

NALTEA

National Association of Land Title Examiners and Abstractors

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Wanda Steudel, President
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I have been proud to serve as a board member for NALTEA since June of 2004. This past year I have served as president. It has been fun, challenging, frustrating, rewarding. Several adjectives would apply at any given time.

In January, there are two seats on the board open for election, Rick Martinez' and mine. I thought this would be a good time to give you some idea of what is involved with being a NALTEA board member.

First of all, let me tell you there are five members on the board. Each member is elected to serve a term of two years. The elections are set up so that three seats are up for election at one time and the remaining two are up for election the next year. In order to be eligible to run for the board you must be full voting members of the Association, and have at least three years experience as an abstractor. Only one representative from any business entity may hold a board position at any given time. The board of directors elects the officers, who are president, vice president, secretary and treasurer.

The board meets at least once a month via teleconference. Occasionally, we may hold additional meetings, and we do quite a bit of e-mail conversing. Also, attending the board meetings are the vice president and the secretary. It is the president's responsibility to set the agenda. Each board member acts as a board liaison of one of our standing committee. It has been that board liaison's responsibility to keep the committee on track and working. At times, the board liaison has had to find members to serve on their board as well as be an acting chair of that committee when the need arises. It is also the responsibility of the liaison to see that an article is submitted to the newsletter from their committee to keep the members apprised of what their committee is doing.

Our meetings typically run one to

two hours in length depending on what is brought before the board. At each meeting the board liaison for each committee gives a report on what their committee is doing and we act on any issues that require our attention.

Recently much of our time has been involved with helping the Planning & Events committee with setting up the conference in San Diego next January, setting up a working relationship with AFN (American Financial and Legal Network), helping with the setup of the Title Camp being held in North Carolina October 21st. We are in the process of acquiring computer and visual aid equipment that will be used at our conferences. The board also approves all expenditures from the treasury.

These are just a few of the projects that the board is working on. At times, I would have to say that being a member of the board for NALTEA is a FULL-TIME JOB. A job, of course, that we are not paid for, and one that we all have to share with our REAL full-time jobs, and our private lives. It can be an awesome responsibility at times. Sometimes, it is a difficult task to try to get everything accomplished. At times you may feel like you are beating your head against a wall. It can also be very rewarding when you see all the hard work that you put into something actually succeed.

I hope that there are some individuals out there that will throw their hat into the ring and run for the board. NALTEA is a diverse group of people that has many different ideas as to what our goals should be and how we should accomplish those goals. I believe it is important to hear from everyone. It is even more important that we all work together to accomplish our goals. Please give it some thought, but do not take the responsibility of being a board member lightly. It takes commitment and work.

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Mapping, Drafting and Plotting Capabilities: Utilizing Mapping Software

J. Richard Martinez, Board Member
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Deciphering legal descriptions can be an asset to any title researching company, especially having the capabilities of plotting metes and bounds legal descriptions either by utilizing manual methods (compass, protractor and scale) or computer aided-drafting (CAD) methods, the latter being most prominent since the early 1970's. Mapping capabilities can definitely be an asset to anyone confronted with the task of determining boundary lines, acreage or ownership based on metes and bounds legal descriptions.

An instrument filed for public record containing a metes and bounds legal description, which may or may not be viable, insurable or marketable, can be plotted and have its information deciphered for viability, insurability and even marketability purposes.

The American Congress on Surveying and Mapping (ACSM) has established "accuracy standards" for ALTA/ACSM land title surveys with a tolerance for different orders of accuracy for surveys throughout the country, which determines viability. These standards assist the abstractor and title examiner by determining the "degree of closure," through mathematical calculations, and this is what determines the marketability and insurability of a parcel.

Once a metes and bounds legal description has been "plotted," utilizing the appropriate descriptions and distances once can determine the "degree of closure" if utilizing computer aided-software. Determining the closure utilizing manual operations requires computations through trigonometric calculations because manual operations do not allow for determination of closure with any degree of accuracy. Until the "true" boundaries are established and closure determined to be acceptable, no property should be insured due to liability factors.

If the tract of land is of sizeable interest and values justify a survey, then one must consider obtaining a licensed surveyor to obtain the true representation of the acreage and boundaries they possess, usually as per the vesting deed.

An abstractor possessing mapping and drafting capabilities cannot only aide in improving his company's operations and reputation. But, he can also assure his clients of his professionalism, diligence, proficiency, and education.

To the extreme, and in all reality, let me please explain, as a surveyor for 12 years, legal descriptions can be deceitful if not approached carefully. Educating one's self in metes and bounds legal descriptions can only be an asset to one's operation because it gives the individual confidence that he can decipher, plot and make a determination, for himself or his client, if that property has a sufficient survey or needs the opinion of a licensed surveyor. Today's abstractor needs to be educated enough

in what they are abstracting and examining by utilizing the technology tools available, which will help them in their determinations in clearing title and survey issues.

Computer-aided software can also assist in determining out-sales or consolidations and determine new and/or old boundary lines, which can often be the reason for dispute in the first place. There are numerous reasons a person may want to utilize a computer-aided software system for plotting, determining boundaries and, even, insurability issues. But, one must educate himself on the basics of metes and bounds legal descriptions to utilize these tools to their fullest potential.

Event/Planning Committee Update

Joanie Ripley, Board Member
Email: events@naltea.org

Greetings from the Planning/Events Committee. Please send us your Registration Form for the 2007 NALTEA Conference as soon as possible. Also, make your hotel reservations and remember to ask for the NALTEA rate of \$125.00 per night. If you would like to sponsor an event or part of one, such as a Continental Breakfast, Lunch or the Hospitality Reception on Friday night, please let me hear from you. Your participation will be greatly appreciated.

This year NALTEA will be giving each registrant a special NALTEA Bag. We hope to fill the bags with goodies donated by members such as pens, cups, sticky pads, or whatever creative idea you come up with to advertise your business. Please let me know if you plan to donate anything.

Thanks. We look forward to seeing everyone in San Diego in January for yet another great conference. If you have any questions, please direct them to Joanie Ripley at 216-771-7667 or email events@naltea.org.

A Strong Association

Robert A. Franco, Board Member
Email: rfranco@sourceoftitle.com

We all know the old adage "there is strength in numbers," but to really get an idea of what that means I browsed the National Association of Realtors' 2005 Annual Report. The NAR claims that the value returned to their members is an "amazing average \$32,000 in income over the course of a 10-year membership." They provide resources to their members and consumers, advocacy on issues such as health care, and promote the use of Realtors through national public awareness campaigns.

The NAR has thus far successfully prevented the US Dept. of the Treasury from finalizing its rule that would allow banks to offer real estate brokerage services. They have also been able to secure participation in the RESPA roundtables and have been very involved in the Small Business Health Fairness Act that will allow the NAR to extend health benefits to their members.

To me, however, the most significant accomplishment of the NAR is maintaining the sales commissions at a such a high percentage. Around here the standard commission is 6%, or \$18,000 on a \$300,000 home. The realtors remain, by far, the most compensated parties involved in the sale of a home. The title insurance premium on an Owner's Policy in Ohio is less than 1/2 a percent, or \$1,487.50, yet we constantly see in the news how title fees are excessive. Consumer advocacy groups are up in arms over the cost of title insurance. Why is the focus on title premiums and not realtors' commissions?

In my opinion, you only have to look at the numbers. The NAR has over 1.2 million members and generates over \$104.8 million in revenues from dues and assessments. By contrast, the American Land Title Association claims nearly 2,000 active members and they do not publish their revenues. NALTEA currently has less than 100 members. There definitely seems to be a correlation between the strength of the association and the income of its members.

While NALTEA will never become as large as the NAR, there is considerable room for growth. So far, NALTEA has been focused on the independent abstractors, however, if NALTEA can continue to grow it

could expand to include employee abstractors with the title companies. If there are only 10 abstractors in each county, there must be at least 30,000 potential members out there in need of representation. But, if the independent abstractors cannot grow the organization, there is little chance of appealing to the employee abstractors.

One of the biggest reasons that those members who have not renewed have given is that they just cannot afford it right now. But, at only \$200, there is no better investment for the future of our profession. We, as independent abstractors, must take the lead and move NALTEA forward. NALTEA is working on a membership drive and soon you will be asked to help bring in new members. We must help each other, to help us all remain a viable part of the future of the real estate industry.

With the potential strength of the united abstractors, we could make a difference. We could have more control over our fees, the search standards, future legislation, etc. It is up to us to make it happen and we can do it. It will take time, commitment, and an investment in our future.

Education Committee Update

Lynn Hammett, Board Member
Email: education@naltea.org

The Education Committee has submitted to the NALTEA Board of Directors for their review the following National Standards in the areas of Abstracting Standards, Professional Responsibility, Abstracting Standards and a Code of Ethics. We invite your comments to education@naltea.org.

Abstracting Guidelines and Responsibilities

1. The abstractor should confirm the client's request and will provide a thorough search of the public records indicating on their search/certificate the time period and indices utilized in the process.
2. The abstractor should note clearly on the search the presence of all conveyances that may affect marketable title (i.e. tax sale deeds, foreclosure deeds, re-recorded documents, etc.)
3. The abstractor should recognize discrepancies between grantor's typed name and written signatures on deeds.
4. The abstractor should examine records through recording dates for grantor and from conveyance dates for grantee.
5. Idem sonens. An abstractor should search sound alike names (example Green-Greene; Sloan, Slone, Sloane; Murphy, Murphee, Murphree, etc.)
6. An abstractor should not limit names with Jr, Sr, III.
7. Corporate names should be searched with and without common abbreviations, Co. for Company, Corp. for Corporation, etc.
8. If your county does not provide access to information that would normally be expected, the abstractor should clearly inform their client of what they have and have not provided in the abstract process.
9. An abstractor should never hesitate to ask what an unfamiliar index is for, or where certain information is located. An abstractor will not assume to know.
10. An abstractor should monitor and stay informed of legal statutes and/or changes in title law that may affect land records in their state and counties.
11. An abstractor should be aware of and will follow title standards in any state for which they are performing abstracts.

Inside the Board

Tim Lunn, Board Member
Email: timlunn@aol.com

The last two board meetings' discussions were dominated with planning the agenda and topics to be presented for the January 2007 NALTEA conference. We now have the a tentative agenda that will be in the newsletter and will continue firming up the speakers and final details to insure that this conference will be informative , enjoyable, full of information on topics that you the members said you would like presented.

Another item discussed at the last board meeting was an interest expressed by some members in State Chapters of NALTEA with local meetings, which while all board members agreed it was a great idea, it will require volunteers from the membership to organize and run. As a test of how this might work ,the board agreed to help sponsor a Title Camp in Mrytle Beach S.C. as a model. Look for a report from Lynn Hammett on Title Camp in a future issue of the newsletter as well as at the 2007 NALTEA conference. Also, if you are interested in organizing or hosting such an event, contact the board with details. For information on the October 21st meeting in Myrtle Beach go to the NALTEA Web site, click on newsletters and see the Letter from the Vice –President.

Finally the board approved the purchase of much needed computer equipment including a laptop, projector, and scanner/printer. The purchase of this equipment will allow us to store all of NALTEA's information instead of relying on our appointed volunteers' equipment, allowing for a smooth transfer when roles are changed or added. The equipment will also save us a lot of money and confusion at our annual conferences. The money saved in the cost of renting a projector for one weekend will more than pay for it. We will also eliminate the problem we faced at last year's conference with incompatible components. All speakers will be able to send their information to be loaded on our system ahead of time to ensure a smooth presentation.

That's all for this month. We look forward to seeing you all at the 2007 conference.

NALTEA Membership Update

Nikky Eisenhuth, Committee Chairperson
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NALTEA welcomes the following new member.

Abstracts, LTD
Nancy J. Mellin

Annapolis, MD

NALTEA membership has declined to 78 active members. Many NALTEA members have not yet renewed their membership. The most cited reason is that business is slow and they just can't afford it right now. We do, however, expect that there are several renewals still coming in. The board is making phone calls to remind those members how important NALTEA is to the abstractors and examiners.

You can help by spreading the word about NALTEA and encouraging your colleagues to join. The membership committee and the public relations committee are currently working on a joint membership drive to boost membership. If you know someone that may be interested in becoming a member please e-mail membership@naltea.org and someone will contact them with a membership application.

NALTEA Members can use their membership number as a coupon code for 50% off of Subscriptions to *Source of Title*, and 10% off of enhanced listings.

GET REGISTERED TODAY!

NALTEA 2007 Annual Conference
Challenges Facing Abstractors Today

January 12 –14, 2007
Bahia Resort Hotel • San Diego, CA

See www.naltea.org for details and a registration form.