



# TITLE INSURANCE RATE MANUAL

**\*NEW YORK STATE\***

This Rate Manual has been approved by the  
Superintendent of Insurance of the State of New York  
and is effective September 1, 1993.

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This reprint contains all changes approved by the  
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Title Insurance Rate Manual

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## **New York State**

**Effective Date: September 1, 1993**

This manual sets forth rules, definitions, classifications of risk, rates for policies of title insurance and approved forms of policies, endorsements and other forms for use by the members and subscribers of the Title Insurance Rate Service Association (TIRSA).

The Title Insurance Rate Service Association is licensed by the Superintendent of Insurance of the State of New York pursuant to Article 23 of the Insurance Law as a "Rate Service Organization".

This manual and its contents have been filed with and approved by the Superintendent of Insurance in accordance with the Insurance Law of the State of New York. The provisions of this manual are binding upon all members and subscribers of the Title Insurance Rate Service Association and their agents and must be used on and after the effective date hereof unless a specific deviation from this manual has been filed by an individual member company with, and approved by, the Superintendent of Insurance.

### **MEMBERS OF TIRSA AS OF SEPTEMBER 8, 2014:**

Ameristract Title Insurance Company  
Chicago Title Insurance Company  
Commonwealth Land Title Insurance Company  
Conestoga Title Insurance Company  
Fidelity National Title Insurance Company  
First American Title Insurance Company of New York  
First Atlantic Title Insurance Corporation  
Investors Title Insurance Company  
National Investors Title Insurance Company  
National Title Insurance of New York Inc.  
Old Republic National Title Insurance Company  
Security Title Guarantee Corporation of Baltimore  
Stewart Title Insurance Company  
Title Resources Guaranty Company  
Westcor Land Title Insurance Company  
WFG National Title Insurance Company



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# **PART I**

# **RULES AND DEFINITIONS**

## Part I - RULES AND DEFINITIONS

### SECTION 1 - RATES AND RULES

- (A) The rates herein are the rates for ordinary residential and commercial transactions for title insurance coverage provided by the standard forms of policies set forth in this manual. Unless specifically stated otherwise in this manual, or in a policy, endorsement or other form, residential real property means: (i) A one to four family dwelling; (ii) An individual condominium used as a dwelling; or (iii) An individual cooperative apartment/unit used as a dwelling.
- (B) With the exception of simultaneously issued policies wherever set forth in this manual, the premium charged may not be less than the minimum charge shown in Part II of this manual.
- (C) Premiums for policies shall be rounded to the nearest dollar. Forty-nine cents or less shall be rounded down and fifty cents and above shall be rounded up.
- (D) "Company" as used herein means each Title Insurance Company to which this manual applies and any Title Insurance Agent acting on behalf of such Title Insurance Company in the transactions described herein.
- (E) The Company, upon notification to its applicant, may decline to search, examine or insure any title, or to issue any endorsement to a policy. It may, at any time, in its sole discretion, refuse an application or cancel any unclosed application of the applicant, without liability on the part of the Company. Any such notification, refusal or cancellation shall be in writing.
- (F) The Company may impose additional work charges in especially difficult titles. Extra charges may be made at or after the receipt of the application for examination of title which may involve additional tax lots, multiple chains of title, land under water, land in bed of streets, rights-of-way, driveways, easements, strips and gores, foreclosures, proceedings under federal bankruptcy or state insolvency related statutes, or which involve other unusual difficulties, or for unusual expenditures for travel, or for recording instruments, telephone, telegraph or delivery charges. The Company may impose additional charges for closing attendance in excess of two hours and for any closings extending beyond normal business hours and where additional attendances are necessary or travel arrangements and distance warrant.
- (G) Nothing herein shall prohibit a Company from charging an additional special risk premium of up to 25% of the applicable premium for affirmative risk coverage(s) not contained in the endorsements contained in Part III, hereof provided, however, that such coverage is not inconsistent with Section 4, herein. A special risk premium in excess of 25% of the applicable premium must be approved in advance by the Superintendent of Insurance.
- (H) The Company shall withhold delivery of the policy and have no liability until all applicable charges and the premiums and fees set forth in this manual have been paid in full. A policy, form, endorsement, guarantee, certificate or other service authorized in this manual which is ordered directly by an agency of, and for the use of, the United States Government may be delivered prior to payment therefore. Payment for such policy or other service shall be made by said agency of the United States Government not more than 60 days after delivery.
- (I) All charges pursuant to this manual must be paid at the time of closing, unless otherwise set forth herein.
- (J) All charges, fees and premiums set forth in this manual, pursuant to Section 2314 of the Insurance Law, are mandatory upon each Company upon approval by the Superintendent of Insurance, and cannot be waived, reduced or increased, except as provided in Paragraph F, Section 1 hereof or as provided in Section 2339 of the Insurance Law.

- (K) A policy other than a mortgage policy, shall be issued only in the name of the present owner(s) of the insured estate and, if the present owner of the insured estate is acting as nominee pursuant to a written agreement, the principal on whose behalf the nominee holds title, "as their interests may appear", provided that the principal holds no other estate or interest in the land. No other party holding a separate estate or interest may be named as an insured "as its interest may appear".
- (L) (1) FOR ALL OWNER'S POLICIES: In the absence of a survey acceptable to the company the policy must contain the following language: "subject to any state of facts an accurate survey would show".
- (2) FOR LOAN POLICIES: If the land is improved by other than a 1-4 family dwelling or is vacant land and in the absence of a survey acceptable to the Company, the policy must contain the following language: "subject to any state of facts an accurate survey would show".
- (M) Whenever the terms "mortgage" or "loan" appear in this manual it shall mean an instrument creating a security interest in real property.
- (N) (1) A "construction loan", when used in this Rate Manual, shall include a building loan, a project loan or any other loan which is advanced in stages and for which the policy is down dated when each advance of loan proceeds is made.
- (2) Every loan policy insuring a construction loan shall contain the following language, or language of similar import:

Pending disbursement of the proceeds of the loan secured by the insured mortgage described herein, this Policy insures only to the extent of the amount actually disbursed plus interest accrued thereon but increases as disbursements are made in good faith and without knowledge of any defects in, or objections to, the title, up to the face amount of the policy. Title must be continued down to the date of each disbursement and the Company shall furnish to the mortgagee a continuation report, stating whether, since the date hereof or since the date of the last preceding continuation report, any liens or encumbrances have been recorded, whether any taxes, assessments or other charges of whatever nature which have become due and payable have been paid, and whether there are any additional title exceptions or objections, whether, if an updated survey is furnished, there are survey variations, encroachments or violations of set-back, and whether there are any additional title exceptions or objections.

## **SECTION 2 - ZONES**

- (A) For rate making purposes the State of New York is divided into two Zones as follows:

<u>Zones</u>	<u>Counties</u>
1	Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming, and Yates
2	Albany, Bronx, Columbia, Dutchess, Greene, Kings, Nassau, New York, Orange, Putnam, Queens, Rensselaer, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester

- (B) The premium rates for Zone 1 do not include the cost of searching and a separate charge may be made for such search.
- (C) The premium rates for Zone 2 include the cost of searching.
- (D) The premium rates for both Zones do not include the cost for municipal department searches.

### **SECTION 3 - COINSURANCE**

- (A) Coinsurance is a transaction where each coinsurer assumes a designated portion of the liability of the total risk from the first dollar and is liable for only such portion of any loss. Each coinsurer shall then issue a policy in the amount of the liability it assumed.
- (B) Joint and Several Liability is coinsurance in which the liability for a designated amount of loss or damage from first dollar is assumed jointly and severally among the coinsurers.

Whenever joint and several liability is requested, the TIRSA Joint and Several Liability Endorsement will be issued and each coinsuring company shall charge an additional premium which shall be at the rate of \$1 per \$1000 of the total amount of insurance for which the joint and several liability shall apply.

### **SECTION 4 - POLICY FORMS AND ENDORSEMENTS**

- (A) No form of policy, endorsement, or other coverage may be issued which varies the terms, conditions, stipulations or exclusions of a policy unless first approved by the Superintendent of Insurance. Approved policies and endorsements are set forth in Part III hereto. No form of policy not approved by the Superintendent of Insurance may be issued or updated by endorsement or otherwise.

### **SECTION 5 - MINIMUM INSURANCE: OWNER'S POLICY**

- (A) An owner's policy shall not be issued for less than the greater of the contract price (including all unpaid liens thereon which the purchaser assumes or takes subject to) or the fair market value of the premises, except under the provisions of Section 3(A), Section 15, Section 29, or Section 30 of this manual.

### **SECTION 6 - MINIMUM INSURANCE: LOAN POLICY**

- (A) A loan policy shall not be issued for less than the full unpaid principal amount of the New York mortgage liability except under the provisions of Section 3(A) (Co-Insurance) or Section 36 (Reverse Mortgages).
- (B) A loan policy insuring Negative Amortization may not be issued in an amount less than the maximum principal amount (including interest which may be added to principal) which may be secured by such mortgage.



### **SECTION 7 - MINIMUM INSURANCE: LEASEHOLD INSURANCE**

- (A) The rate for Leasehold Insurance (or insurance for renewal of a lease) shall be the owner's rate and shall be based upon the amount of insurance selected by the insured according to one of the following methods:
- (1) For leases having a term of six (6) years or less, an amount equal to the aggregate of the total rents payable under the lease; or
  - (2) For leases having a term of more than six (6) years, an amount not less than the aggregate of the total rentals for the six (6) years immediately following the closing of the lease transaction (on percentage leases, a statement of estimated rent may be used); or
  - (3) Not less than the fair market value of the land and improvements at the time of closing of the leasehold transaction; or
  - (4) Not less than the appraised value of the land and improvements at the time of the closing of the leasehold transaction
- (B) In the case of proposed construction, the projected cost of improvements may, at the option of the insured, be added to the amount specified in (A)(1) through (4) above.
- (C) When insuring an assignment of a leasehold estate, the minimum amount of insurance is calculated by the greater of the following:
- (1) the full consideration for the leasehold estate, including all mortgages assumed or taken subject to; or
  - (2) the value of the leasehold estate calculated by the method outlined in Section 7(A)(1) or Section 7(A)(2) above.

### **SECTION 8 - REPEALED**

### **SECTION 9 - REPEALED**

### **SECTION 10 - MINIMUM INSURANCE - COOPERATIVE LEASEHOLD INSURANCE**

- (A) A policy insuring the interest of a Cooperative Leasehold Owner relating to an apartment/unit in a building owned by a Cooperative Corporation/Partnership shall not be issued for less than the amount paid for the purchase of the proprietary lease and the accompanying stock.
- (B) A policy insuring the security interest of a lender in the proprietary lease and the accompanying stock relating to an apartment/unit in a building owned by a Cooperative Corporation/Partnership, shall not be issued for less than the full unpaid principal amount of the loan.

### **SECTION 11 - COOPERATIVE LEASEHOLD INSURANCE**

- (A) The only policy forms to be used in connection with cooperative leasehold insurance as set forth in Section 10 are the approved ALTA Owner's Policy with the TIRSA Cooperative Endorsement (Owner's) and the approved ALTA Loan Policy with the TIRSA Cooperative Endorsement (Loan).

- (B) The charge for the aforesaid policies shall be seventy percent (70%) of the owner's or loan rate.
- (C) When a cooperative leasehold owner's policy and a cooperative leasehold loan policy are issued simultaneously covering identical property, the rate applicable to the cooperative leasehold owner's policy shall be seventy percent (70%) of the owner's policy rate. The rate on the amount of the cooperative leasehold loan policy that does not exceed the cooperative leasehold owner's policy shall be calculated at thirty percent (30%) of the loan rate. The rate on the amount of the cooperative leasehold loan policy in excess of the cooperative leasehold owner's policy shall be calculated at the loan rate set forth in (B) above.

#### **SECTION 12 - CONSTRUCTION LOAN INSURANCE**

- (A) The construction mortgage rate is the owner's rate. A policy insuring a construction mortgage shall not be issued for less than the face amount of the construction mortgage and the rate, based on the full amount of the construction mortgage, must be paid at the time of the first advance. The rate shall include the cost of the first five continuations during the life of the construction mortgage. An additional charge of \$200 for each subsequent title continuation search beyond the fifth shall be made and collected at the time of each such continuation.
- (B) Where there is no change in the ownership of the fee estate or leasehold estate and no change in the ownership of the mortgage, the premium for a policy or endorsement insuring the conversion of an existing construction mortgage to a permanent mortgage shall be thirty percent (30%) of the loan rate. Additional insurance in excess of the amount of the construction loan shall be calculated at the full loan rate.
- (C) Where there is no change in the ownership of the fee estate or leasehold estate and there is a change of ownership of the mortgage, the premium for a policy or endorsement insuring the conversion of an existing construction loan mortgage to a permanent mortgage shall be seventy percent (70%) of the loan rate. Additional insurance in excess of the amount of the construction mortgage shall be calculated at the full loan rate.
- (D) Where there is a change of ownership of the fee estate or leasehold estate, the premium for a policy or endorsement insuring the conversion of an existing construction loan mortgage to a permanent mortgage shall be calculated at the full loan rate.

#### **SECTION 13 - SIMULTANEOUS ISSUE OF OWNER'S AND LOAN OR CONSTRUCTION LOAN POLICIES**

- (A) When an owner's policy and a loan policy are issued simultaneously covering identical property, the rate for the owner's policy shall be the applicable owner's rate. The rate on the amount of the loan policy that does not exceed the amount of the owner's policy shall be calculated at thirty percent (30%) of the loan rate. The rate on the amount of the loan policy in excess of the amount of the owner's policy shall be calculated at the full loan rate.
- (B) When an owner's policy and a policy insuring a construction loan are issued simultaneously covering identical property, the rate for the owner's policy shall be the applicable owner's policy rate. The rate on the amount of the construction loan policy that does not exceed the amount of the owner's policy shall be calculated at thirty percent (30%) of the owner's rate. The rate on the amount of the construction loan policy in excess of the amount of the owner's policy shall be calculated at the full owner's rate.

**SECTION 14: REFINANCE AND SUBORDINATE MORTGAGE**

- (A) (1) Whenever a new loan policy (a "New Loan Policy") is issued in the amount of \$475,000 or less, the charge for the New Loan Policy shall be 50% of the applicable full loan rate up to the greater of:
- (a) the full consideration paid for the deed, lease or assignment of lease vesting title in the mortgage (the "Vesting Instrument");
    - (i) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument, or
    - (ii) otherwise shown on the Vesting Instrument, or
    - (iii) shown in the public records, or
  - (b) the face amounts of all existing mortgages (including the consolidated amount of consolidated or modified mortgages) made by the owner of the fee or leasehold estate created by the Vesting Instrument (the "Existing Mortgage(s)");
- (2) provided that:
- (a) the Vesting Instrument or the Existing Mortgage(s) on which the reduced rate is based was created within ten years before the date the order for the New Loan Policy was placed; and
  - (b) the new loan is to be made by all of the same or by some of the same persons as shown as the owners of the fee or leasehold estate in the Vesting Instrument, or by all of the same or some of the same persons as shown as the mortgagors in the Existing Mortgages; and
  - (c) The New Mortgage describes the same property or some of the same property as is set forth in the Vesting Instrument or the "Existing Mortgage(s)": means the New Mortgage describes all of the same property or some of the same property as shown in the Vesting Instrument or the Existing Mortgages.
- (3) For any insurance that exceeds the greater of the amounts set forth in (A)(1)(a) or (A)(1)(b) above, the charge for such insurance shall be the full applicable loan rate.
- (B) (1) Whenever a new loan policy (a "New Loan Policy") is issued in the amount of more than \$475,000, the charge for the New Loan Policy shall be 70% of the applicable full loan rate up to the greater of:
- (a) the full consideration paid for the deed, lease or assignment of lease vesting title in the mortgage (the "Vesting Instrument");
    - (i) computed from the amount of New York State Real Estate Transfer Tax stated on the Vesting Instrument, or
    - (ii) otherwise shown on the Vesting Instrument, or
    - (iii) shown in the public records, or
  - (b) the face amounts of all existing mortgages (including the consolidated amount of consolidated or modified mortgages) made by the owner of the fee or leasehold estate created by the Vesting Instrument (the "Existing Mortgage(s)");
- (2) provided that:
- (a) the Vesting Instrument or the Existing Mortgage(s) on which the reduced rate is based was created within ten years before the date the order for the New Loan Policy was placed; and
  - (b) the new loan is to be made by all of the same or by some of the same persons as shown as the owners of the fee or leasehold estate in the Vesting Instrument, or all of the same or some of the same persons as shown as the mortgagors in the Existing Mortgages.; and

(c) New loan describes all of the same property or some of the same property as shown in the Vesting Instrument or the Existing Mortgages.

(3) For any insurance that exceeds the greater of the amounts set forth in (B)(1)(a) or (B)(1)(b) above, the charge for such insurance shall be the full applicable loan rate.

(C) "Existing mortgage" includes only mortgages that are open of record and have not been paid off prior to the transaction being insured.

(D) Additional discounts may be applicable pursuant to the following sections 14A and 14B.

**Note: see examples at the end of Section 14B**

**14A Refinance Loan Same Lender Same Borrower (Residential (1-4 Family) Property only)**

(A) (1) Whenever a new loan policy (a "New Loan Policy") is issued at any time insuring a new loan on property, when all of the following conditions are met and subject to only the conditions in (a) through (g) of this Section 14(A), the premium for the New Loan Policy shall be 70% (a 30% discount) of the applicable refinance premium calculated under Section 14 of this manual:

- (a) the New Loan Policy insures a new loan on Land improved only by an owner occupied residential (one to four family) property or an individual residential condominium unit or an individual residential cooperative apartment. A residential (1 to 4 family) property may include one apartment, unit or space used by the owner of the property as a professional office;
- (b) the holder of the loan or the holder of the beneficial interest in the loan being refinanced is the same as the holder of, or the holder of the beneficial interest in the new loan, including an affiliated entity or successor by merger, but not including a holder by assignment, unless the assignment is to an affiliated entity or successor by merger;
- (c) the new loan is a refinance of an existing loan by replacement with a new loan or a new loan consolidated with an existing loan;
- (d) the New Loan Policy is applied for at any time during the ownership of the property by the person or persons making the new loan;
- (e) all of the same or some of same persons executing the new loan are the same as those persons who executed the existing loan being refinanced;
- (f) the source of title into the parties who executed the loan being refinanced is the same as for the parties making the new loan; and
- (g) the New Loan Policy describes the same property or less as is set forth in the loan being refinanced.

**\*Note: see examples following Section 14B**

**14B Refinance Loan Same Borrower New Lender (Residential (One to Four Family) Property)**

- (A) (1) Whenever a new loan policy (a "New Loan Policy") is issued at any time insuring a new loan, when all of the following conditions are met and subject to only the conditions in (a) through (g) of this Section 14(B), the premium for the New Loan Policy shall be 85% (a 15% discount) of the applicable refinance premium calculated under Section 14 of this manual
- (a) the New Loan Policy insures a new loan on Land improved only by an owner occupied residential (one to four family) property or an individual residential condominium unit or an individual residential cooperative apartment which may include one apartment, unit or space used by the owner of the property as a professional office;
  - (b) the holder of the loan or the beneficial interest in the loan being refinanced is NOT the same as the holder of the new loan. However, if the holder of the loan being refinanced is a successor by merger or by an assignment to an affiliated entity or a successor by merger of the holder of the loan being refinanced, section 14A will apply;
  - (c) the new loan is a refinance of an existing loan by replacement with a new loan or a new loan consolidated with an existing loan;
  - (d) the Loan Policy is applied for at any time during the ownership of the property by the person or persons making the new loan;
  - (e) all of the same or some of same persons executing the new loan are the same as those persons who executed the existing loan being refinanced;
  - (f) the source of title into the parties who executed the loan being refinanced is the same as for the parties making the new loan; and
  - (g) the New Loan Policy describes the same property or less as is set forth in the loan being refinanced.

**\*Note: see examples following this section.**

## Examples for Section 14A and 14B

### **Example # 1: Ten Year Limitation not applicable to Sections 14A and 14B.**

Owner purchased a residential (1 to 4 Family) property in 1995 with a Loan from Lender X.

- a. In 2007, Owner refinanced the Loan with Lender X. Owner is now refinancing the Loan held by Lender X with Lender X.

**Owner is entitled to the additional 30% discount as set forth in Section 14A. There is no time limitation on the additional discount. The Rate under Section 14 of the TIRSA Rate Manual should be calculated even though more than 10 years have elapsed since the Owner's Vesting Instrument or the last qualifying mortgage transaction using the greater of the consideration paid for the Vesting Instrument or face amounts of all Existing Mortgage(s) (including the consolidated amount of consolidated or modified mortgages) made by the Owner. The additional discount is then applied to the rate derived under Section 14.**

- b. Owner is refinancing the existing Loan held by Lender X with new Lender Y. Lender Y is not a successor by merger or a corporate affiliate of Lender X.

**Owner is entitled to the additional 15% discount as set forth in Section 14B. As noted in "a" above, the ten year limitation in Section 14 does not apply when computing the Section 14 rate and the additional discount.**

### **Example #2: All of the same or some of the same persons.**

A residential (1 to 4 family) property is purchased by Owners A, B and C in 2000. Owners A, B and C made a Loan on the premises in 2004 with Lender X.

- a. In 2005, Owners A, B and C (by a single deed or individual deeds) conveyed the premises to Owner C. Owner C is now refinancing the Loan with Lender X.

**Owner C is entitled to the additional 30% discount under Section 14A. Owner C is one of the original owners of the property.**

- b. Owner C is refinancing the Loan presently held by Lender X with new Lender Y who is not a successor by merger or corporate affiliate of Lender X.

**Owner C is entitled to the additional 15% discount as set forth in Section 14B.**

- c. Owner C deeds the premises to Owner C and an additional new Owner D.

**Owners C and D are not entitled to the additional discounts of either Sections 14A or 14B. Owners D is a new party in title, and the borrowers C and D are not the same as the same or some of the same persons as the original borrower.**

- d. Owners C and D further convey the premises back to Owner C.

**Owner C is not entitled to the additional discounts of either Sections 14A or 14B. Because the source of title by Owner C is not the same as the source of title under which Owner C made the Loan in 2004, the additional discount does not apply.**

**Example 3: All of the same property or less.**

Owner purchased a residential (1 to 4 family) property in 2000. In 2006 Owner takes out a Loan from Lender X.

- a. In 2009 Owner conveys a portion of Owner's property. Owner refinances with Lender X.

**Owner is entitled to the 30% additional discount under Section 14A. Even though Owner has conveyed a portion of its property, Owner still owns a portion of the original property.**

- b. Owner refinances to Lender Y.

**Owner is entitled the 15% additional discount under Section 14B. The remaining property owned by Owner is part of the original property, however, Lender Y is a new Lender.**

Owner purchased a Residential (1 to 4 family) property with an adjoining vacant separately assessed lot in 2000 and finances the purchase with Lender X.

- a. In 2010 Owner refinanced the Loan on the unimproved lot. Owner is now refinancing the Loan on the unimproved lot.

**Owner is not entitled to the additional discounts under Sections 14, 14A or 14B. The separately assessed parcel is not a residential (1 to 4 family) property since it is vacant.**

**Example 4: Residential condominium unit (or Cooperative Apartment).**

Owner owns a condominium unit that Owner uses as his residence. Owner also owns an ancillary unit or units in the building used in connection with the residence i.e., a "maid's apartment," a parking spot or storage unit ("ancillary unit"). Owner takes out a Loan on a residential unit and an "ancillary unit" to Lender X in 2007.

- a. Owner is refinancing the Loan on the residential and "ancillary unit(s)" with Lender X

**Owner is entitled to the additional 30% discount under Section 14A. The ancillary units are used in conjunction with the occupancy by the owner of the residential unit.**

- b. Owner is refinancing the existing Loan held by Lender X with a new Lender, Lender Y.

**Owner is entitled to the additional 15 % discount under Section 14B. The refinance with a new Lender Y is only eligible for the 15% additional discount.**

- c. Owner refinances his owner occupied residential unit with Lender X but the Loan does not encumber all or any of the ancillary units used in connection with the owner's unit.

**Owner is entitled to the additional 30% discount under Section 14A. The residential unit is part of the same property owned and originally financed.**

- a. Owner refinances with Lender Y and the Loan does not describe some or all the "ancillary units" used in connection with the residential unit.

**Owner is entitled to the additional discount under Section 14B. The refinance is with a new Lender that is not a successor or affiliate of Lender X.**

- b. Owner refinances the residential unit and "ancillary units", however, Owner has substituted a new or different "ancillary unit) for one or more of the original "ancillary units".

**Owner is not entitled to the additional discounts under either Sections 14A or 14B. The substitution of a different "ancillary unit is not the same property that secured the original loan.**

**Example 5: Holder of the Loan or beneficial interest in the Loan.**

Owner takes out a Loan in 2006 with Lender X. In 2007, Lender X assigns the Loan to Lender X1 which is a wholly owned subsidiary of Lender X.

- a. Owner is refinancing with Lender X1.

**Owner is entitled to the additional 30% discount under Section 14A. Lender X1 is a subsidiary of Lender X and is considered to be the same as Lender X.**

- b. Owner is refinancing with Lender Y.

**Owner is entitled to the additional 15% discount under Section 14B.**

Lender Y is unrelated to Lender X.

**Owner made a Loan in 2006 with Lender X. In 2007 Lender X assigned the mortgage to MERS, or a similar entity, as nominee for Lender X, but Lender X retained the beneficial interest in the Loan.**

- a. Owner is refinancing with Lender X.

**Owner is entitled to the additional 30% discount under Section 14A. The "Same Lender" rule applies to this refinance.**

- b. Owner is refinancing with new Lender Y which is an assignee of Lender X's beneficial interest. The Loan is still held of record by MERS or a similar entity, as nominee.

**Owner is entitled to the additional 15% discount under Section 14B. Lender Y is unrelated to Lender X even though the Loan is held of record by the same nominee.**

**Example 6: No Existing Loans.**

Owner's residential (1 to 4 family) property is unencumbered by a Loan, either because Owner never made a Loan on the property, or because a prior Loan on the property was paid off prior to the current Loan.



Owner is not entitled to the additional discounts under either Sections 14A or 14B. There are no existing mortgages that are being refinanced. Section 14 may apply if all of the conditions of Section 14 are met.

**Example 7: Refinance of new Loan consolidated with an existing Loan.**

Owner takes out a Loan from Lender X in 1998 for \$50,000. In 2001 Owner takes out an additional Loan from Lender X in the amount of \$ 25,000, which Loan is consolidated with the 1998 Loan to form a single lien of \$75,000.

- a. Owner is refinancing the existing consolidated Loan held by Lender X, with Lender X.

**Owner is entitled to the benefit of the additional 30% discount of Section 14A. "Same Lender" discount applies.**

- b. Owner is refinancing the existing consolidated Loan and takes out a new additional Loan with Lender X to be consolidated with the existing Loan.

**Owner is entitled to the additional 30% discount under Section 14A. "Same Lender" discount applies even though there is a new loan being consolidated with the consolidated Loan held by Lender X.**

- c. Owner is refinancing the existing consolidated Loan and making a new Loan to Lender Y. Lender X is assigning the consolidated Loans to Lender Y. Lender Y is not a successor by merger or corporate affiliate of Lender X.

**Owner is entitled to the additional 15% discount under Section 14B. Lender Y is not the "Same Lender".**

**Example 8: Multiple Loans.**

Owner takes out a Loan in 2000 with Lender X. In 2007 Owner takes out a subordinate Loan with Lender Y. These two Loans are not consolidated.

- a. Owner is refinancing with Lender X and both Loans X and Y will be satisfied with the proceeds of the new Loan.

**Owner is entitled to the additional 30% discount under Section 14A. Even though the Loan held by Lender Y is being satisfied out of the proceeds of the refinance with the Lender X, since the existing Lender X loan is being refinanced with Lender X, the "Same Lender" rule applies.**

- b. Owner is refinancing with Lender X except that instead of Loans X and Y being satisfied with the proceeds of the new Loan, Lender Y is assigning its Loan to Lender X.

**Owner is entitled to the additional 15% discount under Section 14B. Although Lender X is a "Same Lender", by taking an assignment of Lender Y's loan, the new consolidated loan by Lender X is not a "Same Lender" loan.**

The unconsolidated Loans held by Lender X and Y are being refinanced by Lender Z who has taken Lender X's and Lender Y's Loans by assignment.

- a. Lender Z is not a successor by merger or corporate affiliate of either Lender X or Y and will be consolidating the existing Loans or adding a new Loan to be consolidated with the existing Loans.

**Owner is entitled to the additional 15% discount under Section 14B. Lender Z is a new Lender unrelated to either X or Y.**

#### **SECTION 15 - OWNER'S POLICY TO FORECLOSING LENDER**

- (A) An owner's policy issued to insure an insured lender, or its assignee or subsidiary, that is made within 5 years from the date of a loan policy, when the lender, or its assignee or subsidiary, has acquired title by a Referee's deed in foreclosure or conveyance in lieu of foreclosure of the insured mortgage shall not be issued in an amount less than the lesser of:
- (i) the fair market value of the real property; or
  - (ii) the unpaid principal balance due on the previously insured mortgage.
- (B) The charge for such insurance shall be seventy percent (70%) of the owner's rate up to the unpaid principal balance due on the previously insured mortgage, plus the full owner's rate on any excess.
- (C) The provisions of this section do not apply to the issuance of the TIRSA Owner's Extended Protection Policy.

#### **SECTION 16 - MODIFICATION OF AN INSURED LOAN (including Construction Loan Insurance)**

- (A) For endorsements to existing loan policies, or new policies insuring previously insured mortgages modified or assigned within ten years from the date of closing, where there has been no change of ownership of the mortgaged interest and the property is identical and no increase in the outstanding principal balance, the charge shall be fifty percent (50%) of the applicable loan rate based on the outstanding principal balance of the mortgage.

The provisions of this sub-section DO NOT apply to the final conversion of a Construction Loan Mortgage as outlined in Sections 12 (B), (C) or (D).

- (B) A 30% of the applicable loan policy rate (or 70% discount) and a ten year period shall apply to a mortgage modification transaction, where ALL of the following conditions are met:
- (1) The Borrower is a Public Benefit Corporation or a Not-For-Profit IRC Section 501(c)(3) Organization;

- (3) The mortgage is neither sold nor packaged but, throughout the life of the loan, remains in the Lender's portfolio;
  - (4) The amount of the mortgage loan modified exceeds \$1 million, measured by its outstanding principal balance; and
  - (5) The only modification is a change in the mortgage loan interest rate, and any accompanying changes necessary to reflect that change in interest rate.
- (C) An existing loan policy may be endorsed by issuance of the TIRSA Successor in Ownership of Indebtedness Endorsement (Loan Policy) (8/15/94) at a charge of \$25, upon application of a party representing that it has succeeded to the ownership of the indebtedness secured by the insured mortgage. Such endorsement, however, shall not extend the effective date of the policy nor insure the validity, form, or sufficiency of the assignment.

#### **SECTION 17 - MORTGAGE ASSUMPTION**

- (A) When a previously insured mortgage is assumed by a successor in title to the owner of the fee or leasehold estate named in the original policy, and none of the terms of the mortgage are being modified except the assumption of the mortgage by the new owner, the charge for an endorsement or policy reflecting the assumption shall be thirty percent (30%) of the loan rate based on the outstanding principal balance of the loan.

#### **SECTION 18 - SIMULTANEOUS ISSUE OF OWNER'S AND LEASEHOLD OWNER'S POLICIES**

- (A) When owners' and leasehold owners' policies covering identical property are issued simultaneously, the rate for the owner's policy shall be at the applicable owner's rate. The rate for the leasehold owner's policy shall be thirty percent (30%) of the owner's rate up to the amount of the owner's policy. The rate on the amount of the leasehold owner's policy exceeding the amount of the owner's policy shall be calculated at the full owner's rate.

#### **SECTION 19 - SIMULTANEOUS ISSUE OF TWO OR MORE LOAN POLICIES**

- (A) When two or more loan policies covering identical property are issued simultaneously, the premium for such policies shall be calculated at the applicable loan rate based on the aggregate amount of the loan policies.
- (B) When mortgages are aggregated pursuant to this Section 19, the rates for each mortgage shall be determined in accordance with their priority as reflected in the Policies issued.

#### **SECTION 20 - BULK FEE, LEASEHOLD, AND LOAN POLICIES ON CONDOMINIUM UNITS AND RESIDENTIAL SUBDIVISIONS**

The rates set forth herein shall apply only to the initial sale, loan, or lease of any such condominium unit or subdivision lot following the creation of the condominium or residential subdivision.

- (A) Whenever application is made for an individual owner's, leasehold and/or loan policy on condominium units or residential subdivision lots, either of which is shown on a condominium plan or residential subdivision map of at least 10 units, the following rate may be applied if the base

fee title or a blanket mortgage covering the condominium or residential subdivision was previously insured.

- (1) Owner's or leasehold owner insurance: Charge seventy percent (70%) of the applicable owner's rate.
- (2) Loan insurance: Charge seventy percent (70%) of the applicable loan rate.
- (3) Simultaneous issue of fee owner's (or leasehold owner's) and loan policies (Covering Identical Premises): Charge the rate set forth in paragraph (1) above for the owner's (or leasehold owner's) policy. For the amount of the loan policy up to the amount of the owner's policy, charge thirty percent (30%) of the rate set forth in (2) above. For the amount of the loan policy in excess of the amount of the owner's policy, charge the rate set forth in (2) above.
- (4) Simultaneous issue of owner's and leasehold owner's policies (Covering Identical Premises): Charge the rate set forth in paragraph (1) above for the owner's or leasehold owner's policy. For the amount of the leasehold owner's policy up to the amount of the owner's policy, charge twenty-one percent (21%) of the owner's rate. For the amount of the leasehold policy in excess of the amount of the owner's policy, charge seventy percent (70%) of the owner's rate.
- (5) Simultaneous issue of two or more loan policies (Covering Identical Premises): Charge the loan rate set forth in paragraph (2) above based on the aggregate amount of the mortgages to be insured.

#### **SECTION 21 - "LIMITED LIABILITY" MORTGAGE COVERAGE**

- (A) Where the applicant agrees to accept a loan policy other than with respect to a first mortgage from the Company in which the liability of the Company is limited by the language immediately set forth hereafter or by the language of similar import which is set forth as an exception in Schedule B of the policy, the premium for such policy shall be seventy percent (70%) of the loan rate:

"Defects, liens, encumbrances, interests, adverse claims or other matters affecting the land created, existing or arising prior to (Date of Deed to Owner At Time of First Mortgage).

#### **SECTION 22 - AFFIRMATIVE COVENANT INSURANCE (new construction or alteration)**

- (A) A Company may affirmatively insure against the successful outcome of an action to enjoin new construction or the alteration of an existing structure or structures, where the cause of action is based upon a violation of a restrictive covenant or an encroachment upon an easement of light, air or right of way. The charge for such affirmative insurance shall be thirty five percent (35%) of the applicable rate for each policy issued with such affirmative insurance. The affirmative insurance as set forth in this sub-section shall not include coverage for the defense of such an action; although the Company may reserve the right to approve the Insured's selection of counsel.

#### **SECTION 23 - MORTGAGE FORECLOSURE GUARANTEE**

- (A) The charge for a Mortgage Foreclosure Guarantee shall be \$500. This charge does not include charges for filing or recording documents.
- (B) Liability under a Mortgage Foreclosure Guarantee shall be limited to \$10,000.
- (C) No Mortgage Foreclosure Guarantee may be issued until all charges hereunder have been paid in full.

#### **SECTION 24 - RECORDED DOCUMENT CERTIFICATE AND APPLICATION**

- (A) If a Recorded Document Certificate is issued in conjunction with an open order for owner's, leasehold owner's or loan insurance, the charge shall be \$500 plus \$10 per instrument reported.
- (B) If a Recorded Document Certificate is issued other than in conjunction with an open order for owner's, leasehold owner's or loan insurance, the charge shall be \$1,000 plus \$10 per instrument reported.
- (C) Liability under a Recorded Document Certificate shall be limited to \$25,000.

#### **SECTION 25 - ENDORSEMENTS**

- (A) There shall be no charge for the following endorsements: Standard New York Endorsement (Loan Policy), Standard New York Endorsement (Owner's Policy), TIRSA Leasehold Endorsement (Loan Policy), TIRSA Leasehold Endorsement (Owner's Policy), TIRSA Cooperative Endorsement (Loan Policy), and TIRSA Cooperative Endorsement (Owner's Policy), TIRSA Junior Loan Policy Endorsement 2, and TIRSA Co-Insurance Endorsement.
- (B) A Company may issue a TIRSA General Endorsement (9/1/93) for the purpose of amending or correcting a previously issued policy or to implement the coverages set forth in this manual.
- (C) The following are Special Risk Endorsements and require a Special Risk Premium as set forth herein. Wherever in this sub-section the special risk premium is computed as a percentage of the full applicable loan rate, the full applicable loan rate shall mean the full unreduced: a) Owner's rate if the policy being issued insures a construction loan, as defined in Section 1(N), or b) loan rate if the policy being issued insures a mortgage that is not a construction loan mortgage, as defined in Section 1(N):
  - (1) **ADDITIONAL INTEREST ENDORSEMENT** – Full applicable loan rate per thousand for the amount of insurance above the face amount of the policy.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
  - (2) **CONTRACT VENDEE ENDORSEMENT (COMMERCIAL)** - Refer to SECTION 29 - CONTRACT VENDEE INSURANCE for rate.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
  - (3) **CONTRACT VENDEE ENDORSEMENT (RESIDENTIAL)** - Refer to SECTION 29 - CONTRACT VENDEE INSURANCE for rate.
  - (5) **FIRST LOSS ENDORSEMENT** - ten percent (10%) of the full applicable loan rate.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
  - (6) **JOINT & SEVERAL LIABILITY ENDORSEMENT** - Refer to SECTION 3 - COINSURANCE for rate.

- (7) **MARKET VALUE POLICY RIDER** - ten percent (10%) of the full owner's rate.  
**MARKET VALUE POLICY RIDER (TOEPP)** - Five percent (5%) of the owner's rate.
- (8) **MEZZANINE FINANCING ENDORSEMENT** – Refer to SECTION 35 – MEZZANINE FINANCING INSURANCE for rate.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE**
- (9) **NON-IMPUTATION ENDORSEMENT** - twenty percent (20%) of the full owner's rate. See Section 30.
- (10) **OPTION ENDORSEMENT** - Refer to SECTION 33 - OPTION INSURANCE for rate.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
- (11) **PARTIAL RELEASE OF MORTGAGED PREMISES ENDORSEMENT** – Charge of \$150.00.
- (12) (a) **REVOLVING CREDIT MORTGAGE ENDORSEMENT(S) (RCE-1, RCE-2, RCE-4)** - ten percent (10%) of the full applicable loan rate.  
**(b) REVOLVING CREDIT MORTGAGE ENDORSEMENT (RCE-3)** - twenty percent (20%) of the full applicable loan rate.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
- (13) **SWAP ENDORSEMENT** - Loan rate per thousand for the amount of insurance above the face amount of the policy.  
**NYSID REQUIRES TITLE INSURER APPROVAL PRIOR TO ISSUANCE.**
- (14) **TIRSA 9 ENDORSEMENT** - (Restrictions, Encroachments, Minerals) ten percent (10%) of the full applicable loan rate.
- (D) In case of multiple loan policies for which an aggregated premium shall be computed pursuant to Section 19, the cost of each endorsement shall be determined as if only that policy to which it is attached were being issued.
- (E) In the event of a transaction for which multiple policies will be issued by co-insurers, the cost of each endorsement (other than the Joint and Several Liability Endorsement) shall be pro-rated between or among the co-insurers in ratios equal to the amount by which the policy liability of each bears to the whole of each risk insured.
- (F) There shall be a charge of \$25 for the issuance of any other endorsement not listed in Section 25 (A), (B) or (C) above.

#### **SECTION 26 - NOTICE OF AVAILABILITY**

- (A) When a Company issues a loan policy on a mortgage made simultaneously with the purchase of all or part of the residential (one to four family) property securing the mortgage, where no owner's policy has been ordered, the Company shall inform the borrower in writing that the mortgagee's policy does not protect the borrower, and that the borrower may obtain an owner's title insurance policy for his/her protection. This notice must be provided before disbursement of the loan proceeds and before issuance of the mortgagee's policy. The notice must be on a form approved by the Superintendent of Insurance.

- (B) If the borrower elects not to purchase an owner's title insurance policy, the Company shall obtain from the borrower a statement in writing that the notice has been received and that the borrower waives the right to purchase an owner's title insurance policy. If the buyer refuses to provide the statement and waiver, the Company shall so note in the file. The statement and waiver must be on a form approved by the Superintendent of Insurance and must be retained by the Company for at least five years after receipt.

#### **SECTION 27 - SURVEY INSPECTION COVERAGE**

- (A) The Company may make an additional charge to eliminate, by Company inspection, any exception for the changes or state of facts subsequent to the date of the existing survey.
- (B) Survey Inspection Coverage is limited to 1-4 family residential property only.

#### **SECTION 28 - UNCLOSED APPLICATION**

- (A) Any rate, premium, fee or other charge set forth in this rate manual shall apply to any transactions closed on or after the effective date of any change in such rate, premium, fee or other charge even though application may have been made prior to the effective date of this manual.

#### **SECTION 29 - CONTRACT VENDEE INSURANCE**

- (A) An owner's policy with a TIRSA Residential Contract Vendee Endorsement (hereafter Residential Contract Vendee Insurance) insuring a 1-4 family residence or individual residential condominium or individual residential cooperative unit may not be issued in an amount less than the down payment specified in the contract and may be issued in any additional amount, not to exceed the full amount of the contract plus the cost of contemplated improvements and other development and construction costs, as desired by the purchaser of such insurance. The charge for the Residential Contract Vendee Insurance shall be the applicable owner's rate. The amount paid the insuring company or companies for Residential Contract Vendee Insurance shall become a credit toward the premium for the subsequent purchase by the insured, or one who succeeds to the interest of the insured pursuant to Section 32 of this Manual, of an owner's policy from the same company or companies.
- (B) An owner's policy with a TIRSA Commercial Contract Vendee Endorsement (hereafter Commercial Contract Vendee Insurance) insuring other than a 1-4 family residence or individual residential condominium or individual residential cooperative unit may not be issued in an amount less than the down payment specified in the contract and may be issued in any additional amount, not to exceed the full amount of the purchase price payable under the contract plus the cost of contemplated improvements and related costs as provided for in the TIRSA Commercial Contract Vendee Endorsement, as desired by the purchaser of such insurance. The charge for the Commercial Contract Vendee Insurance shall be one hundred twenty percent (120%) of the owner's rate for the amount of such insurance purchased. The amount paid the insuring company or companies equal to the owner's rate (but not including the additional twenty percent (20%) charge) for the Commercial Contract Vendee Insurance shall become a credit toward the premium for the subsequent purchase by the insured, or one who succeeds to the interest of the insured pursuant to Section 32 of this Manual, of fee insurance from the same company or companies. The charge shall include the cost of the first five continuations during the life of the Commercial Contract Vendee Insurance. An additional fee of \$200 for each subsequent title continuation search beyond the fifth shall be made and collected at the time of each such continuation.

- (C) In the event that Residential Contract Vendee Insurance or Commercial Contract Vendee Insurance is issued simultaneously with an owner's policy with a TIRSA Leasehold Endorsement (hereafter Leasehold Insurance) or TIRSA Cooperative Endorsement (hereafter Cooperative Insurance), the charge for the amount of the Residential Contract Vendee Insurance or Commercial Contract Vendee Insurance that does not exceed the amount of the Leasehold Insurance or Cooperative Insurance shall be calculated at thirty percent (30%) of the applicable vendee rate. The rate for Residential Contract Vendee Insurance or Commercial Contract Vendee Insurance in excess of the amount of the Leasehold Insurance or Cooperative Insurance shall be calculated at the applicable vendee rate as set forth in paragraphs (A) and (B) above.

**SECTION 30 - MINIMUM INSURANCE: ENTITY PURCHASE (with Non-Imputation Endorsement)**

- (A) An owner's policy insuring the interest of a person or entity purchasing an interest in a corporation, partnership or other entity which owns real property shall not be issued in an amount less than the value of the real property equivalent to the purchaser's percentage of interest in the entity owning the real property.
- (1) A TIRSA Non-Imputation Endorsement must be issued together with such policy. See Section 25(c)(4).

**SECTION 31 - TIRSA JUNIOR LOAN POLICY**

- (A) A TIRSA Junior Loan Policy or a TIRSA Short Form Junior Loan Policy may be issued in connection with a mortgage secured by residential real property in an amount not to exceed \$150,000.00.
- (1) The premium to be collected for a TIRSA Junior Loan Policy or a TIRSA Short Form Junior Loan Policy with a face amount of insurance of \$100,000.00 or less shall be \$200.00.
- (2) The premium to be collected for a TIRSA Junior Loan Policy or a TIRSA Short Form Junior Loan Policy with a face amount of insurance of over \$100,000.00 shall be \$225.00.
- (3) The premiums specified in (A)(1) and (2) above do NOT include attendance at closing, recording of documents and/or other administrative services.
- (B) The TIRSA Junior Loan Policy Endorsement 1 may be issued only with the TIRSA Junior Loan Policy or the TIRSA Short Form Junior Loan Policy. The premium shall be as set forth in Section 25(D).
- (C) The TIRSA Junior Loan Policy Endorsement 2 shall be issued with each TIRSA Junior Loan Policy or TIRSA Short Form Junior Loan Policy. There shall be no charge for this endorsement See Section 25(A).

**SECTION 32 - CONTINUATION OF INSURANCE**

- (A) In addition to the provisions providing for:
- (i) Continuation of Insurance After Conveyance of Title contained in the ALTA Owner's policy (10/17/92), or



(ii) Continuation of Coverage contained in the ALTA Owner's policy (6/17/06) to the extent that the below listed transferees described in subparagraphs a, b, and c of paragraph 1 of this subsection (A) are not otherwise included within the definition of an Insured in the Alta Owner's policy (6/17/06), or

(iii) Continuation of Coverage in the TIRSA Owner's Extended Protection Policy (TOEPP),

and subject to any rights or defenses which an insurer would have had against the named insured, an insurer shall have continuing liability, under an owner's policy issued by said insurer, on or after January 28, 1999, to a grantee of an insured, without endorsement of the policy, but only as of its original date without liability as to the validity, form and sufficiency of the instrument(s) effectuating the said transfer, and only under the following conditions, as applicable:

- (1) If an insured title is transferred:
- (a) from a parent company to a wholly-owned subsidiary company; from a wholly-owned subsidiary company to its parent company; from one company to another, each of which are wholly-owned subsidiaries within one corporate group, or each of which have identical stockholders, partners, or members in identical proportion; by a corporation to its stockholders pursuant to a plan of liquidation; by the named insured individual or individuals in exchange for all of the capital stock of a corporation; from a partnership to its partners upon the dissolution of the partnership; by the named insured individual or individuals to a partnership as part of the named insured's capital contribution to the partnership; from a limited liability company to its members upon the dissolution of the limited liability company; by the named insured individual or individuals to a limited liability company as part of the named insured's capital contribution to the limited liability company; by a principal to its nominee; or by a nominee to its principal; provided that as a result of any transfer described above there is no change in the beneficial ownership as the result of such transfer of title, and further provided that any transfer described above is made for no consideration. Company as used in this paragraph is defined as a corporation, partnership, or limited liability company.
  - (b) to a member of the named insured's immediate family as a gift, for no consideration. For the purpose of this section, immediate family is limited to the spouse, "issue" as that term is defined in the New York Estates, Powers and Trust Law, parents, brothers and sisters (but not the issue of brothers and sisters) of the named insured
  - (c) for no consideration to a trust created by the named insured in which all of the beneficiaries, lifetime and remainder, are either the insured or members of the insured's immediate family as defined in subsection (b) above.
- (2) Consideration for purposes of subsections (a), (b) and (c) above shall exclude the value of any lien or encumbrance remaining on the land or interest thereon at the time of the transfer.

### **SECTION 33 - OPTION INSURANCE**

- (A) A TIRSA Option Endorsement may only be issued as an endorsement to an owner's policy, with or without a TIRSA Leasehold Endorsement or TIRSA Cooperative Endorsement. If the TIRSA Option Endorsement is issued together with a TIRSA Leasehold Endorsement or TIRSA

Cooperative Endorsement, the amount of the insurance afforded by the TIRSA Option Endorsement shall be an amount separate and distinct from the amount set forth in the owner's policy for the TIRSA Leasehold Endorsement or TIRSA Cooperative Endorsement coverage. The TIRSA Option Endorsement may not be issued in an amount less than the consideration paid for the Option and may be issued in any additional amount, not to exceed the full amount of the purchase price for the Land set forth in the Option Agreement plus the cost of contemplated improvements and related costs as provided for in the TIRSA Option Endorsement, as desired by the purchaser of such insurance.

- (B) The charge for the TIRSA Option Endorsement to an owner's policy, when issued without a TIRSA Leasehold Endorsement or TIRSA Cooperative Endorsement, shall be the applicable owner's rate for the amount of such insurance purchased. A fee of \$200 for each title continuation search shall be made and collected at the time of each such continuation.
- (C)
  - (1) Upon the simultaneous issuance of an owner's policy (together with either the TIRSA Leasehold or TIRSA Cooperative Endorsement attached) with a TIRSA Option Endorsement, the charge for coverage under such Endorsement that does not exceed the amount of the owner's policy shall be calculated at thirty percent (30%) of owner's rate. The charge for coverage under such Endorsement in excess of the amount of the owner's policy shall be calculated at the applicable full owner's rate.
  - (2) Upon the simultaneous but separate issuance of an owner's policy together with a TIRSA Option Endorsement and an owner's policy (together with either the TIRSA Leasehold Endorsement or a TIRSA Cooperative Endorsement attached) insuring the identical property or a part thereof, the charge for the owner's policy shall be at the owner's rate, and the charge for the owner's policy with the TIRSA Option Endorsement that does not exceed the amount of the owner's leasehold or cooperative leasehold policy shall be calculated at thirty percent (30%) of the owner's rate. The rate for the amount of the owner's policy with the TIRSA Option Endorsement in excess of the amount of the owner's leasehold or cooperative policy shall be calculated at the full owner's rate.
  - (3) A fee of \$200 for each title continuation search shall be made and collected at the time of each continuation.
- (D) The amount paid for the TIRSA Option Endorsement shall not become a credit toward the premium for the subsequent purchase of fee or leasehold insurance.

#### **SECTION 34 – TIRSA OWNER'S EXTENDED PROTECTION POLICY FOR A ONE TO FOUR FAMILY RESIDENCE**

- (A) A TIRSA Owner's Extended Protection Policy may only be issued if the property is improved by 1-4 family residence; and if the insured is a natural person, or a living trust established by a natural person for estate purposes, even if the trustee is not a human being.
- (B) The premium for a TIRSA Owner's Extended Protection Policy shall be one hundred twenty percent (120%) of the owner's rate.

#### **SECTION 35 – MEZZANINE FINANCING INSURANCE**

- (A) When a TIRSA Mezzanine Financing Endorsement is to be issued in connection with the issuance of an owner's or leasehold owner's policy, the premium for the Mezzanine Financing Endorsement is twenty percent (20%) of the owner's rate based on the amount of the Mezzanine Loan.

- (B) When a TIRSA Mezzanine Financing Endorsement is to be issued in connection with a loan being made to borrowers having ownership interests in an entity that has previously been issued an owner's or leasehold owner's policy, and the Endorsement is to be appended to such previously issued policy, the premium charged for the Mezzanine Financing Endorsement is twenty percent (20%) of the owner's rate, in effect on the date of the issuance of the Mezzanine Financing Endorsement, based on the amount of the Mezzanine Loan. Notwithstanding the issuance of a Mezzanine Financing Endorsement as a part of a previously issued owner's or leasehold owner's policy there shall be no change in the Date of Policy.
- (C) Title Insurer approval is required prior to issuance of a TIRSA Mezzanine Financing Endorsement.

### **SECTION 36 – LOAN POLICY – REVERSE MORTGAGES**

- (A) A loan policy insuring a Reverse Mortgage (as identified in Section 280 and 280-a of the Real Property Law) may not be issued in an amount less than the "Loan Amount" as shown on the HUD/VA Addendum to Uniform Residential Loan Application or the Direct Endorsement Approval for a HUD/VA- Insured Mortgage. In the event that neither the HUD/VA Addendum to Uniform Residential Loan Application or the Direct Endorsement Approval for a HUD/VA-Insured Mortgage are available, an amount equal to the "Loan Amount" as shown on the final loan application shall be used.
- (B) Upon the request of the insured, the policy may be issued in an amount greater than the minimum amount of insurance set forth in (A) above, but: (i) no greater than the Maximum Claim Amount on Home Equity Conversion Mortgages (HECM) insured by HUD, or (ii) in all other types on Reverse Mortgages loans, no greater than the property's appraised value as used by the lender in connection with the making of the loan.