



TAKE JUDICIAL NOTICE

Title Fees and the HUD-1

It has long been the custom and practice in the title industry to list one fee for recording a deed or mortgage which includes both the recording charge levied by the County Clerk/Register, and the title company service charge for processing.

Title companies, to date, have not been advised that such quotes are incorrect, or that lending institutions want a price quote which shows the separate components of the fee for recording a document.

As a result of this single pricing for recording documents, some lenders are requiring that all but the actual fees charged by the County Clerk/Register be refunded to the borrower. To make our charges clear, we will now show both the fees charged by the County Clerk/Register, and the recording processing charges title companies impose as separate items on our bills. These charges are authorized by Section 1(F) of Rates and Rules of The TIRSA Rate Manual which states: "a Company may impose additional work charges for the recording of instruments."

Although title companies have no direct input into the HUD-1 statement, and are not a party in any way to that form, the title bills will reflect a breakdown of the actual cost of recording an instrument, and the title company recording processing charge associated with recording the instrument.

It will be the decision of the lender's representative when completing the HUD-1 whether to show both parts of the recording charge on the HUD-1 or continue to show only the all-inclusive amount. Title companies have no control over this.

If the lender's representative elects to bifurcate the charge, it is suggested that for HUD-1 purposes, the County Clerk/Register recording fees will continue to be shown in the 1200 range, while title company recording service fees would seem best shown under Title Charges in the 1100 range.