



STEWART TITLE GUARANTY COMPANY

RATE MANUAL

FOR

TITLE INSURANCE ON COMMERCIAL PROPERTY

IN THE STATE OF WASHINGTON

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Effective July 1, 2016

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 I

GENERAL RULES AND DEFINITIONS

A. Title Insurance on Commercial Property

This Manual shall only be effective if the property to be insured is “Commercial Property.” As used in this Manual, the term “Commercial Property” shall mean property that is (a) being used for, or is intended to be used for, commercial or industrial purposes, and (b) valued at \$1,000,000 or more. The term “Commercial Property” shall not include detached, 1-4 family residences or residential condominiums.

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.

B. 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 record;
- 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.

C. Reinsurance

The premium may be increased by the actual cost of any facultative reinsurance that may be required on a specific transaction.

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SECTION II

COMMERCIAL RATE

Standard Coverage Owner's Policies shall be rated in accordance with the following chart. Standard Coverage Loan Policies shall be rated in accordance with the following chart, less 10%.

Liability of \$1,000,000 = \$2,300

Liability		Premium
From	To	(per \$1,000 of liability)
\$1,000,000	\$5,000,000 add	\$1.35
\$5,000,001	\$10,000,000 add	\$1.00
\$10,000,001	\$100,000,000 add	\$0.55
\$100,000,001	Over, add	\$0.50

To compute any charge on a fractional thousand, consider any fraction of \$1,000 as a full \$1,000 by rounding up to the next higher whole \$1,000. For example, if the policy liability amount is \$1,050,500, round up to \$1,051,000 and then calculate.

SECTION III

SPECIAL RISKS AND ADDITIONAL CHARGES

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

A. 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 125% of the Commercial Rate for the amount of the liability under the policy issued.

B. Extended Coverage

The charge for Extended Coverage Loan Policies is 100% of the Commercial rate – see Section II above (i.e., there is a 10% surcharge if splitting out the cost between Standard Coverage and Extended Coverage). For Extended Coverage Owner's Policies, the charge shall be the Commercial Rate PLUS an additional charge for extended coverage in an amount calculated as follows:

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For that portion of the liability amount which does not exceed \$20,000,000: 30% of the Commercial Rate;

For that portion of the liability amount which exceeds \$20,000,000: \$0.10 per \$1,000 of liability in excess of \$20,000,000.

When questions of survey are insured against, a survey satisfactory to the Company may be required at the cost of the insured.

C. Additional Examination Charges

1. Additional Parcels. \$100 for each additional parcel over one.
2. Easements. \$50 for each appurtenant easement insured as a part of the legal description.

D. No Administration of Decedent's Estate

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 Commercial Rate. 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 Commercial Rate. If the policy is issued more than ten (10) years after the decedent's death, there is no additional charge.

SECTION IV

ADDITIONAL INSURANCE PRODUCTS

The following insurance products shall be available at the charges described below. None of the Rate Reductions described in Section V shall apply to these products unless specifically noted below.

A. Trustee's Sale/Litigation Guarantee/Contract Forfeiture

1. The charge for a trustee's sale guarantee shall be 70% of the Commercial 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 (see the current separate endorsement rate manual filing).
2. The charge for a litigation guarantee shall be 70% of the Commercial Rate based upon the outstanding balance of the deed of trust, mortgage, lien or contract which is the subject of the action. In those instances where the action or possible action involves the distribution and/or disposition of real property arising out of a property owner's death

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and/or commencement of a probate action, the charge shall be 70% of the Commercial Rate based on the value of the estate or interest of the decedent. In those instances where the action involves other than those previously mentioned, the charge shall be 100% of the Commercial 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.

3. The charge for a contract forfeiture guarantee shall be 70% of the Commercial 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 (see the current separate endorsement rate manual filing).
4. Owner's insurance to the beneficiary following foreclosure, trustee's sale, or deed in lieu shall be issued upon request at no charge to the extent of the amount shown on the trustee's sale or litigation guarantee. If the beneficiary requests a binder in lieu of an owner's policy, the charge for the binder shall be 10% of the Commercial Rate to the extent of the amount shown on the trustee's sale or litigation guarantee and the rules applying to binders set forth in Paragraph B, below, shall apply.
5. Owner's insurance insuring an heir, devisee or bona fide purchaser upon conveyance of the subject property described in the litigation guarantee, as duly authorized in the probate action, will be no charge to the extent of the amount shown on the litigation guarantee.
6. The Rate Manual for Title Insurance on Residential Property in the State of Washington notwithstanding, the rates in this section as they apply to litigation guarantees being issued for probate actions shall apply to both commercial property and residential property.

B. Binders

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 buyer. 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 the Commercial Rate, plus 10%. 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 Commercial Rate applicable to the amount of the outstanding binder and the

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Commercial Rate applicable to the amount of the policy to be issued, plus any applicable charges for extended coverage.

C. The Article 9 Comprehensive Plus Policy of Title Insurance (Lender’s)

The Article 9 Comprehensive Plus Policy of Title Insurance (Owner’s)

The ARTICLE 9 COMPREHENSIVE PLUS™ POLICY OF TITLE INSURANCE (LENDER’S) and the ARTICLE 9 COMPREHENSIVE PLUS™ POLICY OF TITLE INSURANCE (OWNER’S) are title insurance policies that will be issued to owners of and lenders secured by liens on various types of collateral, including (if applicable) fixtures, timber, as-extracted collateral and other Collateral.

The Owner’s Policy insures the owner against stated liens that may have attached to the Collateral.

The Lender’s Policy insures the lender and primarily insures (1) against stated liens that may have attached to the Collateral, (2) that the Lender’s lien has attached to the Collateral, and (3) that the Lender’s lien has been perfected, as provided in the Policy.

BASIC RATES

AMOUNT OF INSURANCE:	BASIC RATES (for amount of insurance excess of prior bracket of liability):
\$0 up to and including \$100,000	\$500
\$100,001 to \$300,000	\$3.85/\$1000 of additional insurance (or any portion thereof)
\$300,001 to \$1,000,000	\$2.00/\$1000 of additional insurance (or any portion thereof)
\$1,000,001 to \$3,000,000	\$1.50/\$1000 of additional insurance (or any portion thereof)
\$3,000,001 to \$5,000,000	\$1.25/\$1000 of additional insurance (or any portion thereof)
\$5,000,001 to \$10,000,000	\$1.00/\$1000 of additional insurance (or any portion thereof)
\$10,000,001 to \$25,000,000	\$0.85/\$1000 of additional insurance (or any portion thereof)
\$25,000,001 to \$50,000,000	\$0.65/\$1000 of additional insurance (or any portion thereof)
\$50,000,001 and above	\$.50/\$1000 of additional insurance (or any portion thereof)

All rates reflect the premium rate for the Article 9 Comprehensive Plus Policy, and do not include cost for reinsurance required by the insured, UCC searches, UCC preparation costs, and UCC filings charges and fees. Any order for the Article 9 Comprehensive Plus Policy must be placed and communications must be sent through websites or other

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electronic communications locations designated by Stewart Title Guaranty Company for placement and receipt of order for the Article 9 Comprehensive Plus Policy.

SIMULTANEOUS RATE

If an Article 9 Comprehensive Plus Policy of Title Insurance (Owner's) is issued simultaneously with an Article 9 Comprehensive Plus Policy of Title Insurance (Lender's) the rate shall be the Basic Rate for the Amount of Insurance for the policy with the larger amount of insurance, plus \$500 for the additional policy.

MIXED COLLATERAL TRANSACTIONS

In transactions of any amount where both personal property and real property secure the same indebtedness, and Stewart Title Guaranty Company policies are simultaneously issued on both the real property and personal property, the rate for the Article 9 Comprehensive Plus Policies shall be 90 % of the applicable rate, but in no event less than \$500 for each policy.

SECTION V

RATE REDUCTIONS

Unless otherwise specifically noted, rates within this section shall not be combined to create a greater reduction.

A. Short Term Rate

The charge shall be as follows:

Liability	Transactions involving the processing, coordinating, or underwriting through a Commercial Services Office (no prior policy requirement - discount provided regardless of the evidence of prior title)	Transactions not involving a Commercial Services office (requires a prior title insurance policy or guarantee issued by any title insurer within 5 years of the application for a new Policy or Guarantee)
\$1,000,000 to \$10,000,000	70% of Commercial Rate (all policies)	70% of Commercial Rate (all policies)
\$10,000,001 to \$70,000,000	60% of Commercial Rate (all policies)	70% of Commercial Rate (all policies)
\$70,000,001 to \$120,000,000	65% of Commercial Rate (all policies)	70% of Commercial Rate (all policies)
\$120,000,001 to \$200,000,000	70% of Commercial Rate (Standard Owner's and all Loan policies); 65% of Commercial Rate (Extended Owner's policies only)	70% of Commercial Rate (all policies)

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\$200,000,001 and over	75% of Commercial Rate (Standard Owner's and all Loan policies); 65% of Commercial Rate (Extended Owner's policies only)	75% of Commercial Rate (all policies)
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The percentages shown above shall apply to the Standard Coverage premium and the Extended Coverage surcharge. The percentages are calculated from Dollar One within each indicated liability tier (i.e., the percentages are not cumulative as the liability increases).

B. Simultaneous Issues

1. Standard Owner's Policy and Standard Lender's Policy(ies)

The charge for the owner's policy is the Commercial Rate (including any applicable rate reductions) and the charge for the simultaneous loan policy is \$350. Should multiple loan policies be issued, the charge is \$350 per policy provided the aggregate liability of all loan policies is equal to or less than the owner's policy liability. Any aggregate loan liability in excess of the owner's policy liability will be charged according to the applicable Commercial Rate (including any applicable rate reductions).

2. Standard Owner's Policy and Extended Lender's Policy(ies)

The charge for the owner's policy is the Commercial Rate (including any applicable rate reductions) and the charge for the simultaneous loan policy is \$350 plus the 10% of Commercial Rate loan policy extended coverage surcharge (including any applicable rate reductions). Should multiple loan policies be issued, the charge is \$350 per policy plus the 10% of Commercial Rate loan policy extended coverage surcharge per policy (including any applicable rate reductions) provided the aggregate liability of all loan policies is equal to or less than the owner's policy liability. Any aggregate loan liability in excess of the owner's policy liability will be charged according to the applicable Commercial Rate (including any applicable rate reductions).

3. Extended Owner's Policy and Standard Lender's Policy(ies)

The charge for the owner's policy is the Commercial Rate (including any applicable rate reductions) plus the owner's policy extended coverage surcharge (including any applicable rate reductions) and the charge for the simultaneous loan policy is \$350. Should multiple loan policies be issued, the charge is \$350 per policy provided the aggregate liability of all loan policies is equal to or less than the owner's policy liability. Any aggregate loan liability in excess of the owner's policy liability will be charged according to the applicable Commercial Rate (including any applicable rate reductions).

4. Extended Owner's Policy and Extended Lender's Policy(ies)

The charge for the owner's policy is the Commercial Rate (including any applicable rate reductions) plus the owner's policy extended coverage surcharge (including any applicable rate reductions) and the charge for the simultaneous loan policy is \$350. Should multiple loan policies be issued, the charge is \$350 per policy provided the aggregate liability of all loan policies is equal to or less than the owner's policy liability. Any aggregate loan liability in excess of the owner's policy liability will

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charged according to the applicable Commercial Rate (including any applicable rate reductions).

5. Multiple Lender Policies without an Owner's Policy

The charge for the first/senior lien loan policy is the Commercial Rate (including any applicable rate reductions) based upon the aggregate liability of all loan policies. The charge for each additional loan policy is \$350.

6. Fee Owner's Policy and Leasehold Owner's Policy

The charge for the fee owner's policy is the Commercial Rate (including any applicable rate reductions) plus the owner's policy extended coverage surcharge (if applicable, including any applicable rate reductions). The charge for the leasehold owner's policy is 30% of the Commercial Rate (including any applicable rate reductions) plus 30% of the owner's policy extended coverage surcharge (including any applicable rate reductions) if the fee owner's policy is standard coverage.

C. Multiple Issue

The Multiple Issue Rate is available to an insured owner of a specific project within a single subdivision or governmental section or adjoining subdivisions or governmental sections which are to be divided into four or more separate lots of building sites, or an owner-developer who builds for resale.

The charges for a Loan Policy issued in connection with the subdivider's purchase of the property to be subdivided, and/or a Loan Policy issued in connection with the subdivider's construction loans, and/or an Owner's Policy issued in connection with the sale of a lot by the subdivider prior to completion of improvements thereon or issued in connection with the sale of a lot by a builder following completion of improvements thereon shall be as follows:

Liability	Standard Loan Policy Only	Extended Loan Policy, Standard Owner's Policy, or Extended Owner's Policy*
\$1,000,000 to \$15,000,000	36% of Commercial Rate	40% of Commercial Rate
\$15,000,001 to \$20,000,000	41% of Commercial Rate	45% of Commercial Rate
\$20,000,001 to \$30,000,000	46% of Commercial Rate	50% of Commercial Rate
\$30,000,001 to \$50,000,000	51% of Commercial Rate	55% of Commercial Rate
\$50,000,001 to \$95,000,000	56% of Commercial Rate	60% of Commercial Rate
\$95,000,001 to \$160,000,000	61% of Commercial Rate	65% of Commercial Rate
\$160,000,001 to \$400,000,000	66% of Commercial Rate	70% of Commercial Rate
\$400,000,001 and over	71% of Commercial Rate	75% of Commercial Rate

The percentages are calculated from Dollar One within each indicated liability tier (i.e., the percentages are not cumulative as the liability increases).

*For an Extended Owner's policy, the percentages shown above shall apply to the Standard Coverage premium and the additional Extended Coverage surcharge.

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D. Reorganization and Junior Mortgage Rates

The charge for a loan policy insuring a new security agreement on the same property as a previously insured deed of trust, mortgage or security agreement shall be as follows:

Liability	Rate
\$1,000,000 to \$20,000,000	45% of Commercial Rate
\$20,000,001 to \$30,000,000	50% of Commercial Rate
\$30,000,001 to \$50,000,000	55% of Commercial Rate
\$50,000,001 to \$70,000,000	60% of Commercial Rate
\$70,000,001 to \$120,000,000	65% of Commercial Rate
\$120,000,001 to \$200,000,000	70% of Commercial Rate
\$200,000,001 and over	75% of Commercial Rate

The percentages shown above shall apply to the Standard Coverage premium and the Extended Coverage surcharge. The percentages are calculated from Dollar One within each indicated liability tier (i.e., the percentages are not cumulative as the liability increases).

E. Prior Policy or Commitment

If a copy of the seller's or borrower's commitment or policy of title insurance is submitted at the time the order for title insurance is accepted, the charge shall be 90% of the Commercial Rate.

F. Aggregation of Transactions

In computing charges it is permissible to aggregate the amount of insurance issued on all the land involved in the particular transaction including those parcels insured by another title insurer.

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SECTION VI

ENDORSEMENTS

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