



NALTEA

The National Association of Land
Title Examiners and Abstractors

Message from the President

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Please take the opportunity to
visit our website at:
www.naltea.org

Mary Mitchel, President
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Once again, NALTEA has been asked to participate in a study, conducted by the US Government Accountability Office (GAO). This time around, the study is focusing on three areas, all of which pertain to the availability of public record images, more specifically, the potential for misuse or exploitation of the same. The three areas are:

To what extent & purpose are public records, especially those containing social security numbers, sold or otherwise transferred in bulk or through subscription services?

In our experience, and to the best of our knowledge, what types of businesses obtain such records and what is known about the manner in which they are used and protected in the US and abroad?

What laws, or other measures implemented by state & federal governments, provide protections for social security numbers contained in these public records?

As you can see, these are not simple areas to address, as they cover a wide range of concerns. It is no surprise, to most of us in this industry to find, that any time you have information available on the worldwide web it WILL eventually be exploited by someone, somewhere in the world, for financial gain. What is very surprising however, is the lack of awareness that still exists among some town, county and state government officials to the dangers that threaten our right to protect our privacy. Yes, there has been

progress made in the redaction of social security numbers from many documents that are available for public use, however that does not touch the billions of images that were already made available, and possibly already sold in bulk, prior to these measures being taken. My suggestion to all of you is to GET INVOLVED. If you have never actually thought about this issue, as it pertains to you personally, just take a moment to research your own records the next time you are in your County Hall, Registry of Deeds or Municipal Court. Search your own records, or those of a family member, and see what is available for anyone to see. It may shock you to find out just how much a stranger can learn about you or your family by doing some digging. Imagine if all of your respective county records were sold in bulk. Imagine those same records & images be sold overseas to the highest bidder. There is no way of knowing what the intent of a potential buyer of such records is. I am not saying that every company that sells or purchases these records are doing so for some criminal gain, however I am saying that it can, and will, happen to someone if some measures are not taken to protect our information. Awareness about this topic, more specifically the threat of a breach to our rights to privacy. Chances are, although he/she may have not made a public statement pertaining to this topic, most likely he/she will have a strong opinion about it. Run his or her

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name in the County or Registry of Deeds. I am absolutely positive that, if you are able to provide them with specifics, sharing your findings will get their attention in a heartbeat.

I would be very interested in hearing your thoughts on the matter, as well as any input you may receive along the way. We are certainly not against the availability of public records, as our professions require it. What I am talking about is the misuse of those records.

As is always the case, I look forward to hearing from you.

Public Relations Update

Pat Scott

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The Public Relations Committee thanks the American Legal and Financial Network (AFN) for their recent generosity toward NALTEA. The AFN donated booth space and a ticket to NALTEA for the Mortgage Bankers Association's National Mortgage Servicing Conference & Expo. Public Relations Committee member Michael Lanin, of DRN Title Search, traveled to the event in New Orleans to help promote NALTEA and the value of local abstractors.

Our gratitude also goes out to the officers and staff at DRN Title Search for the production work completed on the new NALTEA brochure. The PR committee, the NALTEA board of directors and DRN worked in concert to see that the color tri-fold would be ready for the MBA event.

Public Relations will hold a joint meeting with the membership committee to finalize plans to increase membership numbers through individual contact. As part of the current membership drive, the committees will work together to highlight and promote NALTEA's recently unveiled certification process.

The PR Committee has a sizable agenda for 2008. More volunteers to serve on the committee will translate to faster realization of our goals - Increased industry recognition and higher membership numbers. Those interested in serving on the committee may contact us at publicrelations@naltea.org.

Membership Committee Report

Jay Duncan

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We had the following abstractors join NALTEA since the Annual Conference held in New Orleans in January.

- William F. Cosgriff - Individual
- Raymond J. Dougherty II - O'Conner Title Services, Inc.
- David Vogeler - Abstract Title Consultants
- Tim Padgett - DRN Title Search
- Arlene Nelson - Nationwide Court Services, Inc.
- Savannah Traynum - Capital Title & Research Service, Inc.
- Ed Gunther - InfoTrack
- Robert Gallant - Independent Title Services, Inc.
- Mary A. Brown - InfoTrack Information Services, Inc.
- William Ray Lewis - Accelerated Abstract Services, Inc.
- Jennifer Bauschke - Light on the Hill, Inc.
- Dustin Duncan - InfoTrack Information Services, Inc.

The Membership Committee also announced that Carol Walker is the new Chairperson of the committee. We are still in need of help with our membership drive. The more help we can get, the more members we will have, and the more recognized NALTEA will become.

The Publications Committee is always looking for your ideas, comments or submissions for the newsletter. Please address to benefits@naltea.org.

The organization welcomes input from the membership. You can contact the board members or the various committee chairpersons at the e-mail addresses found on the NALTEA website at www.naltea.org.

Education Committee Report

Lynn Hammett

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Education Committee Recommended Text – Modern Real Estate Practice, 17th Edition, Galaty, Allaway & Kyle, 2006

The Education Committee relied on several texts in order to create the new certification testing. There are a number of very good real estate books on the market, and very few cover abstracting in particular. Jeanne Johnson's book is obviously the most comprehensive from an abstractor's standpoint. Of course, it was a collaborative effort with considerable input from several abstractors. Anyone who paid to take the exam in New Orleans was very fortunate to receive a copy, and there is no doubt it will be a reliable and useful reference in your abstracting practice, not to mention its value for preparing for NALTEA Certification.

Another book we referred to frequently was *Modern Real Estate Practice* by Galaty, Allaway & Kyle. I have a copy of the 17th Edition which was published in 2006 by Dearborn Real Estate Education.

The book is fairly complete but be forewarned. It's written primarily from the perspective of the sales agent and broker. It has a lot of concepts that abstractors need to be aware of however. Since our work is the foundation upon which the title opinion is built, we certainly can benefit from the processes involved.

In Part One, Chapter One, the authors touch on the various employment opportunities available within the real estate profession. The fact that "Abstractor Services" was glaringly absent from the discussion was not overlooked. I did forgive the fact that NALTEA was missing from the professional associations introduced to the reader simply because we are a fairly new organization. However, I fully expect that future editions will include our organization.

Chapter Two is relevant to us as abstractors because it covers the law of real estate and real property. This information is national in scope, so it's very general and basic. As far as the NATLEA exam is concerned, this chapter is a must read. From *title* to the difference between *real estate* and *real property*, *fixtures* to the definition of

appurtenance, you will find this particular chapter invaluable.

Interests in real estate ownership are covered in Chapter Seven and Eight. Again, these chapters are very relevant and will provide great information for those preparing for NALTEA Certification. Chapter Nine covers legal descriptions. Chapter Ten provides information regarding liens while mortgages are covered in Chapter Fourteen. Title transfer is saved for Chapter Twelve and the public records are covered in Chapter Thirteen.

Section Two of the textbook covers the practice of real estate and includes sections on property management, appraisals, land-use and regulation, environmental issues, ethics and closing the transaction. RESPA regulations are included which are requirements of law that all abstractors should be aware of.

The abstractor and abstract of title are given little coverage in this book, which is very disappointing. I think the authors could have provided more than three or four paragraphs on the subject. After all, even agents and brokers have no concept of the detail involved in providing a title search.

The book doesn't go into any detail about the various intricacies involved when searching county records. It also leaves the uninformed reader with the idea that the process is as simple as going to the county and pulling up some records to make a determination of ownership and encumbrances against property. It sounds simple, but in real practice it can be quite daunting.

I guess it's no wonder that agents get frustrated with us when we can give them the information they need over the phone while they wait.

Yes, I have read this book from cover to cover. It was a requirement; I did not do it willingly. I do recommend it for anyone wanting to further their knowledge. I also believe that if you prefer to borrow a copy for the exam, there are certain chapters that will help you to understand the concepts we tried to emphasize. So you don't have to guess, here they are:

Part One: Chapters 2, 7, 8, 9, 10, 12, 13, 14, and 16.
Part Two: Chapters 19, 21 and 22.

Lynn Hammett has been involved in the real estate industry for over 23 years. She is President of Capitol Title & Research Services, Inc., a member of the Board of Directors of NALTEA, and sits on the NALTEA Education Committee. Visit her blog at <http://landtitle.wordpress.com/>.

MISMO, PRIA Release IPR Disclosure Draft for eRecordings

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MISMO, the not-for-profit data standards subsidiary of the Mortgage Bankers Association (MBA), and the Property Records Industry Association (PRIA) today published the IPR (Intellectual Property Rights) Disclosure Draft of a Business Requirements Document which addresses and describes the business requirements for the eRecording of electronic recordable instruments in common electronic document formats such as MISMO SMART Doc, eSigned PDF and Adobe Intelligent Document Format, and Microsoft Word with embedded-XML.

The document, entitled "*eRecording Electronic Document Formatted Recordable Instruments*," also includes business function descriptions, a process flow diagram and project assumptions, constraints, and dependencies. The 30-day IPR Disclosure draft is published in accordance with MISMO and PRIA IPR policies to allow for industry comment and disclosure prior to publishing Version 1.0 Final. This is the first joint publication of the two organizations since forming an alliance in November 2005.

The goal of the alliance is to exchange and incorporate MISMO and PRIA standards for use within commercial and residential electronic mortgage transactions. The alliance benefits MISMO and PRIA members, the real estate finance industry, and the general public, by fostering cooperation in the development and provision of consistent standards for electronic mortgage transactions.

"While most of today's electronic recordings are performed from scanning paper documents, the need for eRecording of electronic documents will certainly grow across recording jurisdictions nationally as eMortgage adoption continues to grow," said **Harry Gardner**, MBA's vice president of industry technology and the head of MISMO. "eRecording provides many benefits to mortgage lenders, county recorders and closing agents, improving their ability to manage document volumes with fewer errors, faster turnaround and high accuracy."

According to the two entities, the business requirements document covers several major objectives, including the preparation of electronic

instruments so they are eRecordable; uploading or transmitting electronic instruments to eClosing systems and various other platforms; and, executing recordable electronic instruments on eClosing systems and various other platforms.

The document also analyzes the importance of delivering recordable instruments electronically from eClosing systems to various eRecording applications and systems in public land records offices; of recording electronic instruments including fee and payment information; and, lastly, how to enable the return of eRecorded (or rejected) electronic instruments to the eClosing platforms, or the retrieval by the eClosing platforms of eRecorded (or rejected) electronic instruments.

"The paper provides the industry with a tangible outline for implementing eRecording procedures throughout electronic document transactions," said **Carmelo Bramante**, PRIA's co-chair of eRecording business and technical requirements work group. "As electronic transactions at closing gain industry-wide momentum, lenders, recorders, title and closing agents will see even more benefits to the eRecording of electronic documents."

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Attention: The NALTEA Members' Only Section of the Web site has been updated. The 'Resources' page now contains a list of recommended reading that includes a list of books that may help with your preparation for the certification test. It also includes a link to an outline for a study guide.

You can request a password directly from the Web site and access the members' only information that is currently available. We will continue to update that section of the site as new information becomes available.