

NALTEA

National Association of Land Title Examiners and Abstractors

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Occasionally, I come across something that makes me stop and say "Yikes!" Yes folks, I admit it. I do still say that, and usually out loud even though I am all alone in my office. It often happens when I stumble across an e-mail, in which someone says something they probably should not have, at least not in writing and certainly not in a public forum. It reminded me of an "unwritten rule" I imposed upon employees of an office I used to manage. If ever they found themselves in a tense or volatile situation which required a written notification or response they were required to forward it to me so that I could proof it before it actually went out. I did this because, nine out of ten times, once enough time elapsed for me to take a look at it, the person would have calmed down enough to realize that they needed to tone down their correspondence a bit. It used to be quite comical sometimes. I could pretty much set a timer, depending upon the person involved, as to how long it would take them to either pop their head into my office or call me and say, "that was a little too harsh...?" I know that it seems juvenile, however, it did save some of my folks embarrassment, not to mention saving me from having to clean up the proverbial mess and smooth out feathers afterward.

Now, I am not saying that everyone needs to have someone looking over their shoulder whenever they want to fire off an angry e-mail, however I still do believe that everyone should take a deep breath and wait a few minutes before sending one. If you then decide to go with your initial sentiment, then use your best judgment and go with it. With all of the technologies today, i.e., e-mail, instant messaging, phone text messaging, Blackberries, etc., a comment can be sent in an instant. By the time you realize what you have said, it is too late to say, "Oops, I take that back". We are all professionals and have our share of frustrations day in and day out. There are a million ways to say you are unhappy,

disappointed, frustrated, etc. I just think that everyone should use proper etiquette, or at the very least some form of respectful professionalism. Here is a quick one: If you think someone has been yelling at you, via an email or instant message in bold caps for instance, give them a call and ask them what they are so upset about. I did that once, to find out that this particular person just wanted to make her type larger so that she could read it! Once I explained what some might see as angry yelling, and we finished laughing about it, I walked her through changing her font. She was forever grateful, as she was a newcomer to the "e-mail thing".

I came across a recent string of discussion on a website forum, that pertained to this very subject. It revolved around a posting, which could have been construed as libelous. By definition, libel means any written or printed matter tending to injure a person's reputation unjustly and/or the act or crime of publishing such a thing. Now the key words are *tending* and *unjustly*. Whether or not the individual's goal was to purposely and unjustly injure someone's reputation, is not my concern but would be the court's, the fact that an author needs to take responsibility for what he or she writes goes without saying. If you take a look at any public forum site, they all come with a disclaimer of some kind. Basically, no one is responsible for what you write, or how it is written, except you. Right now, my mother's words are chiming through my head, as I am sure your mothers' are as well, "If you do not have something nice to say, then say nothing at all" ...nice, however not what I was going to say. The next time something has your stomach juices churning, the veins in your neck bulging or your face turning beet red, do yourself a favor and step away from your keyboard for a few minutes. Take a few deep breaths and put everything back into perspective before you sit back down to fire off an e-mail, instant message, text or posting. It may just save you some headaches, or at the very least, from having



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(President's Message...continued from front cover)

a stroke some day.

I would love to hear from you. Feel free to find me at: president@naltea.org or mitchel@accusearchco.com

The Silver Lining

Lynn Hammett, Board Member
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I'm sitting here at my computer working today. It's been a long week, and going into the records room is the last thing I want to do today. Unfortunately, that's where I'll end up this afternoon, but, at least for now, I have choices.

I've long said that the online records benefit me and my business. I love that I have the choice and convenience to work at home or in my office. However, I'm reading the index and pulling up each document necessary to do a thorough search, and it dawns on me that these automated title companies promise quick turnaround searches in as little as 15 minutes. The owners of these companies obviously have no clue of what's involved in the title search process.

I've been sitting here an hour and have had to look at twelve documents, cross-referenced with twelve more documents that I had to note on my printed index so I don't duplicate myself. Even if the tax map numbers were indexed, I'd still have to look because my project today involves an estate with contracts of sale, recorded and unrecorded, with overlapping properties and derivations. I have 476 entries just on my printed index from the end of 1986 to current. I've had to enter my name 21 different ways to pull up all entries, and I still will go back and enter the last name differently to check for misspellings. I realize that today I have a search that is more difficult than usual, but, even on a good day, a 15 minute search is ludicrous.

To tell end-users that automation shortens and cheapens the process is such a disservice to the title industry. Documents need to be reviewed by the human eye, and that means read. Reading takes time. Automation can look for keywords, but in a real estate transaction not all keywords are evident. Even using tax map numbers as keyword indicators is misleading because tax map numbers change as parcels are divided. My particular search today is 12 acres out of 101 acres. The tax map number on some deeds is noted as a p/0 xxx-xx-xx-001 while on my source deed it is noted as xxx-xx-xx-024. Will automation pick that up? And what about the conveyances from the tract that were assigned new tax map numbers? How will automation provide me with easements appurtenant or restrictions that may be implied on those deeds?

The real estate transaction is often the most important investment a person makes in their lifetime. The subprime debacle has once again put a spotlight on the significance the investment is to our economy. The

constant push to "Walmartize" every single transaction is just not sensible. When consumers purchase a home, shortcuts are not practical or prudent. Like it or not, quicker and cheaper affects quality and thoroughness.

When I buy property, there's a reason I perform my own title search before I even make an offer; I want to know what the problems are and what it'll take to fix them. Then, the attorney orders another search, and I pay for that. I get my own home inspector, the one the real estate agents hate. I want to know what's wrong with the property so I can make a decision to fix it, live with it, or pass. I pay extra for that service. I order my own appraisal when I buy or sell, and I want to know what it's really worth - not an inflated or deflated figure to make the number.

But, something good can always be found when troubles are afoot. The silver lining here is that the troubles now upon us will force lenders, underwriters, buyers and sellers, and, yes, our legislators to finally open their eyes. The processes involved in the real estate transaction cannot and should not be rushed and cheapened. As a matter of fact, cleaning up this mess is going to take a lot of time and cost a small fortune. Sorry taxpayers...we tried to warn you.

Lynn Hammett is a South Carolina native and 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 currently serves on the NALTEA Education Committee which is developing certification for Title Examiners and Abstractors to insure professionalism and competency. She can be reached at vlhammett@yahoo.com

Board of Directors Update

Pat Scott, Board Member
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The September 18, 2007 NALTEA board meeting began with the acceptance of the treasurer's report and minutes from the August 21, 2007 meeting minutes, as submitted. Treasurer Wanda Steudel reports that the new online renewal feature is working smoothly. Members who have renewed online have been pleased with the added convenience.

The Ethics Committee had nothing new to report. Grievance procedures have been forwarded to the Ethics Committee for review.

The long-anticipated abstractor certification test is in the final stages of committee review before further review and approval from the board of directors. The 400 questions amassed to date will be divided into four different tests. Two tests will be geared toward regular abstractor certification and two tests will be geared toward master abstractor certification. The tests and a review class are expected to be ready for the January conference.

The membership committee plans to send out a survey to former NALTEA members to learn of reasons for non-renewal. The committee will also work to update

contact information (i.e. email addresses). The committee also plans a membership drive to begin before year's end.

The Public Relations Committee has a press release prepared to announce the January conference, with a dual purpose of notifying vendors of the availability of vendor tables in the expo room. The release will coincide with the opening of online conference registration on the NALTEA Web site.

The Publications and Benefits Committee is working toward accomplishing delivery of the NALTEA newsletter earlier in the month. Progress toward this goal is due in large part to an increase in articles submitted to the newsletter.

The Planning and Events Committee is making steady progress in preparations for the 2008 conference in New Orleans. Some new developments: American Airlines is offering an airfare discount of 5% off the lowest fair available. Avis car rental is also offering a discount. Several interesting speakers are tentatively scheduled to share their knowledge. Look for updates on NALTEA's Web site (www.naltea.org) as the conference agenda continues to take shape.

In a separate conference call, the board approved expenditures for NALTEA's participation on a panel exploring the pros and cons of automated title products. Board member Lynn Hammett volunteered, upon short notice, to travel to Denver, CO to offer NALTEA's point of view on the subject.

In other business, the board discussed installing the Lojack tracking software into the new laptop computer to increase the chances of recovery in the event of theft. Discussion will continue following a cost analysis.

NALTEA Discusses Automated Title Products With The Industry

Lynn Hammett, Board Member
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The ATIM Conference was held in Denver, Colorado on September 23-25. NALTEA was asked to participate as a panel member on the topic of Automated Title Products – Pros & Cons. Panel members included representatives from three major automated data providers, RedVision, RealtyData, and ValueCheck. The moderator was Bill Welge of NextAce. As a board member of NALTEA, I was the lone opponent on the panel to speak to the deficiencies within automated title products..or was I?

As the panel began their discussion, the moderator, Bill Welge, said that three years ago, he would've said that automated products could provide all the information needed to provide a complete title report to the underwriter. Today, he realizes that is not the case. I agreed that local statutes and customs for filing create a barrier to the automated industry. All the panelists agreed that automated title reports couldn't account for the nuances that differentiate each of the 3,077 counties in the country. Even in areas where records are available online,

they are more often an incomplete compilation of all that is required to convey marketable title.

I reminded the audience that in their quest to obtain title products quicker, faster and cheaper, they are effectively cutting income for abstractors and examiners. At some point, seasoned, professional on the ground providers will not be readily available---they will find new business interests that are more profitable.

The panel consistently referred to the need of examiners to access the automated products and provide support to develop the end product to be delivered to the underwriter. I took the opportunity to clarify the roles of the searcher, the abstractor and examiner, explaining that a searcher merely provided the documents on record while the abstractor examined documents while performing the search process, therefore acted as both searcher and examiner. I did concede, however, that automated products may affect the need for the searcher; however, examiners and abstractors will remain a valuable resource in the real estate industry.

A brief discussion occurred when the vendors boasted that their error rate was minimal. I reminded the members of the panel and the audience that homeowners typically remain in a home for seven years or more. It's common knowledge that title problems and claims may not be discovered for some time after the closing. They all agreed that typically it is the case, however, with the number of refi's in the market they feel secure that most problems would've been found by now. Considering that each of the companies have been in business less than seven years (as few as three), I think some surprises are waiting in the wings. After all, most of the refi's were closed based on one-owner searches or updates from previous mortgages. Ooops...

Well, in all fairness, the panelists and the audience were very receptive to NALTEA. David Floyd and ATIM participants were extremely gracious and courteous and we would do well to attend their conference annually, and if they are willing, participate in other panel discussions. I have no doubt ATIM would be willing to reciprocate.

I think with the problems the industry is currently facing, some shortcomings are becoming very evident very quickly. Bill Welge and the others want to provide a better more complete product, and they hope in the future they can get cooperation on the ground. I was forthright in my comment when I indicated that abstractors are not interested in helping the automated industry eliminate their jobs. They all stressed that the examiner's role is enhanced by their product, not eliminated. I can only go back to my previous point, where will they find abstractors and examiners if they can't enjoy a reasonable profit? Of course, before I could reiterate the panel discussion was ended.

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