

NALTEA

National Association of Land Title Examiners and Abstractors

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Wanda Steudel, NALTEA President
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Any of you that frequent the Source of Title forums have probably noticed that there always seems to be quite a bit of discussion regarding how we all conduct our business. I think that it is wonderful that so many abstractors are willing to help others in their profession. We do, however, need to remember that a business model that works well in one area, may not work in another.

Often times, there are significant differences from one state to another. Within any given state there are differences in each county. One of the biggest problems comes from the clients that are doing work nationally. The people that we deal with on a day-to-day basis may not be familiar with the particular nuances of your county and state. They may be new, or transferred from another area within their company. We cannot expect them to have our expertise.

In your particular area there may be several qualified abstractors competing for the same work as you. It would be difficult for you to raise your fees above what is typical for your area. Even if you have not had a slow down in work, your expenses have probably increased. You end up getting further behind even though you may be working harder then ever.

It is easy for someone in a different area to tell you to *raise your fees, don't raise your fees, don't lower your fees, don't give any free service, charge for everything, try to help your client out,*

don't help your client with anything they don't pay for. With all this conflicting advice, it is difficult to know what avenue to take.

If you have read anything that I have written in the past couple of years, or if you have ever worked with me, you know that I have always believed that we should be partners within this industry. We should all be working together to make the industry better. We need to foster good relationships with clients and other vendors; educate one another; respect one another; and conduct ourselves so as to deserve that respect.

At times this philosophy is not easy to adhere to. Especially when dealing with someone that not only doesn't believe in our philosophy, but, actually, subscribes to opposite ideals and goes out of their way to mock ours. We have all run up against those who feel that they should only do something if there is something in it for them. They are only interested in feeding their ego or lining their pockets. If you get in their way, they don't mind stepping on you. It is difficult sometimes to not let these people influence our way of operating our business.

It is fine to take suggestions and try other ideas, but, in the end, we all have to operate our business the way that works best for us. As for myself, I have to be able to look at myself in the mirror everyday. I may not become wealthy, and I may even become poorer, but I will probably continue to operate the way that I feel is best for my company, my family, and me. I hope that all of you will do the same.

On The Road With The President—A Report From The Public Relations Committee

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If one has ever doubted the ability of NALTEA to react to looming peril, that doubt should soon be erased. It seems NALTEA has a rapid response team that

Defense Secretary Rumsfeld would be proud of.

NALTEA's president, Wanda Steudel, received word on Monday, June 26, that help was needed in opposing pending legislation in Michigan. Steudel, of Cleveland, OH, was in Lansing the next

evening to prepare for a 9 A.M. meeting of the committee on Local Government and Urban Policy on Wednesday. As do most people of stature, she had a reporter in tow.

The press corps consisted of Jarrod Clabaugh, the resident journalist at *Source of Title*. If you would like to know the important details of the historic event, Jarrod will probably have his article up on sourceoftitle.com by the time this issue of the NALTEA newsletter hits the streets. Jarrod is a much better note taker than I am. I cannot compete.

I went along for the ride, too, although my ride was separate as I was coming from the opposite direction — Chicago.

Armed with a copy of House Bill No. 5124, being proposed changes to the Michigan recording laws, and a copy of NALTEA's press release in opposition to the wholesale release of public records online, Steudel prepared a handwritten speech to boldly take on the legislation. If she had written the speech on an envelope, I would be able to draw a historical parallel here, but, alas, that is not the case. I am not sure as to whether Abe Lincoln ever wrote a speech on a lined note pad.

HB 5124, initiated by the Michigan Land Title Association, seeks to compel the Michigan registers of deeds to provide bulk sales of all records in their custody upon demand, within a specified time frame, on media chosen by the buyer, and at a cost no higher than the actual cost of the reproduction.

The first to testify in front of the standing room only crowd was Jerome E. Jelinek, of Corporate Title Agency, Traverse City, MI, and president of the MLTA. Jelinek made the case that he needed to get those records, quickly, and inexpensively, to his title plant in the Philippines so his company can remain competitive. If the bill does not pass, said Jelinek, "I might as well shut my doors". I got a lump of sympathy in my throat.

I believe it was Robert Meredith, of First American Title, and president-elect of the MLTA, who asserted that, to his knowledge, nobody has "made a dime" reselling Michigan's public records. After the snickering abated, a group of Michigan registers of deeds, the main opponents of the bill, testified.

When NALTEA was called upon for testimony, Steudel made an impassioned defense of the registers' position. She added to the debate, possibly for the first time since the bill was introduced, the likely impact that the bill would have on the local, independent title abstractors. Steudel's testimony was punctuated with sounds of agreement from the group of approximately 20 registers of deeds who were present. Any NALTEA member would have been proud of the effort. The registers of deeds certainly were pleased and had kind words for NALTEA following the session.

As acting chair of the public relations committee, I had been considering ways to approach the various land title associations in order to establish loose relationships for the benefit of NALTEA's members in those states. It now occurs to me that NALTEA will not be on the same side of every issue with the land title associations. At times, the interests of the independents will conflict with

others in the industry. Where the land title associations take a stand that could be harmful to NALTEA members, NALTEA will have little choice but to either side with the opposition or remain silent. In this case, NALTEA chose not to remain silent.

Access "To Come"

Reprinted with permission from First American's *Claims*

Stockton, CA -- Plans called for this retirement and convalescent facility to have two driveways.

Set back from March Lane, a busy thoroughfare, the facility was to have access both to March Lane and to a nearby side street. The neighbor who owned the surrounding property agreed; it was a done deal.

The developer was anxious to get started, but the escrow officer had yet to receive easement deeds from the holder of the neighbor's mortgage, a savings and loan association. Yielding to the developer's wishes, escrow was closed with easement deeds to be received and recorded later.

The deeds failed to arrive and were eventually forgotten about. Details. Meanwhile, the neighbor lost his land through foreclosure, and it was acquired by the foreclosing S&L. Then the foreclosing S&L failed and was taken over by FSLIC.

FSLIC inspected the land and told the developer to forget about getting any easements, even though one concrete driveway was already in place. FSLIC threatened to tear it up.

First American hired a lawyer to represent the insured owner and lender, and peace was made with FSLIC.

The Company paid \$35,000 for confirmation of an easement where the concrete driveway is located, and in the process incurred legal expenses of \$10,000.

MORAL: Real estate transactions are frequently closed with needed documents promised, but not in hand. This is most often the case with releases or "satisfactions" of paid-off mortgages or liens.

This practice is approved by title companies, and they are willing to insure against paid-off items. When this practice is followed, the escrow or closing officer should have written evidence of the paid-off party's agreement to provide a written release by return mail.

On the other hand, where a promised document directly affects immediate rights of use and possession, such as a deed or easement deed, it is too important to go without. Any death, displacement, disability or bankruptcy of the party giving a verbal promise can render the promise useless.

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.

NALTEA CROSSWORD PUZZLE

NALTEA CROSSWORD PUZZLE



ACROSS

3. Current President of NALTEA
6. The imperfect interest which the law gives a wife in the lands of her husband. This is an interest which upon the death of the husband may ripen into possession and use
10. An agreement written into the deeds and other instruments promising performance or non-performance of certain acts, or stipulating certain uses or non-uses of the property.
12. A woman who makes or has made a testament or will.
14. Any conspicuous object that helps establish land boundaries.
15. Any item of property so attached to real property that it becomes a part of the real property.
18. Designates the state or condition of failing to leave a will at death.
19. A notice recorded in the official records of a county to indicate that a suit is pending affecting the lands where the notice is recorded.
23. The right to enter a tract of land.
24. A term of land measurement being 1/100th of a chain or 66/100ths of a foot.
25. The slow build-up of lands by natural forces such as wind or water.
26. A sworn statement in writing.
27. Short for Federal Home Loan Mortgage Corporation (FHLMC), a stockholder owned corporation chartered by congress that purchases mortgage loans.

28. A term of land measurement that is 66 feet in length.
29. Those lines which delineate the required distance for the location of structures in relation to the perimeter of the property.

DOWN

1. A decree of a court. In practice this is the lien or charge upon the lands of a debtor resulting from the court's award of money to a creditor.
2. A seller of real property under a land contract.
4. A reversion of property to the state in those cases where an individual dies without heirs or devisees, and, in some states, without a will.
5. The mortgage lender.
7. One authorized to take acknowledgments.
8. _____ v. New London, eminent domain case.
9. GSE that recently agreed to pay \$400 Million penalty.
11. Governor that recently vetoed state eminent domain bill.
13. CA Commissioner of Insurance tough on title insurance.
16. To make payment for a loss.
17. A condensed history or summary of all transactions affecting a particular tract of land.
19. Title company alleged to have made threats against Erin Toll, the Colorado Deputy Insurance Commissioner.
20. An action in proper court to remove record defects or possible claims of other parties names in the action.
21. The disposition of real property by will.
22. Rights to use water and waterways in adjoining lakes or rivers.

Conference Update

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

Here's your chance! The NALTEA Board and The Planning and Events Committee are requesting your input for the NALTEA 2007 annual conference January 12-15 in San Diego, California at the Bahia Resort Hotel. We are planning a segment of the conference entitled "Open Forum" where the members get a chance to speak out and/or submit topics of discussion that are important to them. All requests will be accepted. Don't be shy; chances are if it's a concern for you it's important to others as well. We will be taking requests right up to the date of the conference, but we would appreciate you sending your request as soon as possible so we can block the appropriate amount of time to accommodate all who respond. It's your conference so help make sure we address items you want to see! Please send your requests for topics and/or time to speak to The NALTEA Board at pres@naltea.org.

We will be updating you as we confirm conference speakers and agenda items. As always we appreciate your participation and look forward to seeing you at the conference.

Want to know more about the Bahia Resort Hotel where the conference is being held? Check out the hotels link for our event at <https://shop.evanshotels.com/nalo111.html>. It has great information regarding the hotel, amenities, NALTEA rate, transportation and directions. Reserve your room now and avoid the rush!

State Lawmakers Enact Legislation to Strengthen Consumer Protection While Strengthening Title Insurance Regulations

Jarrod A. Clabaugh, *Contributing Editor, Source of Title*
Email: jarrod@sourceoftitle.com

Bob Taft, the governor of Ohio, signed Senate Bill 185 on June 18, 2006, which seeks to strengthen state laws for consumers against predatory lending practices. The legislation was supported by the Ohio Land Title Association and other real estate professionals.

"The menace of predatory lenders has been ravaging neighborhoods in our cities, suburbs and rural communities, turning the American dream of homeownership into a nightmare for far too many Ohioans," Taft said upon signing the bill before state legislators and the press. "I've made combating predatory lending one of my highest priorities, and Senate Bill 185 sends a clear message that Ohio is not the place to take advantage of homebuyers."

Under the guidelines of the legislation, many changes will be required within several real estate professions, including the requirement that title examiners

carry errors and omissions insurance; that remedies be created under the Ohio Consumer Sales Practices Act to protect consumers from abusive lending practices; that mandate that appraisers must have licensure to operate; that national criminal background checks be conducted on mortgage brokers, loan officers and appraisers; that mortgage brokers be prohibited from bribing or coercing an appraiser in order to improperly influence the appraiser's independent judgment; and, that certain changes to the loan terms be promptly communicated to the consumer before the closing.

The Homebuyers' Protection Act also: imposes a duty on the mortgage broker to obtain a loan advantageous to the needs of the borrower; creates, for non-bank lenders, a duty of fair dealing to the borrower; prohibits pre-payment penalties for loans less than \$75,000, and limits the amount of such penalties for loans above that amount. Due to the changes that the legislation mandates, a great deal of concern and many questions surround the legislation.

NALTEA Membership Update

NALTEA welcomes the following new members.

Crown Search Services Rodney A. Wade	Columbus, OH
Massachusetts Independent Title Examiners Association Denald McCarthy	Salem, MA
Jim Riggs Abstracting James W. Riggs	Shelbyville, IN
BSG Connecticut Search, LLC Lori Cassidy	Middlebury, CT
Title Abstract & Document, Services, LLC Deanna Romeo	Aiken, SC
Finger Lakes Abstract Corp. Carole D. Gifford	Montour Falls, NY
Arrow Abstract of New York, Inc.* Craig J. Rice	Cicero, NY

*Our apologies to Craig Rice of Arrow Abstract of New York, whose location was incorrectly reported as Brooklyn, New York. Arrow Abstract is in fact in Cicero, NY.

This brings the total membership to 120 members. If you know anyone else who may be interested in joining NALTEA, please email info@NALTEA.org. Someone will contact them with a membership application.

NALTEA's goal is to double its membership this year. You can help by spreading the word among your peers. Share your newsletter with them and let them know that they can find more information at www.NALTEA.org.