



ARIZONA ESCROW RATE SCHEDULE
AND
GENERAL RULES

ALL COUNTIES WITHIN THE STATE OF ARIZONA

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PREFACE

AN ESCROW FEE is the amount charged for the acceptance of an escrow transaction and performance of the escrow duties by an Escrow Agent. The fee for a particular escrow transaction is based on either the “**Fair Value**” of the property or is a set flat charge.

When the fee is based on the “**Fair Value**” of the property, the appropriate fee is calculated from schedules of charges where fee amounts are listed coinciding with the “**Fair Value**” amounts in increments of \$5,000.00.

There are various sub-categories of these fees based on the terms and conditions specific to each escrow transaction. The appropriate way to calculate a fee for each escrow transaction is the subject of this Schedule and General Rules relative thereto, and a thorough understanding of the escrow transaction, this Schedule and the General Rules herein is required in order to charge correctly.

SECTION I

GENERAL RULES

A. Definitions

“Escrow” means any transaction in which any escrow property is delivered with or without transfer of legal or equitable title, or both, 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 the contingent happening or non-happening of a specified 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. Escrow includes subdivision trusts and account servicing. (A.R.S. 6-801, as amended.)

“Escrow Agent” means any person engaged in the business of accepting escrows. (A.R.S. 6-801, as amended.)

Unless otherwise specified herein, whenever there is a reference to “Escrow Agent”, Escrow Agent shall mean Commerce Title Company, a California corporation.

“Escrow Business” means a commercial activity characterized by the regular and continuous carrying on of escrow transactions. (A.R.S. 6-801, as amended.)

“Fair Value”

1. When a sale is involved, the “Fair Value” means the full amount of the consideration paid to the seller, including any encumbrances being assumed by the buyer, and the “Fair Value” shall be determined from all available information, e.g., amount of encumbrances, assessed value, comparable sale data, etc.
2. When a sale is not involved, the “Fair Value” shall be the principal amount of the loan secured by the property that is the subject of the Escrow.

B. Computation of the Basic Escrow Rate

1. The Basic Escrow Rate is based on the “Fair Value” of the property subject to the Escrow, as defined above and calculated in increments of \$5,000.00, including any fractional percentage thereof, or a set flat charge. The Basic Escrow Rate chart is attached hereto as Exhibit “A”.
2. Whenever a percentage or fractional percentage of the “Fair Value” is used, the fee arrived at from use of the percentage shall be rounded to the next highest fee increment. For example, if the “Fair Value” is \$55,010.00, the escrow fee will be based on \$60,000.00

C. Acquisitions of Undivided Interests

The Basic Escrow Rate for a single escrow transaction that involves the same purchaser purchasing undivided interest(s) in a specific or multiple properties shall be based on the amount of the interest conveyed, the consideration paid to the seller or the "Fair Value" thereof, whichever is greater.

D. Multiple Sales or Exchanges

The Basic Escrow Rate for a transaction involving sales or exchanges of multiple properties or involving multiple purchasers or sellers is calculated on the "Fair Value" of each property being conveyed, even though there may be common parties involved in these multiple or single Escrow transactions and/or concurrent recordings.

E. Minimum Fees, Charges, Cancellation Fees and Special Risks

The fees herein are minimum charges. Additional charges will be made when unusual conditions are encountered, when special risks are assumed or when special services are provided, as deemed necessary by reason of terms and conditions set forth in the escrow transaction.

F. Rates, fees and charges in effect prior to filing

All rates and fees contained herein become effective when approved by the Department of Financial Institutions, or by operation of law.

G. PAYMENT OF ESCROW CHARGES

Unless otherwise instructed in writing by the parties, the escrow charges and recording/filing fees shall be paid one-half by Buyer and one-half by Seller.

Unless otherwise instructed in writing by the parties, any charges incurred for miscellaneous or additional services provided or requested by the parties shall be charged to the person who requested such services(s) or who will benefit by such service(s).

H. FAIR VALUE - DEFINED

The fair value shall be construed as the full value of the property, including all encumbrances. When a sale is not involved, the fair value shall be determined from all available information, such as the amount of encumbrances, assessed value, etc. In no event shall the fair value be less than the sum of the unpaid principal balance of each mortgage and/or contract to which the property is subject. Additions to the loan balance incurred by Buyer, including but not limited to MIP premiums, will not be included in the unpaid principal balance for the purpose of determining fair value.

SECTION II

SCHEDULE OF ESCROW FEES AND CHARGES

A. Basic Escrow Rate (Sale)

The minimum charge of 100% of the Basic Escrow Rate shall be based upon the "Fair Value" of the property being conveyed in the Escrow. If additional charges are applicable, all such additional charges shall be identified and described separately on the final settlement statement.

B. Basic Escrow Rate (Loan) – No existing encumbrances

1. When there is no transfer of title and no existing liens or encumbrances on the property that is the subject of the Escrow, the charge shall be 100% of the Basic Escrow Rate, as determined by reference to the Fair Value of the loan secured by such property.
2. For construction loans on which the lender requests additional services (such as the Escrow Agent obtaining lien waivers, mechanic's lien releases, etc.), an additional work charge will be imposed. This fee shall be charged in addition to all other applicable fees. If, during the course of a construction loan, closing funds are held in escrow for future disbursements, an additional fee of one-half of one percent ($\frac{1}{2}$ of 1%) of the original amount held in escrow shall be charged per disbursement.

C. Basic Escrow Rate (Sale and Loan Fee)

When conducting a sale and loan Escrow simultaneously, covering identical property, the fee for the Escrow will be 100% of Basic Escrow Rate plus \$100.00. The Sub-escrow Fee will apply to any simultaneous loan Escrow over one.

Note: This fee will be charged to the party responsible for obtaining the loan, unless otherwise indicated in writing between the parties and acknowledged by their respective signatures.

D. Basic Escrow Rate (Leasehold)

1. The minimum charge on the sale of the Leasehold Interest (excepting therefrom Oil, Gas or Mineral Leases) shall be 200% of the Basic Escrow Rate computed upon the "Fair Value" of the property leased or the total amount of the lease payments, whichever is less.
2. The Basic Escrow Rate on an Escrow involving the sale of an Oil, Gas or Mineral Lease Estate, shall be negotiated, based on the services rendered.

SECTION III

SPECIAL RATES

A. Contractual Rate

Separate contracts may be entered into under specific conditions for which no compensatory escrow service charge has been provided for in this Rate Manual. In any such event, an escrow charge shall be made as “contractually” agreed upon between the Escrow Agent and the parties to the Escrow. Said negotiated rate must be by written contract, signed by the Escrow Agent and all parties to the Escrow and documented in the Escrow file. The **minimum** escrow charge under this section shall be \$400.00.

In some cases, due to unusual requirements regarding the financing or development of a major project, the Escrow Agent may find it necessary to enter into contracts or agreements for various services to be rendered and the charges to be made therefor. All such requests must be submitted to the Escrow Agent’s State Manager or other authorized Senior Management Officer in full detail for consideration. This will allow the Escrow Agent to maintain control while offering pricing which is consistent with established escrow rates on projects of a similar nature.

B. Governmental Rate

Separate contracts may be entered into with Federal, State, County, Tribal or Municipal governmental agencies for performing Escrow services for such charges as may be agreed upon by and between the Escrow Agent and the governmental agency. Such charge shall not be less than 60% or more than 200% of the applicable rate, with the final agreed amount being based upon all circumstances concerning such Escrows including, without limitation, the difficulty and volume of the Escrows, the existence of any unusual conditions regarding such Escrows, and the assumption of special risks or provision of special services in connection with such Escrows. If a bid is submitted for these types of contracts and services, a fixed fee may be applied.

C. Investor Rate

Any licensed real estate broker or sales agent, mortgage broker, or any other individuals or entities customarily involved in real estate investments shall be charged 70% of the Basic Escrow Rate on real estate investment transactions to which they are personally a party. This rate applies only to the portion of the escrow fee that the qualifying party would be obligated to pay in the transaction and is available only upon request by the investor.

D. Relocation Rate

If an individual is participating in a relocation program sponsored by the individual’s employer, the rate charged for escrow services performed in connection with the sale or purchase of the employee’s bona fide residence shall be 85% of the applicable Basic Escrow Rate. Such rate is authorized only in connection with those costs which the employee would be obligated to pay according to the terms of the real estate contract. This rate shall be charged through Escrow to the employee or to the employer or relocation company acting on behalf of the employee.

E. Revamping/Replacement Loan Rate

- 1. The Basic Escrow Rate for handling a loan Escrow involving residential real property where the purpose of said loan is to pay off the existing encumbrance(s) and establish a new encumbrance(s) shall be as follows:

New loans up to \$300,000.00	\$200.00
New loans \$300,001.00 to \$700,000.00	\$250.00
New loans \$700,001.00 and above	50% of the Basic Escrow Rate calculated by reference to the Fair Value of the property securing the loan

This fee shall be charged in addition to all other applicable fees.

- 2. The Basic Escrow Rate shall include the issuance of up to five (5) disbursements (demands, checks or other instruments). A \$15.00 service fee shall be added for each additional disbursement.
- 3. The Basic Escrow Rate for handling a loan Escrow involving commercial real property where the purpose of said loan is to pay off the existing encumbrance(s) and establish a new encumbrance(s) shall be 50% of the Basic Escrow Rate calculated by reference to the Fair Value of the property securing the loan, and shall be in addition to all other applicable fees.

F. Mobile Homes

This charge is for real estate transactions that require either transfer of a mobile home title or surrender of title as part of an Affidavit of Affixture. The Escrow fee charged will be calculated based on the applicable Basic Escrow Rate (determined by reference to the Fair Value of the property subject to the Escrow), plus \$100.00 for extra work charge. Additional charges will include the following, as applicable:

- Motor Vehicle Processing Fee \$35.00
- Lien Search Processing Fee \$20.00
- Out of County Processing Fee \$25.00

- Fee for Duplicate Title (single) \$22.00
- Fee for Duplicate Title (double) \$33.00
- Fee for Duplicate Title (triple) \$44.00

G. Subdividers and Builders Rates relating to a Consumer Home Buyer or Lot Purchaser

These rates are available to a builder, contractor, developer or subdivider, and the purchasers therefrom, customarily engaged in such a business and shall apply only when the transaction involves the sale to a consumer home buyer or lot purchaser.

1. These rates are applicable only to the Basic Escrow Rate (Sale), (Loan), and (Sale and Loan Fee) set forth above.
2. The amount of the adjustment to the Basic Escrow Rate is dependent upon the number of units.
3. The number of units shall be determined by adding the number of units being developed in recorded subdivisions.
4. When conducting a sale and loan Escrow simultaneously, covering identical property, the fee for the Escrow will be based on the charges set forth in number 5 below plus an additional \$100.00 charged to the party responsible for obtaining the loan, unless otherwise indicated in writing by the parties and acknowledged by their respective signatures.
5. The rate charged is calculated as follows:

1-1500 units:	85% of Basic Escrow Rate
1501 – 2500 units:	80% of Basic Escrow Rate
2501 and above units:	75% of Basic Escrow Rate

I. REO Rate

1. **REO Sales (Individual Sales to Consumers/Investors).** This rate applies only to escrows on properties improved with a one to four family residential dwelling or residential condominium and in which the purchaser or seller of the property is the beneficiary of a deed of trust or its affiliate following foreclosure, trustee’s sale or deed in lieu of foreclosure. This rate shall be a flat fee of \$600.00 per side.
2. **REO Bulk Sales.** This charge will be used on transactions in which the seller is an institutional lender or asset manager who acquired properties through a foreclosure or deed in lieu of foreclosure and the buyer is buying multiple properties in one purchase. The fee charged will be based upon 80% of the Basic Escrow Rate. No other such discounts will be given in addition to this rate. This fee shall be charged in addition to all other applicable fees.

J. Escrow Only Rate

An Escrow specifying that no title policy is to be issued shall have a basic charge of 200% of the Basic Escrow Rate. There will be no Builder or Developer/Investor discounts in conjunction with Escrow Only transactions. These transactions must be approved by Escrow Agent's Management.

K. Second/Equity Loan Transaction Rate

This fee shall be \$300.00 and shall be applied to all second position equity loans in which the lender does not require title insurance and is requesting a limited title report for processing and closing an escrow transaction.

SECTION IV

MISCELLANEOUS FEES AND CHARGES

There are various services and/or products that may be necessary or required to service Escrows. The rates included in this section shall be charged if and as those services and/or products are provided. These rates shall be charged in addition to any other applicable rates as may be charged.

A. Recording Fees

This fee shall be \$70.00. This fee will be charged on all Escrows involving the recordation of documents with the EXCEPTION of transactions involving commercial property.

Recording fees on Escrows involving commercial property shall be charged in accordance with the fees/costs directly associated with the recording action and as set forth by the County Recorder's Office.

B. Reconveyance Tracking Fee

The fee shall be \$85.00 per loan payoff. This fee shall be charged when handling the payoff of a loan for which the release is not furnished at close of Escrow. This charge covers the additional recordkeeping expense of monitoring the follow-through with the lender whose loan is being paid off and recordkeeping for a delayed reconveyance, as well as the charges that may be incurred by employing a third party vendor to provide this service for the Escrow Agent. The reconveyance tracking fee is non-refundable once the Escrow to which it relates is closed and documents are recorded. This fee is earned concurrently with issuing the payoff funds at closing.

C. Wire Transfer Fee

This fee shall be \$25.00 per **outgoing** wire. This fee shall be charged when wiring funds out of Escrow to or on behalf of a party to an Escrow transaction.

This fee shall be \$15.00 per **incoming** wire. This fee shall be charged when receiving wires from or on behalf of a party to an Escrow transaction.

D. Interest Bearing Accounts

In connection with an Escrow, all funds in Escrow may be placed in an interest bearing account upon the written request of all parties to the Escrow. The funds will be placed in an account with the banking/savings institution chosen by the parties for a charge of \$75 per account. The charge is for opening, servicing and closing out the account.

E. Overnight/Courier Delivery Fees

This fee shall be charged for each Express Mail, Overnight Mail, Federal Express, UPS, DHL or other expedited delivery service including, but not limited to, any "Special Messenger", and will be charged to the customer requesting or benefiting from the service, or as provided for in the Escrow instructions.

- Charge per Pick-up or Delivery \$25.00
- Additional charges may apply under unusual circumstances, such as international deliveries or same day/out-of-town deliveries. Charge will not exceed actual cost charged by outside vendor/contractor.

F. Email Documentation Fee

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

G. Stop Payment Fee

This fee shall be \$25.00 per check. This fee shall be charged when a stop payment must be placed on a check written from an Escrow, except for stop payments placed on checks at the request of personnel of the Escrow Agent.

H. Hourly Work Fee

A fee of \$75.00 per hour, or fraction thereof, shall be charged when special services or additional work is requested and/or required. Signing final documents shall constitute approval of this fee for special services rendered. Any special services or additional work shall be documented in the escrow file.

I. Sub-Escrow Fee

If sub-escrow service is to be provided in support of a primary Escrow holder, the minimum charge will be \$125.00 per Escrow. Services available under this section are restricted to:

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

This rate, if applicable, will apply to an institutional lender utilizing more than 200 sub-escrows a year. The charge for such shall be \$125.00 per Escrow.

Note 1: The sub-escrow service does not include procuring demands or payoffs, or disbursements of funds to persons other than the Escrow holder except for purposes of elimination of matters affecting title to the land to be insured.

Note 2: If a lender's instructions authorized disbursements to persons other than the Escrow holder, the Escrow holder must approve the lender's 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.

J. File Maintenance Fee

This fee shall be charged when funds that are retained or remaining in Escrow after closing require Escrow Agent's personnel to review the Escrow file to determine whom to contact and to whom remaining funds should be disbursed. This fee shall be charged at a rate of \$10.00 per month or any portion thereof, and the charge will become applicable beginning on the first day of the first full month after Escrow has closed.

K. Document Preparation Fee

A fee of \$125.00 shall be charged for preparation of documents other than a Warranty Deed and Affidavit of Property Value in connection with a sale transaction. This fee shall be charged for the preparation of documents in conjunction with an Escrow in which the Escrow Agent is asked to prepare a Promissory Note, a Deed of Trust or other such documents outside of the usual and customary documents prepared in the course of an Escrow closing. If these documents are prepared by a third party vendor, then the fee to be charged shall be the cost charged by the third party vendor.

BASIC ESCROW RATE

TRANSACTION AMOUNT Up to and Including	RATE \$	TRANSACTION AMOUNT Up to and Including	RATE \$	TRANSACTION AMOUNT Up to and Including	RATE \$	TRANSACTION AMOUNT Up to and Including	RATE \$
Up to 90,000	540	320,001 – 325,000	848	550,001 – 555,000	1,118	780,001 – 785,000	1,361
90,001 – 100,000	554	325,001 – 330,000	854	555,001 – 560,000	1,123	785,001 – 790,000	1,366
100,001 – 105,000	561	330,001 – 335,000	860	560,001 – 565,000	1,129	790,001 – 795,000	1,372
105,001 – 110,000	568	335,001 – 340,000	866	565,001 – 570,000	1,134	795,001 – 800,000	1,377
110,001 – 115,000	575	340,001 – 345,000	872	570,001 – 575,000	1,139	800,001 – 805,000	1,382
115,001 – 120,000	583	345,001 – 350,000	879	575,001 – 580,000	1,144	805,001 – 810,000	1,387
120,001 – 125,000	590	350,001 – 355,000	885	580,001 – 585,000	1,150	810,001 – 815,000	1,393
125,001 – 130,000	597	355,001 – 360,000	891	585,001 – 590,000	1,155	815,001 – 820,000	1,398
130,001 – 135,000	604	360,001 – 365,000	897	590,001 – 595,000	1,160	820,001 – 825,000	1,403
135,001 – 140,000	611	365,001 – 370,000	903	595,001 – 600,000	1,166	825,001 – 830,000	1,408
140,001 – 145,000	618	370,001 – 375,000	909	600,001 – 605,000	1,171	830,001 – 835,000	1,414
145,001 – 150,000	626	375,001 – 380,000	915	605,001 – 610,000	1,176	835,001 – 840,000	1,419
150,001 – 155,000	633	380,001 – 385,000	921	610,001 – 615,000	1,181	840,001 – 845,000	1,424
155,001 – 160,000	640	385,001 – 390,000	927	615,001 – 620,000	1,187	845,001 – 850,000	1,430
160,001 – 165,000	647	390,001 – 395,000	933	620,001 – 625,000	1,192	850,001 – 855,000	1,435
165,001 – 170,000	654	395,001 – 400,000	939	625,001 – 630,000	1,197	855,001 – 860,000	1,440
170,001 – 175,000	661	400,001 – 405,000	945	630,001 – 635,000	1,203	860,001 – 865,000	1,445
175,001 – 180,000	668	405,001 – 410,000	951	635,001 – 640,000	1,208	865,001 – 870,000	1,451
180,001 – 185,000	676	410,001 – 415,000	957	640,001 – 645,000	1,213	870,001 – 875,000	1,456
185,001 – 190,000	683	415,001 – 420,000	963	645,001 – 650,000	1,218	875,001 – 880,000	1,461
190,001 – 195,000	690	420,001 – 425,000	969	650,001 – 655,000	1,224	880,001 – 885,000	1,467
195,001 – 200,000	697	425,001 – 430,000	975	655,001 – 660,000	1,229	885,001 – 890,000	1,472
200,001 – 205,000	703	430,001 – 435,000	981	660,001 – 665,000	1,234	890,001 – 895,000	1,477
205,001 – 210,000	709	435,001 – 440,000	987	665,001 – 670,000	1,240	895,001 – 900,000	1,482
210,001 – 215,000	715	440,001 – 445,000	993	670,001 – 675,000	1,245	900,001 – 905,000	1,488
215,001 – 220,000	721	445,001 – 450,000	1,000	675,001 – 680,000	1,250	905,001 – 910,000	1,493
220,001 – 225,000	727	450,001 – 455,000	1,006	680,001 – 685,000	1,255	910,001 – 915,000	1,498
225,001 – 230,000	733	455,001 – 460,000	1,012	685,001 – 690,000	1,261	915,001 – 920,000	1,504
230,001 – 235,000	739	460,001 – 465,000	1,018	690,001 – 695,000	1,266	920,001 – 925,000	1,509
235,001 – 240,000	745	465,001 – 470,000	1,024	695,001 – 700,000	1,271	925,001 – 930,000	1,514
240,001 – 245,000	751	470,001 – 475,000	1,030	700,001 – 705,000	1,276	930,001 – 935,000	1,519
245,001 – 250,000	758	475,001 – 480,000	1,036	705,001 – 710,000	1,282	935,001 – 940,000	1,525
250,001 – 255,000	764	480,001 – 485,000	1,039	710,001 – 715,000	1,287	940,001 – 945,000	1,530
255,001 – 260,000	770	485,001 – 490,000	1,048	715,001 – 720,000	1,292	945,001 – 950,000	1,535
260,001 – 265,000	776	490,001 – 495,000	1,054	720,001 – 725,000	1,298	950,001 – 955,000	1,540
265,001 – 270,000	782	495,001 – 500,000	1,060	725,001 – 730,000	1,303	955,001 – 960,000	1,546
270,001 – 275,000	788	500,001 – 505,000	1,065	730,001 – 735,000	1,308	960,001 – 965,000	1,551
275,001 – 280,000	794	505,001 – 510,000	1,071	735,001 – 740,000	1,313	965,001 – 970,000	1,556
280,001 – 285,000	800	510,001 – 515,000	1,076	740,001 – 745,000	1,319	970,001 – 975,000	1,562
285,001 – 290,000	806	515,001 – 520,000	1,081	745,001 – 750,000	1,324	975,001 – 980,000	1,567
290,001 – 295,000	812	520,001 – 525,000	1,086	750,001 – 755,000	1,329	980,001 – 985,000	1,572
295,001 – 300,000	818	525,001 – 530,000	1,092	755,001 – 760,000	1,335	985,001 – 990,000	1,577
300,001 – 305,000	824	530,001 – 535,000	1,097	760,001 – 765,000	1,340	990,001 – 995,000	1,583
305,001 – 310,000	830	535,001 – 540,000	1,102	765,001 – 770,000	1,345	995,001 – 1,000,000	1,588
310,001 – 315,000	836	540,001 – 545,000	1,108	770,001 – 775,000	1,350		
315,001 – 320,000	842	545,001 – 550,000	1,113	775,001 – 780,000	1,356		

For Transactions in Excess of \$1,000,000

Amount of Liability	Additional Rate	Maximum Rate
1,000,001 to 5,000,000	Add \$5.00 per \$5,000 or fraction thereof	\$5,588
Over \$5,000,000	Add \$3.50 per \$5,000 or fraction thereof	As calculated