


NALTEA
**The National Association of Land
Title Examiners and Abstractors**

Message from the President

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Lynn Hammett, President
Email: president@naltea.org

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

Contact:

NALTEA
7490 Eagle Rd.
Waite Hill OH 44094
Fax: 216-771-7077
E-mail: info@naltea.org

Here it is, the middle of July, and I've found myself reflecting on the business activity in our area. Local realtors are hurting, corporate builders are non-existent, and the few houses that are being constructed are for owners. No spec building here.

A few of my realtor friends are in positions uncharted territory. Many are working hard, but find that even the few purchasers out there are having a hard time getting to the end of the loan process. It seems the underwriters are looking for ways to not close a loan instead of trying to help otherwise qualified individuals realize the American dream.

In South Carolina, attorneys are involved in the real estate transaction. As an attorney state, most title searches are ordered by the closing attorney's office. I've had quite a few conversations with attorneys and their legal assistants, and I can report that they do see some light at the end of the tunnel.

During the go-go boom, abstractors were swamped with work and a backlog of anywhere from two to three weeks. Vendor management companies began to crop up promising to streamline the process. Of course, in South Carolina, most knowledgeable abstractors with a strong client base rarely needed to rely on the vendor management client. However, attorneys did find value in hiring in-house abstractors to cut expenses and insure expediency in their

workload. Also, so many people decided that searching titles was the way to easy money so inexperienced searchers flooded the profession with cheap prices and often with minimal quality.

So what are my attorney clients saying now? Those that are experienced and seasoned in real estate are well aware of the poor quality searches and processes that are hopefully a thing of the past. One attorney in particular expects to spend the next few years cleaning up problems ranging from documents not filed to incomplete searches. Many areas have moratoriums on foreclosures, but with banks working hard to get out from underneath the control of the federal government, I expect that the banks will step up the foreclosure process. Our clients agree.

Commercial foreclosures are on the rise, so those who are experienced in commercial research should see an increase in work. With the volume of foreclosures in the pipeline, I suspect that the searches will be limited. Most clients will not want to spend any more than necessary to dispose of the property. We've seen residential foreclosures accomplished with a limited search and the full search completed upon the subsequent resale of the property...when that finally occurs. It's possible that the commercial market will be the same.

Finally, there are some sales actually taking place. While the overall economy has quite a way to go for recovery, property that is

conveyed through an actual sale is a positive step. Even in our part of the world, with roughly 10% unemployment (14% in my county), property is being bought and sold. Slowly but surely, our business is trying to recover.

I've seen reports of anywhere from 50 to 70 percent reductions in business. We're closer to the 70 percent range in title searches. I see that changing for the better. I still think the valuable lesson is diversification. When times are slow, it is a good time to prepare for future success. Some peers have expanded their real estate services. Others are taking classes and becoming specialists. Personally, I firmly believe that success comes when preparation meets opportunity, which always comes in time.

Board of Directors Report

David Pelligrinelli

Email: daveafx@windstream.net

On Monday, June 15, the NALTEA Board met by conference call to discuss several important issues. NALTEA President Lynn Hammett, Vice President Debi Merrill, and Secretary Jill Kissell, along with Patrick Scott, Ed Gunther, Debi Merrill, and myself were in attendance, and first went through the administrative process of unanimously approving both the prior months minutes, and the Treasurers report.

The first order of regular business was that the details for the much anticipated 2009 NALTEA Convention were finalized. The event will be held on October 9 – 11, in Charlotte, NC, at the downtown Omni Hotel. The Planning Committee, chaired by Ed Gunther has put a great deal of thought into the location and venue for this event. He has received the executed contract from the site hotel, and arranged for the space for sponsor displays and sessions. Various board members have already received inquiries about the convention over the past few weeks, after it was mentioned in last month's newsletter, so turnout should be good.

The Planning Committee has arranged for a number of rooms to be blocked off for the event at a discounted rate, so early reservations are recommended. The board discussed registration fees for the event, and came up with a reasonable rate of \$150 for NALTEA members, and \$175 for non-members. In addition, attendees who register before September 16 receive a \$25 discount, making the rate \$125/\$150 (member/non-

member), and registrants before August 16th receive a \$50 discount (\$100/\$125). It was agreed that for NALTEA members to be able to attend this event for \$100 is a good offer. Non-members can have \$25 of their conference registration fees applied to their membership dues if they apply for membership while at the conference.

The board discussed possible speakers for the event, and is in the process of arranging four seminar sessions. Several industry professionals, motivational speakers, legal experts, and real estate representatives were discussed as to be contacted this month. In addition, the NALTEA certified abstractor training and testing program will be taking place at this convention, with several sessions for instruction, and a testing session. The board agreed on terms for sponsorship displays, and is undertaking the selection of appropriate sponsors. The board also discussed making publicity items available as giveaways for attendees, and will be looking to sponsors and even NALTEA members for promotional items as event take-aways.

The Education Committee discussed the certification testing program, and is making the final arrangements for both online and in-person testing. Jeanne Johnson has been engaged to provide training classes for both students and instructors, and will include an advance session on Friday for interested certified abstractors to become trainers.

Pat Scott, chair of the Membership Committee announced that NALTEA has two new members for the month, and one pending, brining the total membership to 91.

Jill Kissell heads up the Ethics Committee, and while there were no direct ethics issues to be handled, we did discuss an inquiry from a prospective abstractor, considering entering the industry. The board agreed to advise the person to be cautious about a rapid entry into the business, and that they should consider the state of the real estate business, and obtain a great deal of training.

Next, the Public Relations Committee discussed its ongoing Member Directory project. As the chair of the committee, I submitted a draft of a cover for the directory. The board members offered some suggestions for additions, and we'll be coming up with a final version next month.

For new business, the idea of adding a glossary of industry terms to the NALTEA

website was suggested. The board members agreed that it would be a valuable resource for members, and that a glossary should be added to the website. The mechanics of putting together the information was discussed, and will probably take the form of a "wiki" type process, where members can submit additions and changes for consideration, so that information from all areas of the country can be taken into account.

With no other new business, the meeting was then closed.

Membership Committee Update

Pat Scott

Email: pscott@oconnortitle.com

NALTEA proudly welcomes our newest members:

- R. Patrick Johnston of Chesapeake Energy
- Melissa Schutz of CMP Search, Inc.
- Tara Presnell of TTP Consulting, dba Presnell Abstracting Service
- Susan Gourdeau of Triumph Research Specialists

We now have 93 active members.

NALTEA Conference

Ed Gunther

Email: egunther@infotrackinc.com

NALTEA 2009 CONFERENCE OCTOBER 9 -11
 OMNI HOTEL DOWNTOWN- CHARLOTTE, NC
www.omnicharlotte.com

Non-members can apply \$25.00 of their registration fee to a NALTEA membership.

OMNI HOTEL has provided great rates for the conference - \$89.00 for a single or double. Rooms at this rate are limited.

EARLY BIRD REGISTRATION SAVINGS

	NALTEA MEMBERS	NON MEMBERS
Before Aug 16 th	\$100.00	\$125.00
Aug 17 th to Sept 16 th	\$125.00	\$150.00
After Sept 16 th	\$150.00	\$175.00

The on-line Reservations Link:

<http://www.omnihotels.com/FindAHotel/Charlotte/MeetingFacilities/NationalAssociationofLandTitleExaminersandAbstractors10.aspx>

This conference will provide an added exclusive member bonus. Jeanne Johnson will be conducting her Train the Trainer class for NALTEA Certified and Master Abstractors to become NALTEA instructors. This class will be conducted on Friday prior to the conference reception.

In addition, Jeanne will be presenting a pre-test prep class for those interesting in obtaining NALTEA Certified or Master Abstractor designations. Don't miss out on this great opportunity because Jeanne's pre-test and trainer classes are valued at \$200.00 and are included for qualified registrants at no extra fee.

The conference will include a Friday reception, breakfasts and a Saturday lunch. Information on industry speakers and other activities will be announced soon.

Information on the many things Charlotte has to offer are available on this link: <http://www.charlottesgotalot.com/default.asp>

This conference promises to be a valuable and worthwhile experience. Be an early bird and don't miss out on conference fee savings and the special room rates. Link to the registration form: <https://www.naltea.org/registrationform.aspx>

NALTEA Education News

Jeanne Johnson

Email: landrecs@aol.com

NALTEA Test Prep and Exam Given at Annual Conference

You can obtain your NALTEA Certified Abstractor (NCA) Designation at the NALTEA Conference in October! We encourage all members to pre-register for the test so that we can mail the NALTEA Principles of Abstracting Study Manual to you in advance of the conference (it is sent as soon as we receive your registration.) You will also receive the exam prep session at the conference, and the exam will be administered there as well. Those receiving a 75% score will obtain the NCA designation and the experts receiving a score of 90% or better will qualify for NALTEA's highest honor - the NALTEA Master Abstractor (NMA) designation. Cost for the complete package is only \$125. when you pre-register.

Train the Trainer Session

NALTEA wishes to encourage members to seek the NCA and NMA designations and to expand educational opportunities for members across the country. Toward this end, Jeanne Johnson will be teaching a 2 hour "Train the

Trainer" Session. The goal is to help potential NCA and NMA instructors understand the history and methodology behind the training manual, and to sharpen training skills that will be used in teaching. Skills addressed will include use of PowerPoint, recognizing body language, obtaining participation, and answering questions. All those interested in becoming a trainer are welcome to participate. There is no charge for this session, but members must pre-register.

The NALTEA Education Committee welcomes Melissa Schutz, owner of CMP Search. Melissa is a Florida abstractor who has also passed the Florida Title Exam. She previously spent 10 years as a training and development professional for large banking and retail corporations and has a great deal of experience in organizational development, training design, development, and facilitation. She will be a wonderful asset to the committee. Welcome Melissa.

Christie Phillips of Abstracting & Legal Research, Inc, in Alexandria, LA has just received NCA designation.

So You Want to be a Title Searcher...

David Pelligrinelli

Email: daveafx@windstream.net

How many times have each of us heard that statement. Over the years, we all hear this from friends, relatives, associates, and even strangers. On the various title industry discussion groups and websites, occasionally this will come up from a member who has recently heard the inquiry, wondering how to answer. Sometimes, it is even an "outsider", making the query to the group.

Invariably, the response from those currently in the industry is "Don't do it." It is worth examining that reflex response before shooting it back instinctively. The title industry needs more GOOD abstractors. We need less BAD ones. What if the person we so quickly discourage would turn out to be a quality addition to the abstractor community? Before running them off the idea, I would first ask them WHY they think they want to get into abstracting. If their first answer has anything to do with money or income, then turning them away from the idea makes sense. Title abstracting is a difficult trade to get into, and even then does not easily become a wealth builder for a new abstractor. Years and decades of experience are needed to truly become skilled at the craft.

However, what if the person desires to enter the business because of personal interest? Suppose their personality has always loved researching, and the nature to be methodical and detail oriented is in their blood? Would this not be a welcome addition to the abstractor community, assuming they have the discipline and patience to endure years of on-the-job-training for little income?

Sure, the volume of searches required is in decline, as the bull market for real estate has ended. While the voracious appetite for deals is gone, there will always be a market in property transactions. Like real estate agents, appraisers, and mortgage brokers, abstractors came into the industry in droves since 2000. Some of those who are less attached to the trade are now leaving, as the easy income is going away. Wouldn't it be good to add some quality new people to the mix?

At the same time, thin searches, online records, and desk abstracts are creeping into the underwriting industry. This of course takes more searches away from those who create handmade abstracts. However, if more of the handmade abstracts are of higher quality, clients will have more reason to see the difference, and be quicker to consider one when needed. Manual, full searches are not always needed, and some clients just flat out are willing to take the risks associated with alternate reports. That is their decision. But by having a higher percentage of qualified and professional abstractors, the industry can present a more consistently precise product.

A "newbie" abstractor will certainly take years to become skilled at their trade. The best course is some basic training, and then extensive "shadowing" of a seasoned pro. Even once they fly solo, handling only less complex searches, reviewed by an experienced overseer, would certainly come long before any complicated or commercial searches. However, 2014 is going to come no matter what. When it does come, we can either have some new quality abstractors around to help make the industry better, or not. Encouraging good people now is the only way to end up with that.

Of course, it would be irresponsible to let a person pursue the abstractor field without advising them of the low income expectations, business environment, and long learning curve. However, if someone loves this type of work enough to get past all that, don't we want them?

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