



First American Title™
NATIONAL COMMERCIAL SERVICES

NEWSLETTER ► NO. 207 | JUNE 1, 2020

Current Developments Special Edition

First American Title
National Commercial Services

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The companies which provide reports of real estate taxes and searches of municipal records, such as those relating to Housing, Building and Fire Department violations, to the title insurance industry in New York City has advised that the City's Department of Environmental Protection (DEP) will no longer provide detailed information on water charges to the Department of Finance (DOF). The DOF issues bills for the collection of water charges.

Water bill searches, relying on information available from the DOF, will now only report the account number(s) for a property, the name of the customer(s) being billed, and the Amount(s), if any, due. If no amount is owed for water charges, whether water usage is metered or is charged based on frontage, the report will not indicate the amount that was paid or any billing period, only that there is no balance due. This, of course, may make computing water adjustments at closing difficult. The search companies, and the title industry, do not know how long this procedure will be in place; it may be permanent.

A reading, setting forth any amounts owed for metered water, can be ordered from the Department of Environmental Protection (DEP) through one of the search companies in advance of closing. If a meter is not capable of providing an electronic reading, without an inspector gaining access to a property, the name and telephone number of a person the Department can contact for access must be provided. Charges imposed by DEP for performing a meter reading, which are understood to be minimal, will be added to the water bill that is issued.

Alternatively, a request for a meter reading can be made by means of an email sent to TitleReadRequests@dep.nyc.gov, in person at a borough office of the DEP's Bureau of Customer Service (BCS), by telephone to the BCS call center (718-595-7000), or by mail to DEP/BCS Customer Service, P.O. Box 739055, Elmhurst, New York 11373-9055.

The report of a meter reading, a "Title Read Letter", if the request for the reading is received by DEP more than thirty days prior to the date of closing, with water charges being paid at closing in reliance on the Title Read Letter, will afford the purchaser "innocent owner" protection, provided that the property transfer is, as indicated on the New York City's Real Property Transfer Tax Return, at arms-length.

A Title Read Letter properly requested and issued remains in effect for sixty days from the date on which it is issued.

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Current Developments since 1997

No. 207, June 1, 2020