

# NORTH CAROLINA

NC TITLE INSURANCE RATING BUREAU  
RATES AND RULES MANUAL

Effective March 1, 2020  
and FNTI SUPPLEMENT



# North Carolina

# Title Insurance Rates

North Carolina title insurance rates apply to ANY title Insurance Policy issued that insures property situated in North Carolina, regardless of where the title insurance Policy is issued. Such filed rates are comprehensive and encompass all the premiums for title insurance that are currently authorized.

**This Rate Manual is intended for use solely by members of the  
North Carolina Title Insurance Rating Bureau**

**NOT FOR PUBLIC DISTRIBUTION**

# North Carolina Title Insurance Rating Bureau

## Table of Contents

SECTION 1: GENERAL PROVISIONS

SECTION 2: SCHEDULE OF RATES AND RULES FOR TITLE INSURANCE

# North Carolina Title Insurance Rating Bureau

## SECTION 1: GENERAL PROVISIONS

- GP-1.** The general provisions, rules, rates, and forms contained herein comply with the applicable North Carolina General Statutes.
- GP-2.** The effective date of the general provisions, rules and rates is March 1, 2020.
- GP-3.** The rates set forth herein do not include any charge made for title search, title examination, closing, or escrow services performed by the Insurer, or any of its approved attorneys or agents. Charges made for such services are in addition to the rates and charges set forth herein.
- GP-4.** Rates are applicable to units of insurance in multiples of \$1,000, rounded up.
- GP-5.** Nothing herein shall be construed as affecting the Insurer's absolute right to decline to insure any risk it deems, in its sole discretion, to be unacceptable.
- GP-6.** If the form of Commitment or Policy to be issued would otherwise afford protection against adverse condition(s) as revealed by an underwriting analysis and study of a specific risk, which adverse condition(s) would otherwise render the risk unacceptable to the underwriter, the Commitment or Policy may, nevertheless, be issued with specific exception to the unacceptable condition(s) without rate credit or additional charge, except such as may be otherwise provided herein.
- GP-7.** The Insured shall be charged a single undivided Premium which is the aggregate amount of applicable charges for the Commitment Premium, Policy Premium, Simultaneous Issue Premium, Endorsement Premium and Closing Services Insurance Premium.
- GP-8. DEFINITIONS:** As used herein the following shall have the meaning set forth as follows:
- (a) Land: The real property, or insurable interest therein, together with improvements affixed thereto which by law constitute real property, described, specifically or by reference, in a Policy of Title Insurance.
  - (b) Mortgage: Mortgage, deed of trust, trust deed, or other security instrument encumbering Land.
  - (c) Insured: The entity defined in the Policy of Title Insurance as the Insured.
  - (d) Insurer: A title insurance company qualified to do business in the State of North Carolina, which company is a member or subscriber of the North Carolina Title Insurance Rating Bureau.

- (e) Full Value of Land: Actual purchase price or, if no sale is involved, full fair market value as may be agreed upon between the Insurer and the proposed Insured based on normally accepted methods of valuation.
- (f) Full Value of Leasehold Estate: The aggregate of the rentals payable under the initial term of the lease or the Full Value of Land, whichever is less.
- (g) Full Principal Debt: That part of the mortgage debt that is secured by Land, excluding that part of the debt, if any, secured by personal property.
- (h) Identical Property: Land that is the same or identical, consisting of the exact same parcel.
- (i) Simultaneous Issue: The concurrent issuance of an Owner's Policy and a minimum of one Loan Policy on Identical Property within the same underlying real estate transaction. The effective dates of the Policies do not have to be the same in order to qualify as a Simultaneous Issue; however, if the effective dates are not the same, it must have been possible for both Policies to have been issued on the same day.
- (j) Rate: That cost per unit of insurance which, when multiplied by the total units of liability, results in the charge for the risk assumed.
- (k) Regular Rates: The Rates provided in PR-2 used to calculate the Policy Premium for the issuance of an ALTA Loan Policy of Title Insurance and/or ALTA Owner's Policy of Title Insurance.
- (l) Reissue Rates: The Rates provided in PR-5 used to calculate the Policy Premium of a new Policy when a Prior Policy is furnished.
- (m) Policy of Title Insurance (or Policy): Those portions of a contract of title insurance that set forth the basic coverages (standard terms and conditions) and identify the Insured party, instrument, Land, and any exceptions from coverage.
- (n) Endorsement: Additional coverage not provided in the title insurance Policy.
- (o) Commitment: The form of the unilateral offer of the Insurer to the proposed Insured to issue a Policy of Title Insurance insuring the particular status of title to the Land described therein, subject to the satisfaction of specific requirements set forth therein and the payment of the applicable Premium(s) and other charges.
- (p) Premium: The separate charge for the issuance of a Commitment, Policy, Simultaneous Issue, Endorsement or Closing Services Insurance as provided in Section 2 herein. Notwithstanding, the applicable separate Premiums shall be aggregated as one single undivided Premium charge payable by the Insured.
- (q) Residential Transaction: A transaction that is defined by the NAIC as Residential (One to Four Family).

- (r) Prior Policy: An effective Policy that was issued within fifteen (15) years of the date a new Policy is issued and which describes all or a portion of the Land described in a new Policy.

**GP-9.** **APPLICABILITY:** The general provisions, rules, rates and forms contained herein apply to ANY Policy of Title Insurance issued that insures Land situated in North Carolina, regardless of where the Policy is issued. The rates and rules are comprehensive and encompass all the Premiums for the issuance of a Commitment, Policy, Simultaneous Issue, Endorsements and Closing Services Insurance currently authorized.

# North Carolina Title Insurance Rating Bureau

Effective March 1, 2020

## SECTION 2: SCHEDULE OF RATES AND RULES FOR TITLE INSURANCE

FNTI  
Rate  
Codes

**PR-1. Minimum Premium**

The minimum premium for Regular Rates and Reissue Rates shall be \$51.00.

2.2

**PR-2. Regular Rates for a Loan and/or an Owner's Policy**

<u>Policy Amount</u>	<u>Rate Per Thousand</u>
Up to \$100,000	\$2.54
\$100,001 to \$500,000, add	\$1.98
\$500,001 to \$2,000,000, add	\$1.29
\$2,000,001 to \$7,000,000, add	\$0.99
\$7,000,001 and above, add	\$0.69

2.3

**PR-3. ALTA Homeowner's Policy of Title Insurance and ALTA Expanded Coverage Residential Loan Policy**

The ALTA Homeowner's Policy of Title Insurance and ALTA Expanded Coverage Residential Loan Policy are available for qualifying improved one-to-four family residences at the applicable Rate plus an additional 20% of the Regular Rates.

2.4

**PR-4. Simultaneous Issue of Owner's and Loan Policies**

In all loan transactions, one or more Loan Policies may be issued simultaneously with an Owner's policy covering Identical Property for a single premium, plus a Simultaneous Issue Premium charge of \$26.00 for each Loan Policy issued. All title insurance Rates apply to this category. When Policies are issued insuring both a first deed of trust and junior deeds of trust simultaneously with an Owner's Policy, the Policy Premium is determined by multiplying the applicable Rate by the higher of the coverage under the Owner's Policy, or the total of the coverage amounts under the Loan Policies, plus a Simultaneous Issue Premium of \$26.00 for each Loan Policy issued.

2.5

**PR-5. Reissue Rates**

When a Prior Policy has been issued on Identical Property within fifteen (15) years, the Rate shall be 50% of the Regular Rate up to the amount of the Prior Policy. Regular Rates shall apply to coverage amounts in excess of the Prior Policy amount. The Prior Policy or HUD-1 must be provided to the Insurer to receive the Reissue Rate.

When a Prior Policy has been issued to a Subdivider/Developer/Builder within fifteen (15) years, the Rate shall be 50% of the Regular Rate up to the sales price of the individual lot, unit, or tract subdivided from the Land originally insured. The Prior Policy or HUD-1 must be provided to the Insurer to receive the Reissue Rate.

2.6 **PR-6. Builders Revolving Lines of Credit Deed of Trust**  
An additional Premium shall be charged once the aggregate coverage amount of each separate Property insured exceeds the amount of insurance shown on the Policy.

2.7 **PR-7. Equity Master, Master Home Equity Loan Policy, FACT, ALTA Residential Limited Coverage (Junior Loan) or Other Similar Limited Coverage Policies**  
As required by North Carolina General Statutes for all title insurance Policies, these Policies require the title opinion of a licensed North Carolina attorney.

<u>Policy Amount</u>	<u>Premium</u>
Up to \$100,000	\$55.00
\$100,001 to \$250,000	\$80.00
\$251,001 to \$500,000	\$167.00

Policy amount shall not exceed \$500,000.00

2.8 **PR-8. Closing Services Insurance**  
The Premium for Closing Services Insurance is as follows:

<u>Policy Amount</u>	<u>Rate Per Thousand</u>
Up to \$100,000	\$0.63
\$100,001 to \$500,000	\$0.12
\$500,001 and above, add	\$0.00

2.9 **PR-9. Commitment for Title Insurance Policy**  
The Premium for the issuance of a Commitment is \$15.00.

2.10 **PR-10. Residential Endorsements**  
For Residential Transactions only, an Endorsement Premium in the amount of \$21.00 shall be charged for each of the following ALTA Endorsements:

- ALTA Endorsement 5 (Planned Unit Development)
- ALTA Endorsement 8.1 (Environmental Protection)
- ALTA Endorsement 9 (Restrictions, Encroachments, Minerals)



## SECTION 3 - REPORTING CODES AND INSTRUCTIONS

The codes and instructions for reporting the issuance of insuring forms and the premiums collected are set forth in this chapter.

### 3.1. REPORTING TRANSACTION CODES

The section and subsection numbers of this manual are the codes to be used in reporting and calculating the premium for each transaction. Where one section refers to another for the rates, the section which most accurately describes the transaction should be used. If the premium consists of a combination of transactions (e.g. 2.2 plus 2.4), all transaction codes should be typed or written at the top of Schedule A or the first page other than the jacket of each insuring form, or on a separate document attached to each insuring form. Simultaneously issued policies should be listed together for reporting.

### 3.2. COUNTY CODES

The following county codes should be reported for each insuring form and appear on the same document near the transaction code. If the policy insures land in more than one county, the code for each county should be reported. The codes are:

County	Code
Alamance	001
Alexander	003
Alleghany	005
Anson	007
Ashe	009
Avery	011
Beaufort	013
Bertie	015
Bladen	017
Brunswick	019
Buncombe	021
Burke	023
Cabarrus	025
Caldwell	027
Camden	029
Carteret	031
Caswell	033
Catawba	035
Chatham	037
Cherokee	039
Chowan	041
Clay	043
Cleveland	045
Columbus	047
Craven	049

County	Code
Cumberland	051
Currituck	053
Dare	055
Davidson	057
Davie	059
Duplin	061
Durham	063
Edgecombe	065
Forsyth	067
Franklin	069
Gaston	071
Gates	073
Graham	075
Granville	077
Greene	079
Guilford	081
Halifax	083
Harnett	085
Haywood	087
Henderson	089
Hertford	091
Hoke	093
Hyde	095
Iredell	097
Jackson	099

County	Code
Johnston	101
Jones	103
Lee	105
Lenoir	107
Lincoln	109
McDowell	111
Macon	113
Madison	115
Martin	117
Mecklenburg	119
Mitchell	121
Montgomery	123
Moore	125
Nash	127
New Hanover	129
Northampton	131
Onslow	133
Orange	135
Pamlico	137
Pasquotank	139
Pender	141
Perquimans	143
Person	145
Pitt	147
Polk	149

County	Code
Randolph	151
Richmond	153
Robeson	155
Rockingham	157
Rowan	159
Rutherford	161
Sampson	163
Scotland	165
Stanly	167
Stokes	169
Surry	171
Swain	173
Transylvania	175
Tyrrell	177
Union	179
Vance	181
Wake	183
Warren	185
Washington	187
Watauga	189
Wayne	191
Wilkes	193
Wilson	195
Yadkin	197
Yancey	199

### **3.3. POLICY ISSUING LIMITS**

Policy issuing agents have a contractual limit as to the amount of insurance it may issue in connection with a single risk. Any liability amount of insurance above this limit requires First National prior written approval. This allows First National an opportunity to approve and participate in the underwriting of these transactions, and arrange for reinsurance or co-insurance, where First National or the parties to the transaction may require. When a transaction liability amount is in excess of the issuing limit, the agent must complete a request to issue excess limits form, submit the commitment, survey and other supporting documents via email or fax to First National Legal/Underwriting Department. The form and contact information is located on the First National Title Insurance Company website. [www.FNTI.com](http://www.FNTI.com)

### **3.4. HOW TO REMIT PREMIUMS**

Premium remittances must be sent to First National monthly and/or as otherwise instructed by First National or as required by local regulation to:

First National Title Insurance Company, 2400 Dallas Parkway, Suite 200, Plano, Texas 75093

Premium remittances must be based on the total title insurance premium paid by the consumers and include the transaction type, the base premium, and any endorsements and the corresponding premiums.