies insuring loans for the purpose of providing permanent financing following completion of construction.

207. ALTA RESIDENTIAL LIMITED COVERAGE MORTGAGE MODIFICATION POLICY

The premium charge shall be:

| Policy Amount | Rate |
|----------------------------|-------|
| \$ 0-\$1,000,000 | \$125 |
| \$ 1,000,001 - \$1,500,000 | \$250 |
| \$ 1,500,001 - \$2,000,000 | \$350 |

For each \$500,000 of liability above \$2,000,000 or part thereof up to \$20,000,000; add \$100.
No other special rate or credit shall be applied to this rate.

APPENDIX

A. ENDORSEMENTS

GENERAL RULES

POLICY AVAILABILITY

Endorsements are available only for the policies indicated. Extended coverage pricing shall also apply to the ALTA Homeowner's Policy of Title Insurance, the ALTA Residential Title Insurance Policy, the ALTA Expanded Coverage Residential Loan Policy and the ALTA Short Form Expanded Coverage Residential Loan Policy.

APPROVAL FOR ISSUANCE

All Endorsements will be issued in accordance with the underwriting guidelines of The Company. When the issuance of an endorsement involves an extra-hazardous risk, specific authority to do so must be obtained first from the Company's Underwriting Department.

BASIS OF CHARGE

The charges for endorsements are either (a) based upon a percentage of the Basic Rate for the policy liability as set forth in this Appendix or elsewhere in this manual or (b) set at a fixed, flat rate.

ENDORSEMENTS NOT SUBJECT TO DISCOUNTS

Unless otherwise provided for, charges for endorsements are not subject to special rates (discounts or credits).

COMPUTED CHARGES

Whenever computed charges are a fraction of a dollar, the charges arrived at shall be rounded up to the next dollar.

ENDORSEMENT TABLE

| Endorsement | Description | Owner/Lender | Charge |
|--------------------|--|---------------------|---------------|
| ALTA 4-06 | Condominium | Lender | No Charge |
| ALTA 4.1-06 | Condominium (with "reversionary" coverage) | Owner/Lender | No Charge |
| ALTA 5-06 | Planned Unit Development (priority of assessments) | Lender | No Charge |
| ALTA 5.1-06 | Planned Unit Development (all unpaid assessments) | Lender | No Charge |
| ALTA 6-06 | Variable Rate Mortgage | Lender | No Charge |

| | | | |
|--------------|--|--------------|---|
| ALTA 6.2-06 | Variable Rate Mortgage, Negative Amortization | Lender | No Charge |
| ALTA 8.1-06 | Environmental Protection Lien - Residential | Lender | No Charge |
| ALTA 9-06 | Restrictions, Encroachments & Minerals | Lender | No Charge |
| ALTA 11-06 | Modification: Extended Coverage | Lender | 35% min \$300 |
| ALTA 14.3-06 | Future Advance, Reverse Mortgage: ALTA Lender | Lender | \$50 |
| ALTA 22-06 | Survey-Improvement Location | Owner/Lender | Owner: 20% min \$50/max \$250 Lender: No Charge |
| ALTA 22.1-06 | Location of Improvements- Map | Owner/Lender | Owner: 20% min \$50/max \$250 Lender: No Charge |
| ALTA 27-06 | Usury | Lender | No Charge |
| ALTA 28-06 | Easement Damage or Forced Removal | Lender | 20% min \$50/max \$500 |
| 105.0-20 | Institutional Reseller | Lender | No Charge |