



NALTEA

The National Association of Land
Title Examiners and Abstractors

Message from the President

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Pat Scott, President
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It's the beginning of a new membership cycle for NALTEA. Just as the seasons turn, with summer entering its transition to autumn, and just as the kiddies enter a new grade at school, the beginning of a new NALTEA year is an opportunity for reflection and excitement.

Renewal of membership is the first step. If you have already paid your dues for 2010-2011, your fellow members thank you. The greater our numbers, the greater will be our influence. If you have not, please address this important item today. And while you're at it, consider the possibilities for taking on a greater role within the association.

This is also a time for renewed resolve to carry NALTEA to the next level. Over the past year, the committees have nurtured seeds that were planted in previous years. They have also planted new ones to be overseen by the next generation of NALTEA leadership.

The planning and events committee is putting the finishing touches on the agenda for the October conference in Dallas. As soon as the conference is over, it's time to begin the process over again for the next extravaganza. Over the past year, the committee has also initiated regional affairs, giving members an opportunity to learn and to network locally. The ultimate success of the local events will depend upon the efforts of our members in every state.

The Education Committee has built upon a program that has the

potential to become the nationwide standard. With all that the committee has accomplished, the task ahead is still enormous. The currently certified members have a unique opportunity to qualify to educate others preparing to take the NALTEA exam. They can learn to teach at the Train the Trainer program on October 22nd in Dallas. As an added bonus, the program will go a long way toward satisfying continuing education requirements.

This is a big time of the year for the Membership Committee. With a full year of membership ahead, this is the time a new member can get the most bang for the buck. With the conference right around the corner, new members can immediately become involved and get to know their fellow members. It's also a time to contact members who have yet to renew their memberships, to inquire about concerns of the members with a letter or a phone call.

Public Relations has been reaching out to other industry organizations, local government entities, and potential customers on behalf of the NALTEA membership. The committee is working on several position papers and a bigger and better print directory to promote our members. The effort to gain recognition and influence in the industry is ongoing and reliant upon the progress made in each of the other committees.

The Benefits and Publications Committee is always on the lookout for interesting content. Over the past year, we have enjoyed some

excellent articles submitted by members. If you are not ready at this time to commit to a committee, we can still use your knowledge and wisdom.

Thankfully, the Ethics Committee has not been busy with complaints against our members.

Committee involvement is critical to the success of NALTEA. With the renewal of our memberships, we can also renew our enthusiasm and resolve for a productive year ahead.

Board of Directors Report

Tamikio Veasley

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The August NALTEA Board of Directors meeting was held via conference call on August 16th, 2010 at 5 PM Central time. In attendance were President Pat Scott, Vice President Doug Gallant and Secretary Tamikio Veasley. Along with board members David Pelligrinelli, Jill Kissell and Debbie Merrill. After bring the meeting to order the directors then moved on to new business.

From the Education Committee Debi Merrill brought forth the interest of NALTEA member Christie Phillip's request to do an Education class during the NALTEA Conference in Dallas, Texas this year and wanted feedback from the board on a topic. The board agreed to have Jeanne Johnson follow up with Christie and have her submit a speaker's proposal with an outline of her topic. It was decided that the Train the Trainer session at the Convention will be held on Friday prior to the reception as it was last year.

Planning and Events Committee Pat Scott provided a brief update in Ed Gunther's absence. Pat reported that the planning for the 2010 NALTEA Annual Conference is coming together. The Board agreed to leave the Early Bird Conference Fee at \$100. Confirmations from Keynote Speakers John Warren, Dallas County Recorder who will speak about Land Records from the Clerk's Perspective and Bob Philo, CTIA will speak about the Future of the Independent Abstractor. The Board agreed that having these two speakers back to back would create some fluidity with the similarity of topics. Dave Pelligrinelli will also be doing his presentation on Non-traditional Title Searches, New Opportunities. A tentative agenda was created and is available at www.naltea.org/events.

Pat went on to say that Board Members Ed Gunther and David Pelligrinelli seats are up for election this year and the Election will take place during the Annual Conference.

Pat Scott reported from the Membership Committee that there are four new applications being processed once approved that would bring the total number of members up to 125. Pat went on to announce that he has sent out membership renewal reminders via email on August 9th 2010 and 6 members have renewed their membership. He will begin sending out reminders weekly until September 1st, 2010.

David Pelligrinelli reported that the Public Relations Committee has submitted the NALTEA article to be featured in the Virginia Land Title Association magazine. Dave also provided the press release stats for the first day. The release was read by 220, there were 1579 impressions and 6 interactions (people clicking on the link, printing it or forwarding it to someone else etc.).

Publications and Benefits Committee Chairperson Doug Gallant reported that he has been working with E & O carriers and believes with the new membership numbers will be able to discuss discounts for NALTEA Members. Doug also announced that the Newsletter will be taken over by Joel Kissell after the conference and that it should be a smooth transition. Doug expressed he would like to highlight a company in the Newsletter and that he welcomes all members to submit an article for the Newsletter.

With that, the meeting was adjourned, with the next board meeting scheduled for September 20th, 2010 at 5 PM Central Time.

Membership Committee Update

Pat Scott, President

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NALTEA proudly welcomes our newest members:

Erik Dill of SC Title Services, LLC

Sandra Bevans of United Title of Louisiana

Alane E. Zerangoe

Stephanie Haley of SearchQuest, Inc.

Bob Philo (Honorary)

Ellen Swiniarski

As of August 31st, 2010, NALTEA has 129 active members and one pending application.

NALTEA Certification

Jeanne Johnson

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NCA and NMA Designations and Awards

Show your expertise! Accomplish your NALTEA Certified Abstractor (NCA) Designation at the Conference in October. We encourage all members going for the designations to pre-register for the test to receive the ***NALTEA Principles of Abstracting Study Manual*** in advance of the conference (it is sent as soon as we receive your pre-registration.) You can also attend the exam prep session at the conference as well as taking the examination. Those receiving at least a 75% score will obtain the NCA designation and experts receiving 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.

NALTEA Certification Requirements for Two Designation Levels

NALTEA Certified Abstractors (NCA) are deemed competent to complete updates, full residential transactions, and small commercial such as mom & pop freestanding buildings. Requirements for the NCA are that the member must:

1. Be an active, paid member of NALTEA and agree to ethical standards.
2. Provide a Statement certifying minimum of 3 years experience in the industry.*
3. Pass Testing (75% of 100 question test – basic knowledge, mathematics of surveys and interests)
4. Maintain the designation with Continuing Education (10 hours every 2 years).

Courses accepted from NALTEA (seminars and conference programs) ABA, Board of Realtors, Appraisal Institute, National Homebuilders Association, Real Estate Sales, Mortgage or Law Schools, College Level or Technical Courses, Licensed state courses and any other classes approved by NALTEA. CE courses must be related to real estate.

NALTEA Master Abstractors (NMA) are deemed competent to complete any type of search including general commercial, industrial, subdivision developments, condominium developments, plottage and assemblages. Requirements for the NMA are that the member must:

1. Be an active, paid member of NALTEA and agree to ethical standards.
2. Provide a Statement certifying minimum of 8 years experience in the industry.
3. Pass Testing (90% of 100 question test).
4. Maintain the designation with Continuing Education (10 hours every 2 years). Courses accepted from NALTEA (seminars and conference programs) ABA, Board of Realtors, Appraisal Institute, National Homebuilders Association, Real Estate Sales, Mortgage or Law Schools, College Level or Technical Courses, Licensed state courses and any other classes approved by NALTEA. CE courses must be related to real estate.
5. Submit a full commercial search for review.
6. Submit a letter of recommendation from a client stating they have done business with the abstractor and feel the person is competent to do any residential or commercial search work that may be requested.

Members can apply online to take the exam at www.naltea.org and will receive instructions via email after the application has been reviewed.

* Inaccurate information regarding experience level (minimum of 3 years for NCA and minimum of 8 years for NMA) will result in forfeiture of certification and either suspension or termination of NALTEA membership

Train the Trainer Session

To expand educational opportunities for members across the country we are looking for instructors. For those interested, Jeanne Johnson and Melissa Schutz will be teaching a 2 hour "Train the Trainer" Session on Friday, October The goal is to teach potential NCA and NMA instructors the history and methodology behind the NALTEA training manual, and to sharpen training skills that will be used in teaching the course. 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 obligation to teach, and no charge for this session, but members must pre-register.

Jeanne Johnson owns a land title school (seminars and online classes at www.landrecs.com and www.realestatetitles.us) Melissa Schutz is a Florida abstractor who spent 10 years as a training and development professional for large banking and retail corporations.

The Future of Abstracting at the NALTEA Conference

Dave Pelligrinelli

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The real estate industry in general, and the business of title searching and abstracting has seen unprecedented changes in the past decade. Wild swings of volume up and down are the most visible changes. Behind the scenes the environment which title searchers work within is different as well. The factors of offshoring of searches, vendor payments, "online" searches, certification and licensing, e-recording, municipal budget problems, have each been considerations for searchers and abstractors to deal with. The title industry has seen the real estate industry use private recording systems such as MERS to maintain ownership chains of mortgages, which can complicate the search process.

At the same time, title insurers have recognized an opportunity to shift the policy expense from upfront cost of searching and abstracting to indefinite cost of remedial claims payment. Whether or not a person agrees with this philosophy or not, the title insurers seem to feel that it is a good business model for them, and title abstractors can expect to see more of it.

These factors can appear to be challenges to the individual abstractor. As in any business, problems can be opportunities to succeed in a new way. Title searchers and abstractors have a unique knowledge and skill to navigate the land title records system, understand the meaning of documents, and combine the effects of multiple records into a meaningful report on property rights. This knowledge is important, and will always be valuable. Secure real estate ownership will always need these abilities.

Performing "non-traditional" searches has become more of an income source for many abstractors. Environmental lien searches, cell tower projects, wind farm searches, pipelines, mineral rights, and SBA title reports are niche market areas which searchers are tapping into to get more business in the new decade.

Most importantly, title searchers finding value in networking with colleagues. Whether it is for leads into other market areas, insight into industry trends, and accumulating more knowledge of searching, cooperative relationships with peers is important.

So what does all of this have to do with the upcoming NALTEA conference? Your association has recognized these topics as being of great interest to members. The speakers and information being assembled will be heavy with coverage of these forward-looking subjects. Information from both the public and private sector will be included. Besides these, presentations on pending legislation, and abstractor certification will be on the agenda. I predict that this event will be the most information packed NALTEA conference yet.

This is one of the last newsletters prior to the conference registration. Take a close look at the schedule and conference offerings to see how they can help your business in the coming year.

Keeping up with Court Cases and New Laws

Dave Pelligrinelli

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Title searchers and abstractors have knowledge of laws, statutes, and ordinances to make logical presumptions about some recorded documents. Over time, changes to existing laws, and the introduction of new laws can occur. Keeping up with new regulations result in easier searching and precise results. At the same time, court decisions define the scope of existing laws.

Here are a few examples of recent updates and cases in various states.

In Colorado, a law was passed which allows real estate brokers to record mechanics liens for unpaid commissions on commercial property. The Commercial Real Estate Broker's Security Act HB-1288 went into effect in August, allowing these liens under certain circumstances.

In an interesting case from California, a title company was protected from claims by a property owner due to an incorrect title search. The Plaintiff, Ben Soifer sued Chicago title after receiving a title report which was incorrect. Mr. Soifer did not elect to purchase title insurance, and relied solely on the report. The court held that he could not then seek to obtain the benefits of title insurance after deciding not to purchase the product, even though the title search was incorrect..

In Texas, one of the arguments made in a disputed property boundary case was that of an underlying easement. Allen and Martha Lewis

purchased some property, only to find that some of the land was owned by a neighbor Daniel Perales. They contended that that since an easement was part of that strip of land, this trumped any claim of adverse possession by Perales. The court did not agree.

In Pottstown PA, a bill passed which allows municipalities to sue owners of blighted properties. Housing courts would be able to sue the owners individually and go after their personal assets, even their personal homes and property. The town could conceivably take not only the run-down homes, but the residences of the property owners as well.

There is a growing trend of states using eminent domain to facilitate pipeline easements. In some Midwestern and Rocky Mountain states, pipeline easements for transit and local interconnection are short-circuiting the typical landowner-negotiation process when the state offers assistance with eminent domain. In most cases, the pipeline routes cross farmland so that the smallest number of people are affected. In most cases, the farmers would agree to the easement in exchange for nominal payment. Landowners are increasingly specifying some detailed terms to the easement agreement such as responsibility for cleanup costs, access limitations, and re-grading of the topography. While not terribly expensive, these details need to be negotiated on a case-by-case basis and would slow down the planning process for the refiners. Eminent domain condemnation is a tool more often being used, or threatened to be used.

NALTEA Annual Conference

October 22—24, 2010

Crowne Plaza Dallas - near the Galleria

The 2010 NALTEA membership meeting and conference will be held at the conveniently located Crowne Plaza Dallas near the Galleria. The venue received rave reviews from NALTEA members who attended the January, 2005 conference in Dallas.

The hotel is centrally located in the North Dallas Business District, which features over 150 restaurants, entertainment and unique shopping boutiques – as well as the famous Dallas Galleria Mall. The hotel offers complimentary shuttle bus service to any of the restaurants and shopping areas within a three-mile radius.

The conference will feature a review class for the NALTEA certification test, as well as a “Train the Trainer” class for already-certified members. The Train the Trainer class will qualify you to prepare your fellow members for NALTEA certification. Join the growing number of NALTEA Certified Abstractors and NALTEA educators!

Conference attendees will receive continuing education credits (required to maintain certified status) in accordance with the programs attended. Credits awarded for each will be posted as part of the agenda on the Events page.

REGISTER EARLY FOR THE BEST DISCOUNT! Register now and the conference fee is only \$100 for members. After September 30th, the conference fee is \$125 for members. An additional late fee of \$25 applies after September 30th.

NOTE: In order to take the NALTEA Abstractor Certification Test, you must be an active member. If you need to join, you can find a membership application here. If you need to renew an expired membership, you can pay your dues online, or contact treasurer@naltea.org for assistance.

The certification testing fee includes a copy of "Principles of Abstracting, Searching and Land Records Management," a book by Jeanne Johnson in conjunction with the NALTEA education committee. "Principles of Abstracting, Searching and Land Records Management" is recommended reading for the NALTEA certification test.

The agenda for our 2010 Annual Membership Meeting and Conference is tentative and will change as presenters are confirmed. Please check in frequently for the most up-to-date information. See <http://www.naltea.org/events.aspx>.

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.