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## Outlawing the New Wall Street Real Estate Financial Tool

By Mike Colpitts

Even before the greatest financial reform legislation is passed by Congress since the Great Depression, Wall Street bankers and creative companies are popping up to finagle another way to rake in billions of dollars in profits from real estate.

*Risky Wall Street* practices have gained the attention of politicians at the state level, who are mounting efforts at outlawing a new Wall Street real estate financial tool.

“Private transfer fees depress home prices,” said attorney James Haven, who worked to outlaw the Wall Street Home Resale Fees in Ohio, representing title insurance companies. “These covenants create an unnecessary and unacceptable risk for lenders, homeowners and land title professionals...reduce transparency and exploit the complexity of real estate transactions.”

The controversy surrounding the fees is not as clear-cut as title industry representatives would have you believe. Title insurance companies could be held liable for damages in a court of law should underwriters fail to note the transfer fees existence as an exclusion in a customary title insurance policy.



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