

United General Title Insurance Company

COMMERCIAL RATE MANUAL
OF
ALL-INCLUSIVE RATE PLAN
FOR
STATE OF MICHIGAN

This All-Inclusive Rate Plan shall be applicable to policies of \$1,000,000.00 or more insuring commercial risks in the State of Michigan. Commercial risks do not include risks on land improved with a one-to-four family residential structure.

This Rate Plan includes ordinary charges for title and tax search for one chain of title, examination of title, one title insurance commitment and the title insurance policy.

The Company reserves the right to decline any application for the issuance of a policy or for the increase of an existing policy.

INDEX

	<u>PAGE</u>
I. Amount of Insurance	3
II. Basic Rate for Owner Policies and Loan Policies Without Standard Exceptions	4
III. Standard Exceptions and Removal Thereof	4
IV. Reissue of Owner's and Loan Policies	5
V. Refinance Loan Policies	5
VI. Owner's Policy and Loan Policy Issued Simultaneously With Identical Effective Dates	5
VII. Extraordinary Work Fee	5
VIII. New or Recent Construction	6
IX. Master Policies	7
X. Commercial Line Endorsements	8

I. AMOUNT OF INSURANCE

An owner's policy of title insurance will not be issued for less than the full value of the premises.

An owner's policy insuring the interest of a lessee will not be issued for less than the full value of the interest of the lessee.

A loan policy of title insurance shall be written in an amount equal to the face amount of the insured mortgage, unless one of the following rules applies:

A loan policy may be written:

- (1) In an amount equal to the value of the premises, if the face amount of the insured mortgage exceeds the value of the premises;
- (2) In the amount allocated by the insured if: (a) the principal indebtedness is secured by mortgages on multiple properties, (b) the aggregate of the values of all the premises securing the principal indebtedness exceeds the amount of the principal indebtedness, (c) the sum of the allocated values equals the amount of principal indebtedness, and (d) the ratio of allocated value to the value of the premises to which it applies is the same ratio for all properties securing the principal indebtedness;
- (3) In an amount greater than the amounts provided above if the insured asks for insurance coverage equal to the applicable amount plus an amount for interest, additional interest, shared appreciation interest or other amount which is secured by the insured mortgage, but not included in the principal amount of the mortgage;

Notwithstanding the above rules, the amount of any policy issued by the Company may be limited by the limits on unreinsured risk imposed by law and by the action of its Board of Directors, plus the amount of reasonably available reinsurance.

The term "premises" as used herein means the land and improvements on the land if (i) the policy holder owns the land with its improvements, or (ii) title to the land with its improvements is encumbered by the insured mortgage. If title to the improvements has been severed from title to the land and is vested in someone other than the owner of the land, or if the insured mortgage encumbers only title to the land or title to the improvements, then the term "premises" shall mean the severed interest as it is described in Schedule A of the policy.

II. **BASIC RATE FOR:
OWNER'S POLICIES AND LOAN POLICIES**

For the first \$1,000,000.00 of liability (or fraction thereof)	\$2,000.00
For each additional \$1,000.00 (or fraction thereof) to and including \$10,000,000.00.....	1.00
For each additional \$1,000.00 (or fraction thereof) in excess of \$10,000,000.00 and up to and including \$40,000,000.00.....	0.95
For each additional \$1,000.00 (or fraction thereof) in excess of \$40,000,000.00.....	0.90

III. **STANDARD EXCEPTIONS
AND REMOVAL THEREOF**

A. The Standard Exceptions are:

1. Any discrepancies or conflicts in boundary lines, any shortages in area, or any encroachment or overlapping of improvements.
2. Any facts, rights, interests or claims which are not shown by the public record but which could be ascertained by an accurate survey of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances or claims thereof, which are not shown by the public record.
4. Any lien or right to lien for services, labor or material imposed by law and not shown by the public record.

B. Removal of Standard Exceptions:

The Company will remove any one or more of the standard exceptions upon request and upon submission to and acceptance by the Company of appropriate documents and surveys and payment of appropriate fees as set forth in the following underwriting rules. Matters disclosed by the documents and surveys submitted may result in specific exceptions to title being shown in lieu of a standard exception.

C. Underwriting Rules for Removal of Standard Exceptions:

Standard Exceptions 1, 2, and 3 may be removed on the basis of information disclosed by an acceptable affidavit furnished by the seller and, depending upon the circumstances, the review of an acceptable survey and surveyors' certificate.

Standard Exception 4 may be removed on the basis of information disclosed by an acceptable seller's affidavit which confirms that no services, labor or materials have been furnished to the land to be insured within 90 days of Date of Policy which have not been fully paid for. See Section VIII. for rules relating to cases involving new or recent construction.

IV. REISSUE OF OWNER'S OR LOAN POLICIES

When the issuance of an Owner's or Loan Policy is based upon an existing Owner's or Loan Policy, a credit will be given in accordance with the table below for the full amount of the new policy.

Up to and including the first \$10,000,000.00 of liability: 10% credit to basic rate in Section II.

The portion of liability in excess of \$10,000,000.00: 25% credit to basic rate in Section II.

Credits described in Section V may not be used if the Reissue Credit is applied.

See limitation in Section VIII (C).

V. REFINANCE LOAN POLICIES

When a first mortgage loan is refinanced by the same borrower, a credit will be given in accordance with the table below for the full amount of the policy insuring the new mortgage.

Up to and including the first \$10,000,000.00 of liability: 25% credit to basic rate in Section II.

The portion of liability in excess of \$10,000,000.00: 40% credit to basic rate in Section II.

Credits described in Section IV may not be used if the Refinance Credit is applied.

These credits may not be used if Section VIII applies.

VI. OWNER'S POLICY AND LOAN POLICY ISSUED SIMULTANEOUSLY WITH IDENTICAL EFFECTIVE DATES

A. The Owner's Policy will be issued at the rates and credits applicable under Sections II and IV.

B. The Loan Policy will be issued for 25 percent of such applicable rate, up to the face amount of the Owners Policy, with the basic rate being charged in excess thereof.

C. These rates may not be used if Section VIII applies.

VII. EXTRAORDINARY WORK FEE

When the title in the land to be insured involves more than one chain of title, or unusual complexity, or additional work is requested by the insured, work charges may be made at the rate of \$100.00 per hour.

VIII. NEW OR RECENT CONSTRUCTION

A. Loan Policies Issued During Pendency of Construction

A Loan Policy issued during the pendency of construction without Standard Exception 4 will include a Construction Loan Pending Disbursement Endorsement as part of the policy and the issuance of Construction Loan Disbursement Endorsements when loan proceeds are advanced by the lender. If the construction loan will convert to a permanent loan, a Construction Loan Endorsement to Reinstate Paragraph 7 of Policy will be issued upon satisfaction of the requirements established in paragraph III.C. regarding removal of Standard Exception 4.

The Removal of Standard Exception 4, in this instance, will be conditioned upon inclusion of a Construction Disbursement Endorsement and arrangements satisfactory to the Company with the lender to be insured, the owner, and the owner's contractors to provide satisfactory sworn statements, waivers of lien, proof of financial responsibility and indemnities.

Should the Company choose to remove Standard Exception 4 under these circumstances, an additional premium will be charged in accordance with the table below.

Up to and including the first \$10,000,000.00 of liability:	40% of the applicable rate in Sections II, IV and VIII (C).
The portion of liability in excess of \$10,000,000.00:	10% of the applicable rate in Sections II, IV and VIII (C).

B. Loan Policies After Substantial Completion of New Construction

When the Company has not issued a loan policy or been paid a premium pursuant to Section VIII. A, the Company may issue a loan policy insuring a mortgage which secures a fully disbursed loan on property having newly constructed improvements and still subject to a construction lien risk without Standard Exception 4. Should the Company choose to issue a Loan Policy without Standard Exception 4 under these circumstances, an additional premium will be charged in accordance with the table below.

Up to and including the first \$10,000,000.00 of liability:	40% of the applicable rate in Sections II, IV and VIII (C).
The portion of liability in excess of \$10,000,000.00:	10% charge in addition to applicable rate in Sections II, IV and VIII (C).

C. Limitations on Use of Reissue Credits

When the credits described in Section IV are used in calculating the rate for a Loan Policy covering a risk with New or Recent Construction, the reissue credit will apply only to the Amount of Insurance equal to the existing Owner's or Loan Policy. Additional insurance will be charged at the basic rate.

D. Take Out or End Loan Policy

When the Company has issued a loan policy insuring a mortgage which secures a loan, all or a substantial part of the proceeds of which have been advanced to the borrower for construction of improvements on the land (the construction loan), and the loan policy was issued at the rate qualified for under Sections II, IV, or VIII, the rate for the policy insuring a mortgage securing a loan, the proceeds of which are used to discharge the construction loan (end loan) will be 20% of the basic rate under Section II up to the Amount of Insurance stated in the policy insuring the construction loan, provided repayment of the construction loan occurs within the earlier of 12 months after the last insured advance under the construction loan or five years after the issuance of the policy insuring the construction loan mortgage. Additional insurance will be charged according to the rate in Section II.

E. Owner's Policies

The Company may issue an Owner's Policy without Standard Exception 4 under the circumstances of recent or pending construction of improvements on the land, if it has determined such issuance will not increase the risks normally undertaken by issuing an Owner's Policy.

F. Simultaneously Issued Owner's Policies

The rate for an Owner's Policy issued simultaneously with a Loan Policy issued under this Section will be \$100.00.

IX. MASTER POLICY

A subdivider or developer may secure a master fee policy covering ten or more lots, condominium units or building sites insuring the aggregate market value, or estimated value, of said lots. This policy will be charged at the Basic Rate.

Sub-policies covering individual lots, condominium units or building sites will be issued at a sub-policy rate of \$50.00. The right to purchase a sub-policy under the master policy shall be limited to the insured under the master policy or the insured's immediate grantee.

Any increase in insurance required under the master policy shall be the Basic Rate per thousand in effect at the time of application for the increase.

X. **COMMERCIAL LINE ENDORSEMENTS:** The following endorsements may be issued, upon request, upon satisfaction of underwriting requirements where indicated, and at the rate shown. All endorsement forms are "Commercial Line" forms and may not be issued as a part of a Residential Title Insurance Policy.

A. **CONSTRUCTION ENDORSEMENTS:** The following endorsements may be requested by a lender in conjunction with the issuance of loan policies insuring a mortgage which secures a loan to finance new construction on the land. The Company will issue these endorsements in compliance with the requirements identified in the paragraph entitled "New or Recent Construction" in VIII, A, and B, above.

NAME	RATE
Construction Loan Pending Disbursement Form No. 675MI	NO CHARGE
Construction Loan Subsequent Disbursement Form No. 676MI	NO CHARGE
Construction Loan Final Disbursement Form No. 677MI	NO CHARGE

B. **NO CHARGE ENDORSEMENTS:** The following endorsements may be requested by an insured or proposed insured that has identified a unique condition of title or aspect of the transaction creating the interest to be insured and seeks coverage in addition to or in variance with the coverage afforded by the policy. The Company will issue the endorsement after it has determined the following: (1) the endorsement addresses the unique condition or specific aspect of the transaction for which the endorsement is requested; (2) its issuance will not increase the risks normally undertaken by issuing the policy which is to be endorsed; and (3) the time required to underwrite the endorsement is minimal.

NAME	RATE
ALTA – Form 8.1 - Environmental Protection Lien Form No. 762MI	NO CHARGE
General Purpose-Blank Endorsement Form No. 780	NO CHARGE
ALTA - Form 13.1 (Leasehold-Loan) Form No. 697	NO CHARGE
ALTA – Form 13 (Leasehold-Owners) Form No. 696	NO CHARGE
Location Form No. 552MI	NO CHARGE
Arbitration Form No. 832MI	NO CHARGE
ALTA Form 9 - Restrictions, Easements, Minerals Form No. 770	NO CHARGE
ALTA Form 9.1 – Restrictions, Encroachments, Minerals-Owners Policy-Unimproved Land Form No. 616	NO CHARGE
ALTA Form 9.2 – Restrictions, Encroachments, Minerals-Owner's Policy-Improved Land Form No. 617	NO CHARGE
ALTA Form 4 - Condominium Form No. 752	NO CHARGE

NAME	RATE
ALTA Form 4.1 - Condominium Form No. 767	NO CHARGE
ALTA Form 5 -- Planned Unit Development Form No. 754	NO CHARGE
ALTA Form 5.1 -- Planned Unit Development Form No. 768	NO CHARGE
ALTA Form 7.0 -- Manufactured Housing Form No. 760	NO CHARGE
ALTA Form 6 -- Variable Rate Mortgage Form No. 756	NO CHARGE
ALTA Form 6.1 -- Variable Rate Endorsement Form No. 864	NO CHARGE
ALTA Form 6.2 -- Variable Rate Loan - Negative Amortization Form No. 758	NO CHARGE
Survey Form No. 875MI	NO CHARGE
ALTA Form 19 -- Contiguity -- Multiple Parcels Form No. 660	NO CHARGE
ALTA Form 19.1 -- Contiguity -- Single Parcel Form No. 661	NO CHARGE
ALTA Form 1 -- Street Assessments Form No. 736	NO CHARGE
ALTA Form 18 -- Single Tax Parcel Form No. 658	NO CHARGE
ALTA Form 18.1 -- Multiple Tax Parcel Form No. 659	NO CHARGE
Last Dollar Form No. 858	NO CHARGE

C. **FLAT RATE ENDORSEMENTS:** The following endorsements may be requested by an insured or proposed insured that has identified a unique condition of title or aspect of the transaction creating the interest to be insured and seeks coverage in addition to or in variance with the coverage afforded by the policy. The Company will issue the endorsement after it has determined the following: (1) the endorsement addresses the unique condition or specific aspect of the transaction for which the endorsement is requested; (2) its issuance will not increase the risks normally undertaken by issuing the policy which is to be endorsed; and (3) the time required to underwrite the endorsement is minimal.

NAME	RATE
ALTA Form 10 – Assignment of Mortgage Form No. 698	\$250.00
ALTA Form 10.1 - Assignment of Mortgage – Continued Priority Form No. 699	\$350.00
ALTA Form 12 – Aggregation Tie-In Form No. 622	\$200.00
Doing Business Form No. 647MI	\$100.00
Access and Entry Form No. 656	\$100.00
Indirect Access and Entry Form No. 657	\$100.00

D. **RATE PER THOUSAND (PERCENTAGE) ENDORSEMENTS:** The following endorsements may be requested by an insured or proposed insured who has identified a unique condition of title or aspect of the transaction creating the interest to be insured and seeks coverage in addition to or in variance with the coverage afforded by the policy. The Company will issue the endorsement after it has determined the following: (1) the endorsement addresses the unique condition or specific aspect of the transaction for which the endorsement is requested; (2) its issuance will not increase the risks normally undertaken by issuing the policy which is to be endorsed; and (3) the time required to underwrite the endorsement is minimal.

NAME	RATE
ALTA Form 14.1 - Future Advance – Knowledge Form No. 650	10% of Basic Rate
ALTA Form 14.2 - Future Advance – Letter of Credit Form No. 651	10% of Basic Rate
ALTA Form 14 - Future Advance – Priority Form No. 773	10% of Basic Rate
ALTA Form 3.0 – Zoning – Unimproved Land Form No. 751	10% of Basic Rate (\$100.00 Minimum)
ALTA Form 3.1 – Zoning – Improved Land Form No. 750	15% of Basic Rate (\$100.00 Minimum)
ALTA Form 21 – Creditor’s Rights Form No. 663	5% of Basic Rate (\$100.00 Minimum)
Usury Form No. 735	10% of Basic Rate (\$100.00 Minimum)

NAME	RATE
ALTA Form 11 - Mortgage Modification Form No. 847	5% of Basic Rate calculated on the remaining principal owing at date of modification. Basic Rate for any increase in principal owing after modification. (\$100.00 Minimum)
ALTA Form 16 – Mezzanine Financing Form No. 655	5% of Basic Rate (\$100.00 Minimum)
Fairway Form No. 632	5% of Basic Rate (\$100.00 Minimum)
Non-Imputation Form No. 475	10% of Basic Rate
ALTA Form 15 – Non Imputation - Full Equity Transfer Form No. 652	10% of Basic Rate
ALTA Form 15.1 – Non Imputation – Additional Insured Form No. 653	10% of Basic Rate
ALTA Form 15.2 - Non Imputation – Partial Equity Form No. 654	10% of Basic Rate
Revolving Credit Form 575	10% of Basic Rate
ALTA Form 20 – First Loss – Multiple Parcel Transactions Form No. 662	10% of Basic Rate
Subdivision Control Act Form No. 615MI	5% of Basic Rate