



**FIRST AMERICAN TITLE INSURANCE COMPANY**

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Date: October 31, 2003 **Underwriting Bulletin GA-97**  
To: All Agents of First American Title Insurance Company and Attorney's Title Guaranty Fund  
From: David S. Swan, Vice President and State Counsel  
Subject: **Finance Charges**

First American has been requested by a major national lender to issue this Bulletin to our policy issuing agents who handle closings. The lender's concern is in connection with modifications to HUD-1's that have not been authorized nor consented to by the lender. This issue is that the agents often make changes to either increase their fees or add additional fees that the lender has not included in preparation of its HUD-1. This is a problem for the lender because such fees may be considered to be "finance charges," which must be set forth in the truth-in-lending statement required under Regulation Z. (Attached is a list from the lender of items that it believes would be considered finance charges and those that would not). The result would be that the changes that are necessitated to the truth-in-lending statement are overlooked by the agent and consequently the truth-in-lending is inaccurate.

If changes to the HUD-1 are necessitated, please be sure to contact the lender at or prior to closing so that appropriate modifications to the truth-in-lending statement may be made.

Please contact the State Office Underwriting Department at 404-250-1604 or 800-328-2642 should you have any questions.

**Attachments:**

[HUD-1 Modifications - What IS Considered a Finance Charge](#)

[HUD-1 Modifications - What is NOT Considered a Finance Charge](#)