

Ms. Shelley Stewart, C.L.C.
Florida Land Title Association
February 8, 2008
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You also noted in your letter that there are differing opinions on how to report the appropriate charges on the HUD-1 settlement form. While we will not attempt to respond for HUD on this subject, we will tell you that our goal is to provide the consumer with a clear understanding of the title insurance and closing services charges being imposed. We believe the Florida Statutes provide the definition of closing services and primary title services that must be followed when reporting charges on the settlement statement. Fees incurred for completing any part of the closing services, should be included in the amount listed on line 1101 of the HUD-1 form. However, expenses related to the completion of services related to the loan, the mortgage broker, the realtor, the survey, the inspection, etc., should not be recorded in the 1100 section as these charges are not exclusive to the issuance of the title insurance. An example of one of these charges is the courier fee for sending a payoff to the previous lender within the payoff period. This is a third party charge primarily incurred as part of the lender's requirement to issue the new mortgage, and it is not required to transfer the title to the new owner. We would not expect this fee to be recorded in the 1100 section of the settlement statement in Florida.

We hope this letter addresses the concerns of your association. Please feel free to contact us if you need any additional information.

Sincerely,



Raymond M. Wenger, CPM, FLMI
Financial Administrator