

# GUARANTY ASSESSMENT RECOUPMENT CHARGE

Effective January 1 – December 31, 2014

A Guaranty Assessment Recoupment Charge of \$1.80 applies to each owner’s policy and each loan policy. The purpose of this charge is to reimburse Texas title insurers for \$2.5 million paid in assessments to the Texas Title Insurance Guaranty Association in 2013. The GARC charge is not part of the basic premium. To determine the total premium to collect in 2014, add the applicable GARC charge to the basic premium. See the rate chart below to determine the basic premium.

## TEXAS TITLE INSURANCE BASIC PREMIUM RATES

Rates Effective May 1, 2013

| Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium |
|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|
| \$10,000                     | \$238         | \$32,500                     | \$398         | \$55,000                     | \$556         | \$77,500                     | \$716         |
| 10,500                       | \$242         | 33,000                       | \$401         | 55,500                       | \$559         | 78,000                       | \$720         |
| 11,000                       | \$244         | 33,500                       | \$405         | 56,000                       | \$565         | 78,500                       | \$725         |
| 11,500                       | \$248         | 34,000                       | \$408         | 56,500                       | \$568         | 79,000                       | \$729         |
| 12,000                       | \$252         | 34,500                       | \$412         | 57,000                       | \$571         | 79,500                       | \$730         |
| 12,500                       | \$255         | 35,000                       | \$415         | 57,500                       | \$575         | 80,000                       | \$734         |
| 13,000                       | \$260         | 35,500                       | \$419         | 58,000                       | \$579         | 80,500                       | \$738         |
| 13,500                       | \$264         | 36,000                       | \$422         | 58,500                       | \$581         | 81,000                       | \$742         |
| 14,000                       | \$267         | 36,500                       | \$426         | 59,000                       | \$585         | 81,500                       | \$744         |
| 14,500                       | \$270         | 37,000                       | \$429         | 59,500                       | \$589         | 82,000                       | \$748         |
| 15,000                       | \$272         | 37,500                       | \$433         | 60,000                       | \$593         | 82,500                       | \$753         |
| 15,500                       | \$276         | 38,000                       | \$437         | 60,500                       | \$597         | 83,000                       | \$757         |
| 16,000                       | \$280         | 38,500                       | \$441         | 61,000                       | \$600         | 83,500                       | \$759         |
| 16,500                       | \$284         | 39,000                       | \$443         | 61,500                       | \$603         | 84,000                       | \$762         |
| 17,000                       | \$288         | 39,500                       | \$447         | 62,000                       | \$607         | 84,500                       | \$767         |
| 17,500                       | \$292         | 40,000                       | \$450         | 62,500                       | \$611         | 85,000                       | \$770         |
| 18,000                       | \$296         | 40,500                       | \$455         | 63,000                       | \$613         | 85,500                       | \$773         |
| 18,500                       | \$298         | 41,000                       | \$457         | 63,500                       | \$617         | 86,000                       | \$776         |
| 19,000                       | \$301         | 41,500                       | \$462         | 64,000                       | \$621         | 86,500                       | \$781         |
| 19,500                       | \$304         | 42,000                       | \$465         | 64,500                       | \$625         | 87,000                       | \$785         |
| 20,000                       | \$309         | 42,500                       | \$469         | 65,000                       | \$628         | 87,500                       | \$788         |
| 20,500                       | \$312         | 43,000                       | \$471         | 65,500                       | \$631         | 88,000                       | \$791         |
| 21,000                       | \$317         | 43,500                       | \$475         | 66,000                       | \$635         | 88,500                       | \$795         |
| 21,500                       | \$320         | 44,000                       | \$479         | 66,500                       | \$640         | 89,000                       | \$799         |
| 22,000                       | \$324         | 44,500                       | \$483         | 67,000                       | \$644         | 89,500                       | \$801         |
| 22,500                       | \$327         | 45,000                       | \$487         | 67,500                       | \$645         | 90,000                       | \$804         |
| 23,000                       | \$330         | 45,500                       | \$490         | 68,000                       | \$649         | 90,500                       | \$809         |
| 23,500                       | \$333         | 46,000                       | \$493         | 68,500                       | \$653         | 91,000                       | \$813         |
| 24,000                       | \$337         | 46,500                       | \$497         | 69,000                       | \$656         | 91,500                       | \$817         |
| 24,500                       | \$340         | 47,000                       | \$499         | 69,500                       | \$659         | 92,000                       | \$819         |
| 25,000                       | \$345         | 47,500                       | \$503         | 70,000                       | \$664         | 92,500                       | \$823         |
| 25,500                       | \$348         | 48,000                       | \$508         | 70,500                       | \$668         | 93,000                       | \$827         |

| Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium | Policies Up To And Including | Basic Premium |
|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|------------------------------|---------------|
| 26,000                       | \$352         | 48,500                       | \$512         | 71,000                       | \$672         | 93,500                       | \$831         |
| 26,500                       | \$355         | 49,000                       | \$515         | 71,500                       | \$674         | 94,000                       | \$832         |
| 27,000                       | \$358         | 49,500                       | \$518         | 72,000                       | \$677         | 94,500                       | \$837         |
| 27,500                       | \$361         | 50,000                       | \$522         | 72,500                       | \$681         | 95,000                       | \$842         |
| 28,000                       | \$365         | 50,500                       | \$525         | 73,000                       | \$685         | 95,500                       | \$845         |
| 28,500                       | \$368         | 51,000                       | \$527         | 73,500                       | \$688         | 96,000                       | \$847         |
| 29,000                       | \$373         | 51,500                       | \$531         | 74,000                       | \$692         | 96,500                       | \$851         |
| 29,500                       | \$376         | 52,000                       | \$536         | 74,500                       | \$696         | 97,000                       | \$855         |
| 30,000                       | \$380         | 52,500                       | \$540         | 75,000                       | \$700         | 97,500                       | \$859         |
| 30,500                       | \$383         | 53,000                       | \$543         | 75,500                       | \$702         | 98,000                       | \$862         |
| 31,000                       | \$387         | 53,500                       | \$547         | 76,000                       | \$706         | 98,500                       | \$866         |
| 31,500                       | \$390         | 54,000                       | \$550         | 76,500                       | \$709         | 99,000                       | \$870         |
| 32,000                       | \$393         | 54,500                       | \$553         | 77,000                       | \$713         | 99,500                       | \$873         |
|                              |               |                              |               |                              |               | 100,000                      | \$875         |

### Title Basic Premium Calculation for Policies in Excess of \$100,000

**Using the table below, apply these steps to determine basic premium for policies above \$100,000:**

- Step 1 In column (1), find the range that includes the policy's face value.
- Step 2 Subtract the value in column (2) from the policy's face value.
- Step 3 Multiply the result in Step 2 by the value in column (3), and round to the nearest dollar.
- Step 4 Add the value in column (4) to the result of the value from Step 3.

**(See examples provided following the table.)**

| (1)<br>Policy Range           | (2)<br>Subtract | (3)<br>Multiply by | (4)<br>Add |
|-------------------------------|-----------------|--------------------|------------|
| [\$100,001 - \$1,000,000]     | 100,000         | 0.00554            | \$ 875     |
| [\$1,000,001 - \$5,000,000]   | 1,000,000       | 0.00456            | \$ 5,861   |
| [\$5,000,001 - \$15,000,000]  | 5,000,000       | 0.00376            | \$ 24,101  |
| [\$15,000,001 - \$25,000,000] | 15,000,000      | 0.00267            | \$ 61,701  |
| [Greater than \$25,000,000]   | 25,000,000      | 0.00160            | \$ 88,401  |

## Examples for Policies in Excess of \$100,000

### **Example 1:**

- (1) Policy is \$268,500
- (2) Subtract \$100,000 ==>  $\$268,500 - \$100,000$  ==> Result = \$168,500
- (3) Multiply by 0.00554 ==>  $\$168,500 \times 0.00554$  ==> \$933.49 ==> Result = \$933
- (4) Add \$875 ==>  $\$933 + \$875$  ==> Final Result = \$1,808

### **Example 2:**

- (1) Policy is \$4,826,600
- (2) Subtract \$1,000,000 ==>  $\$4,826,600 - \$1,000,000$  ==> Result = \$3,826,600
- (3) Multiply by 0.00456 ==>  $\$3,826,600 \times 0.00456$  ==> \$17,449.30 ==> Result = \$17,449
- (4) Add \$5,861 ==>  $\$17,449 + \$5,861$  ==> Final Result = \$23,310

### **Example 3:**

- (1) Policy is \$10,902,800
- (2) Subtract \$5,000,000 ==>  $\$10,902,800 - \$5,000,000$  ==> Result = \$5,902,800
- (3) Multiply by 0.00376 ==>  $\$5,902,800 \times 0.00376$  ==> \$22,194.53 ==> Result = \$22,195
- (4) Add \$24,101 ==>  $\$22,195 + \$24,101$  ==> Final Result = \$46,296

### **Example 4:**

- (1) Policy is \$17,295,100
- (2) Subtract \$15,000,000 ==>  $\$17,295,100 - \$15,000,000$  ==> Result = \$2,295,100
- (3) Multiply by 0.00267 ==>  $\$2,295,100 \times 0.00267$  ==> \$6,127.92 ==> Result = \$6,128
- (4) Add \$61,701 ==>  $\$6,128 + \$61,701$  ==> Final Result = \$67,829

### **Example 5:**

- (1) Policy is \$39,351,800
- (2) Subtract \$25,000,000 ==>  $\$39,351,800 - \$25,000,000$  ==> Result = \$14,351,800
- (3) Multiply by 0.00160 ==>  $\$14,351,800 \times 0.00160$  ==> \$22,962.88 ==> Result = \$22,963
- (4) Add \$88,401 ==>  $\$22,963 + \$88,401$  ==> Final Result = \$111,364

Rates Effective January 1 – December 31, 2014

Adopted by Commissioner's Order 2885

2014 Texas Title Insurance Rate Adjustment to Recoup the Assessment for Southern Title Insurance Corporation  
Docket No. 2753