

Texas Rates and Coverages – Loan Title Policy (T-2)

Quick Reference Chart

- Percentage rates are based on the promulgated basic premium rate for the loan policy amount
- The loan policy amount is set according to Rule P-66, which, in most cases, is the amount of the loan.

Survey Exception (Schedule B, Item No. 2)			Survey Review
Amend to Read “Shortages in Area” check the box or Form T-3 per Endorsement Instructions No. VI	free	none	
Review the survey to determine any encroachments (not required for a condo). Make specific exceptions as needed. Determine that a survey affidavit has been provided, which must be a Form T-47 Survey Affidavit when the property is residential real property.			

Arbitration Provision (Section No. 13 of the Policy Conditions)		
Delete check the box or insert promulgated language into Schedule B *	free	none
* Insert the following promulgated language: “Section 13 of the Conditions of this Policy is hereby deleted.” Determine that the lender requested the coverage, which may be done thru the lender’s closing instructions.		

Variable Rate (“Adjustable Rate Mortgage”)		
T-33	\$20	0140
	free *	0141
T-33.1	\$20	0142
negative am	free *	0143
* when the policy limit is increased to exceed the loan amount to include interest coverage (P-66.b)		
Determine that the Deed of Trust discloses an interest rate being subject to periodic changes according to an established standard and, for Form T-33.1, discloses terms for negative amortization.		

Future Advance (Revolving Credit)		
T-35	\$50	0800
Determine that the Deed of Trust discloses future advances, as well as, the maximum loan amount, such that the outstanding loan balance may fluctuate based on future payments and advances.		

Balloon			Residential Real Property Only
T-39	\$25	0411	
	\$50 *	0412	
* when the form is issued after the policy			
Determine that the Deed of Trust (as originally insured) discloses a balloon payment in a Balloon Rider and, as well, includes a conditional right to refinance.			

Home Equity Loan			Special Closing Procedures
T-42 ^	10%	0875	
T-42.1	15%	0876	
supplemental			

^ This form is required for all home equity loans.

Complete all special closing requirements. Make endorsement deletions as needed. The principal documents must be signed in Texas at the office of a title company in order to issue paragraph 2.f of Form T-42 or paragraphs 1.a thru 1.h, and 1.i, of Form T-42.1.

Reverse Mortgage			Special Closing Procedures
T-43 ^	free	0877	
^ This form is required for all reverse mortgage loans.			
Complete all special closing requirements. Make endorsement deletions as needed. The principal documents must be signed in Texas at the office of a title company in order to issue paragraph 3.ii thru 3.iv.			

Loan Title Policy (T-2) – Common Rates		
Single Issue	R-1	3000
Single Issue – Construction Loan	R-1	3010
Single Issue – Refinance of a Construction Loan	R-18	3011
Simultaneous with Owner’s Policy	R-5a	3210
Simultaneous with Owner’s Policy – Amount of Loan Policy(ies) exceed Owner’s Policy	R-5b	3250
Simultaneous with Subordinate Lien Policy(ies) – First Lien Policy	R-7	3200
Simultaneous with First Lien Policy – Subordinate Lien Policy	R-7	3220

Residential Real Property: improved property (not vacant land) with a 1-4 family structure (including condos and co-ops) that either (a) is in a platted subdivision of record or (b) is unplatted of five acres or less.

Property Tax Exception (Schedule B, Item No. 3)		
Tax Year *	free	none
Tax Deletion ** check the box or Form T-30	\$20	700
Not Yet Due and Payable *** check the box	\$5	710

* Review tax information to determine the first year for which taxes have not been paid. Insert this year into the blank, which will usually be the year of closing or the year after.

** Review tax information to determine that the property is not appraised by the tax office based on an agricultural or open space valuation and that roll back taxes were paid after any recent changes in use.

*** Review tax information to determine if the date of policy issuance occurs before or after when tax bills for the property for the current year have been mailed (occurring on or after October 1). Insert the year of policy issuance, if the date of policy issuance occurs before when tax bills have been mailed for that year. Insert the year after policy issuance, only if the policy date occurs after tax bills have been mailed for that year and if all taxes for the year of policy issuance (including all prior years) are paid in full.

Planned Unit Development (PUD)			Survey Review
T-17	\$25	0884	Residential Real Property Only
	free *	0887	
* when issued more than once at the same time on the same land			
Review the survey and CCRs to determine any encroachments or restriction violations, and to identify any private rights or assessment liens. Make specific exceptions and endorsement deletions as needed. This form cannot be issued with From T-28 (Condo).			

Condominium			Residential Real Property Only
T-28	free	0888	
Review the declaration and plat to determine that the condo regime was properly formed, to identify the unit and any limited common elements, boundary conflicts, restriction violations, private rights, or assessment liens. Make specific exceptions and endorsement deletions as needed. This form cannot be issued with Form T-17 (PUD).			

Manufactured Housing Unit (MFHU)		
T-31	\$20	0150
T-31.1	\$50	0151
supplemental		
Review information from the Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA) and any Statement of Ownership that has been issued to determine that the Manufactured Housing Unit (MFHU) both (i) is located on the property and (ii) is perfected as to real property. Search the tax records to determine that all property taxes have been paid for both real and personal property, which may require depositing funds in escrow with the tax office. Make specific exceptions or requirements as needed.		

Assignment of Rents			Not on Residential Real Property
T-27	free	0894	
Search title to identify any unreleased assignment of rents. Resolve such as needed. Determine that the new assignment of rents is recorded and referenced as an exception on Schedule B. Insert into the form the paragraph number for the new assignment as shown on Schedule B.			

Environmental			Residential Purposes Only
T-36	\$25	0810	

Search title to determine any environmental liens or notices. Make specific exceptions or requirements as needed. This form may only be issued on property intended primarily for residential purposes, which may include an apartment complex.

Restrictions, Encroachments, and Minerals (REM)			Survey Review
T-19	5% ^*	0885	
	10% *	0886	
* rate floor set to \$50 minimum			
^ use this rate on Residential Real Property			

Review the survey and CCRs to determine any encroachments or restriction violations, and to identify any private rights or assessment liens. Search title to determine any outstanding mineral interests using appropriate search criteria for the property (an expedited search may be acceptable for improved residential property in a platted subdivision). Make specific exceptions and endorsement deletions as needed.

Minerals and Surface Damage		
T-19.2 ^	free	0802
T-19.3	free	0804

^ This form can only be issued on property that is improved or intended to be improved and which is either (i) one acre (or less), when for residential use (1-4 Family), or (ii) any size, when for use as an office, industrial purposes, retail, mixed retail/residential, or multi-family. In all other cases, including vacant land, issue Form T-19.3.

Search title to determine any outstanding mineral interests using appropriate search criteria for the property (an expedited search may be acceptable for improved residential property in a platted subdivision). Make specific exceptions as needed.

Access			Survey Review
T-23	\$100 *	0890	Not on Residential Real Property

* this rate is per policy even if more than one form is used

Review the survey to determine that (i) the property abuts a publicly dedicated road (directly or thru an easement insured on the same policy) and (ii) actual physical access is shown (curb cuts), which is not also restricted (by review of the relevant CCRs).

Contiguity			Survey Review
T-25	\$100 *	0892	Not on Residential Real Property
T-25.1	\$100 *	0806	
multi-parcel			
* this rate is per policy even if more than one form is used			

Review the survey to determine that (i) the tracts to be identified as contiguous are so, (ii) all such tracts are to be insured on the same policy, and (iii) to issue Form T-25.1, there are more than four tracts or, if less, the tracts are of irregular shapes. Insert the tract descriptions into the form.

Loan Title Policy (T-2) – Common Credits			Insured Closing Letter / Closing Protection Letter		
Refinance Credit	within	1 yr	2 yr	3 yr	4 yr
50% *	R-8.b1	4001	4002	4003	4004
Refinance Credit	within	5 yr	6 yr	7 yr	8 yr
25% *	R-8.b2	4005	4006	4007	4008
* Determine the credit by calculating the appropriate percent of the basic premium rate on the payoff balance for each loan being paid off that was secured by a lien insured by a loan policy.					
T-50	free	5000	Insert the name of the insured lender as the addressee who will be receiving the insuring letter, which name can only be that of the lender and cannot include any “successor” language, for example, the following cannot be included: “ISAOA ATIMA” or “its successors and assigns.”		

