



## CHANGE IN RECORDING FEE

*Senate Bill 2 (SB2 - Atkins)  
Building Homes and Jobs Act  
\$75 Fee in effect January 1, 2018*

The California Legislature passed and the Governor signed SB 2 Atkins, Chapter 2.5 of the Statutes of 2017 which stipulates that effective January 1, 2018, certain recordable documents shall be charged a fee to support the Building Homes and Jobs Act. This requirement is being made in accordance with the legislative amendment of Government Code § 27388.1.

The bill imposes a mandate on County Recorders to charge an additional \$75 at the time of recording every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each transaction per parcel of real property, not to exceed \$225 per single transaction. Also, "Calculations by Title" Whenever two or more instruments, papers, or notices are serially incorporated on one form or sheet, or are attached to one another, except as an exhibit marked as such, each instrument, paper, or notice shall be considered to be a separate instrument, paper or notice for the purpose of computing the fee. By example a "Substitution of Trustee and Deed of Reconveyance" includes two titles and the fee imposed would be \$150.00 (\$75.00 X 2) plus standard recording fees. Additional titles to documents may not be in the heading of the document but may be found in the body of the document.

**The fee described above shall not be imposed on any real estate instrument, paper, or notice recorded in connection with a transfer subject to the imposition of a documentary transfer tax as defined in Section 11911 of the Revenue and Taxation Code or on any real estate instrument, paper, or notice recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier.**

Documents believed to be exempt from paying the \$75 Building Homes and Jobs Act fee must have a declaration of exemption specifying the reason for exemption from the fee on the face of the document, or on a coversheet to be recorded with the document, when submitted for recording. It is also critical that a fully completed Preliminary Change of Ownership (PCOR) be included with every transaction.

**From a title company perspective,  
we have two main concerns:**

**1) Documents that may be recorded on a Delayed / Post Close basis such as a release or deed of reconveyance. Each County Recorder is interpreting the law differently and may or may not consider a document recorded delayed / post close as part of the exempt transaction and a fee may be assessed. Delayed / Post Closing documents come from different sources and as identified in the example above may have more than one title in the document and be subject to a multiple title fee. Corinthian Title Company will hold \$150.00, plus standard recording fees for any Delayed / Post Closing document that it determines it may receive for recordation (please note that many lenders record their reconveyances directly with the recorder's office and we will scrutinize the payoff demand to determine on a case by case basis). Upon receipt of the delayed / post closing document Corinthian Title will attach the appropriate declaration to the document and forward the document to the recorder for recordation. Upon confirmation of the recording fee from the recorder, Corinthian will refund any remaining balance of funds held to escrow.**

**2) The county recorder's office will be conducting audits of recorded documents and reserves the right to charge additional fees after the document has recorded because additional titles to documents may not be in the heading of the document but may be found in the body of the document. In those cases when a transaction is not exempt, Corinthian Title may hold the difference between the \$225 per single transaction cap and what we initially determine the fee to be. By example if we determine that the fee for recording a Deed of Trust and Assignment of Rents is \$150 plus recording fees, we may hold \$75.00 (\$225 - \$150). The hold will be for 5 days providing the County Recorder, time to conduct their daily audit and communicate any additional charges. Corinthian Title will refund the hold following the 5 day period or adjust the recording fees and title bill if the County communicates a recording fee adjustment.**

*Please feel free to contact your Corinthian Title Company Title Officer or Escrow Officer direct if you have any questions or concerns.*

*Contact us today for all your title insurance questions!*

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