

TITLE NEWS

A publication issued monthly by

The American Title Association

Published monthly at Mount Morris, Illinois; Editorial office, Hutchinson, Kans. Entered as second class matter, December 25, 1921, at the post office at Mount Morris, Illinois, under the act of March 3, 1879.

Vol. 3

JULY, 1924

No. 6



Airplane View of New Orleans with Algiers in Background.

Some Interesting Points of the 1924 Convention of the American Title Association

It will be the Eighteenth Annual Meeting of the Association.

The Place is New Orleans, rightfully called "America's Most Interesting City."

No city is any more accessible—it can be conveniently reached by boat, train or auto.

The dates are the 21-22-23 and 24th of October, the most pleasant time of year for that part of the country.

There are more interesting and alluring side trips from New Orleans than any other City. After Convention visitors can go to Cuba, Panama, the West Indies, Mexico and many other points.

Headquarters and meetings will be at the New Roosevelt Hotel, formerly the Gruenwald, one of the World's Most Famous Hotels, known for its hospitality, atmosphere and cuisine.

The Program is especially interesting and complete.

There will be an abundance of entertainment and sightseeing.

Mid-Winter Tourist Rates in effect on all railroads.

You Have Always Wanted to Visit New Orleans. Here is the Big Chance

Convention Time Will Soon Present Itself

Details Being Arranged, and Everything Practically Settled—Will be Association's Most Noteworthy Meeting—Most Pleasant Time of Year in the Southland

October 21st will soon be here and the convention upon us before realized. It is only a matter of three months. Just a few weeks—the time will pass very quickly.

This will be the Association's biggest meeting—everything points to it. The convention city is an ideal one, and presents an attraction in itself of enough force to get a large attendance. The name of that particular city is impressed in the average American's mind as something especially attractive, alluring and desirable. Everyone who has not been, wants to go there, and those who have, relish the thought of a return visit.

This meeting will be a noteworthy one because of the particular time in the life of the association and condition of the title business of the country. It is the culmination of events of the Association's most active and successful year—successful because of the spirit of support and interest of the membership.

It comes at the most pleasant time of the year for the Southland, and New Orleans in particular. It is not too hot, is never too cold, there, and the latter part of October is the finest and most desirable for that Section.

Those who want to take any of the many side trips from New Orleans, those to Cuba, the West Indies, Panama, Central America, and Old Mexico, will find it the best time of all for those parts.

Everything Propitious.

It has seemed that everything is propitious for the success and pleasantness of the meeting.

Perry Bouslog, our host, and the city have planned for years to have us there and only withheld the invitation until the proper time for the entertainment and comfort of the visitors. Everyone has wanted to go there, and this is the chance. The time is ideal, the dates are exactly proper for our visit there, rates will be in effect on the railroads, it is a good time of year to get away and just everything is right.

The Program.

The program has been worked out better than expectations. Some exceptionally interesting subjects will be handled by equally able speakers. The experience of the past has been in mind and every thought given to making the program valuable and successful.

It is well balanced, varied and all provisions made for getting the most value from it.

The meeting place is particularly adapted for such a meeting. There will be no interference of any kind and the listeners will be interested and comfortable.

The Section Sessions and Divisional Conferences.

The different sections will have their particular and respective sessions. Ample time has been given for the abstracters and general parts of the programs, the meetings of the Title Insurance Sections and the Title Examiners Sections. The Presidents of each have arranged their programs and will be free to conduct them to the best advantage.

In addition to these, there will be the noon-day departmental conferences where each section can gather and discuss things on the round-table order. This will be the first year these have been tried, and bid fair to prove most valuable.

Here will be the chance for everyone to present his troubles, his problems and questions for discussion, solution and suggestions from the others. There is no doubt but that this will be the most valuable convention ever held for those who attend.

Entertainment and Pleasure.

The Association has never held a meeting in such a city of charm and interest. New Orleans is unique—there is no other city in America like it. To visitors it sometimes appears American—as an American City—then you drift to the French quarter and it seems fascinatingly foreign, quaint and subtle. One is charmed with it and wonders after all if this is America.

Then you move but a few blocks, and you are in Dixie. In the Dixie of old time with the atmosphere of only that.

There will be the trips to all these parts. One will marvel at the almost tropical scenery of the region. The levees, with the boats up in the air higher than the streets, the cotton and other piles of merchandise, the tropical shipments, all different than any other place.

The charm and hospitality of the people is of a flavor found only in New Orleans.

Truly, how can you stay away?

Low Rates in Effect for Convention Big Savings Possible by Mid-Winter Tourist Rate

Reduced rates will be available and in effect for the convention visitors. This is a most acceptable announcement to those planning on attending and an added inducement to those who have not yet decided.

Rates even lower than special convention or certificate plan are possible and this convention presents the opportunity of saving on the railroad fare. This is possible because of the Mid-Winter Tourist fares in effect to New Orleans from all over the country.

The further away from New Orleans, the greater the percentage of reduction in fare. Thus the rate from Northeastern, northwestern and far northern points is even substantially lower than from St. Louis, Kansas City, and other nearer points.

As an example, the rate from Kan-

sas City to New Orleans one way, regular fair is \$31.81, making round trip \$63.62. The winter tourist rate in effect for the convention will be round trip Kansas City to New Orleans, \$50.90 or a saving of \$13.00 with an even larger proportion from farther away points.

In addition to this saving, these Tourist Tickets provide for any and all stopovers both coming and going and a different route, one way, making a circle trip possible and many points of interest can be visited. Stop-over privileges are not available on one way or round trip tickets under the Certificate Plan.

Certainly this is another feature of the 1924 Convention worthy of appreciation and advantage.

"The Panama Limited"—The Convention Travelers "Own" Train Illinois Central Railroad Company Offers Titlemen Every Consideration and Courtesy Special Through Car from Kansas City

The Illinois Central is the direct route from Chicago and St. Louis to New Orleans, and is the route that will probably be taken by most of the convention visitors, at least on the trip down. Consequently those from the points leading to St. Louis and Chicago then on to New Orleans will be interested in knowing of this roads service

and some of the features provided on its crack train, "The Panama Limited," one of the finest trains in the world. All-Steel Special Pullman equipment and no extra fare.

This train leaves in two sections, one from Chicago at 12:30 noon and the other from St. Louis at 3:15 in the afternoon. This gives those arriving in

Chicago on the morning trains a full half day in that city, and three hours longer to those who will center in and leave from St. Louis.

The two sections then meet at Carbondale, Ill., at 6:50 in the evening and the united train proceeds to New Orleans. Dining car is attached at Chicago, and the Chicago passengers have dinner until 6:50 when the trains meet and the diner is then available to the St. Louis section.

This train arrives in New Orleans at 11:15 A. M. next morning, making 23 hours service, Chicago to New Orleans, and it can be said that there is no more beautiful ride in all the country than the last part of this one.

As the meeting will begin early Tuesday morning, the 21st, it is suggested that those planning to attend arrange their trip to leave Chicago Sunday noon, arriving in New Orleans at noon Monday, the 20th, which will allow a half day to get settled and look around New Orleans a bit. The annual Executive Committee meeting will be held that day too, and there will be many arrivals on the day before the meetings start.

The Panama Limited is a wonderful train. It makes but three stops between Chicago and St. Louis, but one between St. Louis and Memphis and but few from there to New Orleans. It is a scenic trip all the way.

The cars are all especially built and equipped for this one train and no other one in operation has any more superior equipment. It carries a buffet car, a dining car, drawing room and composite sleeping cars, library and observation section. The investment of the road in the special equipment for the Panama Limited in its daily sections is two and one-quarter million dollars.

It is all steel throughout and has every convenience and service, including barber and ladies' maid.

This is the real train for every comfort, speed and convenience, altho there are two others on the same road, the next best being the "New Orleans Limited" leaving Chicago at 6:15 in the evening, St. Louis 9:32, arriving New Orleans 8:45 P. M. next evening.

The railroads are making every effort to co-operate with the Association in providing comfort and service.

Through Pullman, Kansas City to New Orleans.

The Illinois Central will also run a through Pullman from Kansas City to Chicago. This will operate from Kansas City to St. Louis on the Chicago & Alton-Burlington and then be attached to the Panama Limited. This offers exceptional comfort for those from Kansas, Nebraska and other western points routing from Kansas City, the gateway to the West.

THE ASSOCIATION'S DIRECTORY —WHAT IS BEING DONE.

Sometime ago the Association announced it would issue a new Directory of the membership and that it would be given a general circulation among real

estate dealers, mortgage companies, the membership themselves and others.

The value of this nation wide circulation of such a directory was immediately sensed both because of its value to those receiving it and the publicity the title profession would receive. The members of the Title Association were eager to be listed in such a book and have such a directory as well. It was likewise enthusiastically received by real estate firms, mortgage companies, and other patrons of title companies and offices.

Sometime has now passed since the announcement was made, and many inquiries have been made concerning the date it will be available, so the Association office is very glad to report the progress made.

It is quite a little task to properly prepare the listings, classification of business, whether title insurance, abstracts, or examiners, etc., but this has finally been accomplished. Being listed in such a book was quite naturally an inducement and expression of the value of belonging to the association, consequently it was presented as a part of the membership campaign to increase the membership of the several state associations. These campaigns or activities for members were finally completed, and the new lists, etc., compiled. Many were slow in paying their dues, other handicaps were met, and it took more time than estimated to collect and prepare the data.

Only members of the various state, and the individual memberships of the American Association will be listed. Those who have not paid their dues and continued their memberships cannot of course be carried unless immediate action is taken and they get in good standing with their state associations.

The Association feels that this is an important activity and will prove very profitable if properly carried out. It is the first real national advertising medium ever attempted by the Title Association or the title business as a whole. Therefore every effort is being made to do it thoroughly and in such a way as to get real results.

The completion of the work was delayed considerable by inability to get complete returns from some of the state associations. However the date of release of the book will not be delayed longer on any account but will be completed with the material at hand.

Arrangement will be alphabetically by states, these will be arranged alphabetically by Counties of the state and the members therein likewise listed.

Designation will also be made as to the facilities offered by the firm or company, whether abstracts, title insurance, or examinations, or any or all.

The book will be gotten out as attractively as possible, and will be accompanied by an explanation of its purpose, of the purpose of the Association, the objects of its membership, the service to be obtained from them, and otherwise calling attention to the title business, and the especial endeavors of

the members of its trade Association, and value of patronizing them.

It is believed that all material is now at hand, and that the release and circulation of the book will be in a short time now.

PLAN OF CIRCULATION AND DISTRIBUTION OF THE DIRECTORY PRESENTS PROBLEM.

Many questions are arising in regard to the best method of distributing the Directory. There is going to be considerable expense in the publication and distribution of it and the idea is to get the most good from it.

The most practical method of distribution has therefore been sought. At first it was planned to send a copy to each member of the association and then make a nation wide distribution of it to the recognized patrons of titles offices, viz: the realtors, mortgage bankers, building & loan associations, etc.

An investigation of this however, revealed the fact that there are a great majority of places where there are no real estate boards, and no organization of mortgage bankers or building & loan association in many cities, in fact several of the states. This would mean then that a great number of the directories would not be placed in the hands of those who would use them and that many places where they would be used would not receive them.

The proper method for their circulation is thru the members of the title association, for they will then be placed in the hands of clients of title companies by the titlemen themselves. This can either be done by the state associations or the members themselves in each town.

A letter was sent to the various state officials asking for their opinions and if they would undertake to distribute them or furnish the national association with a list of those to whom they would want them sent.

The response was not very satisfactory. Some of the states enthusiastically offered to attend to the circulation within their own states either by doing it themselves or furnishing the national association with a list. Many of the states expressed no opinion or suggestion. The American Association will therefore proceed with the co-operation of those states which have offered it, and will decide upon some other plan or do it as best it is able where left to it alone.

This is an important point however, and the suggestions of the members are asked. Any one who has an idea or preference should write to the Executive Secretary.

In a contest which somebody started, and which some one won, it was decided that the most beautiful words in the English language were the following: melody, splendor, adoration, eloquence, virtue, innocence, modesty, faith, joy, honor, radiance, nobility, sympathy, heaven, love, divine, hope, harmony, happiness, purity and liberty. Many persons are still biased in favor of the words, "find check enclosed."

TITLE NEWS

Monthly Publication of
The American Title Association

Published monthly by Kable Brothers Company
as the official organ of the American
Title Association.

Publication Office Mount Morris, Ill.

EDITOR

Richard B. Hall, Hutchinson, Kansas.
The Hall Abstract Company

Entered as second class matter, December
25, 1921, at the post office at Mount Morris,
Illinois, under the act of March 3, 1879.

OFFICERS

George E. Wedthoff, President, Bay City, Mich.
Northern Title & Trust Co.

Frederick P. Condit, Vice President,
New York, N. Y.
Title Guarantee & Trust Co., 176 Broadway

T. M. Scott, Treasurer, Paris, Texas.
Scott Title Co.

Richard B. Hall, Executive Secretary,
Hutchinson, Kansas
Hall Abstract Co.

Executive Committee

Frederick P. Condit, Chairman
George E. Wedthoff, Ex-officio,
T. M. Scott, Ex-officio.

Mark B. Brewer, Texarkana, Texas.
Security Mortgage Co.

Henry J. Fehrman, Omaha, Neb.
Peters Trust Co.

Walter M. Daly, Portland, Ore.
Title & Trust Co.

J. W. Woodford, Tulsa, Okla.
Title Guarantee & Trust Co.

M. P. Bouslog, New Orleans, La.
Union Title & Guarantee Co.

Henry E. Monroe, San Francisco, Cal.
California-Pacific Title Insurance Co.

P. W. Allen, Greeley, Colo.
Weld County Abstract & Investment Co.

Jos. P. Durkin, Peoria, Ill.
Title & Trust Co.

Title Examiners Section

Henry J. Fehrman, President, Omaha, Neb.
Peters Trust Co.

J. R. West, Nashville, Tenn.
Security Title Co.

Title Insurance Section

Walter M. Daly, President, Portland, Ore.
Title & Trust Co.

Mark M. Anderson, Vice Pres. St. Louis, Mo.
Title Guaranty Trust Co.

J. W. Thomas, Secretary, Akron, O.
Bankers Guarantee Title & Trust Co.

JULY, 1924.

WHY NEW ORLEANS IS AMERICA'S MOST INTERESTING CITY.

First Reason—The Heart of Old New Orleans.

A city—just like anything else—is interesting when it is different from other cities.

NEW ORLEANS is not like any other city in the United States. It has more distinctive characteristics than any other city—not even excepting New York. It is most distinctive and, therefore, most interesting.

The Place d'Armes in the Vieux Carre—or as it is more popularly described today—"Jackson Square in the French Quarter"—surrounded as it is by St. Louis Cathedral, which is flanked by the Cabildo on one side and the Presbytere, on the other; the river, and the Pontalba Buildings; and with the Napoleon House and the French Market off its downtown river corner—is the HEART OF OLD NEW ORLEANS.

This old square and its surrounding buildings and streets stand today just as they were laid out 206 years ago by the Chevalier Blond de la Tour, who was Beville's chief engineer when he founded the city 206 years ago.

In it and around it all of the thrilling episodes of the history that is New Orleans' were enacted. In it the entire territory of Louisiana was transferred to Spain—a political gift which aroused the ire of the descendants of its French founders—was later bought back by France and then sold to the United States.

The architecture that surrounds the old square is a delightful intermingling of French and Spanish art—the Spanish element becoming dominant because it was while New Orleans was under Spanish dominion that a conflagration razed most of the original buildings of Bienville's colony, and the Spaniards rebuilt them.

The Cathedral—the gift of Don Almonaster Roxas to the city—stands on the site of the Mississippi Valleys' first church edifice.

Circle Trip and Reduced Rates in Effect for Visitors from Northwest and Northeast Points

Hotel and Railroad Reservations Should be Made in Advance.

Those attending the convention from Washington, Oregon, Montana, Wyoming and other Northwestern points can take advantage of the very reduced mid-winter tourist rates and the attractive routings and stop-over privileges provided thereby.

A circle trip can be made, going down the coast through San Francisco, Los Angeles, etc., then across to New Orleans, via Southern Pacific, stopping anywhere enroute, and returning through St. Louis, Chicago, Minneapolis, St. Paul, or diagonally across through, Denver, Montana, or straight west via Salt Lake and other points, most anyway one wants to go.

Those from New York, and other eastern points will find the same privileges, going by Chicago, St. Louis, etc., and back on the Southern, L. & N., Sea Board Air line and other roads going to almost any city in the south.

"CUMULATIVE BENEFITS OF REAL ESTATE TITLE INSURANCE."

How the Modern System of Conveyance and Protection Was Evolved.

By ALBERT L. GRUTZE, TRUST OFFICE,
TITLE AND TRUST COMPANY, PORTLAND, ORE.

(Note: This article appeared in the November, 1923, issue of "Trust Companies," a magazine devoted to Trust Companies Division of American Bankers' Association, and is reprinted in the Bulletin through the generous permission of C. A. Luhnnow, its publisher.)

Simplification of real estate titles is another achievement credited to Americans who have the inborn initiative to supply the requirements of modern commercial life as necessity demands. Insuring or guaranteeing titles to real estate is the product of the needs of the people.

The Cabildo was the seat of the Spanish government of New Orleans—where Bloody O'Reilly ruled. He was the first Spanish governor who murdered six loyal Orleanians because they dared oppose the transfer of Louisiana to Spain. It occupies the site of Bienville's capitol building.

The Presbytere, erected shortly after the Cabildo, was the seat of the ecclesiastical government of Louisiana.

The Pontalba buildings—built by Don Almonaster for his daughter, the Baroness de Pontalba—were long the centers of the gayest of New Orleans social life, now tenements. The unusual wrought iron art work of the banisters is noteworthy.

The French market has been the trading place ever since the foundation of the city.

One can arrange the trip so as to visit any place enroute desired. Consult your railroad agent. He will be pleased to help you plan the trip most desired.

Make Advance Reservations.

You should wire the hotels or reservation committee in advance for accommodations. Headquarters will be at the New Roosevelt Hotel, and one should not delay in writing or wiring for a reservation. Full details of all hotel accommodations and rates will be printed in the August "News."

The railroads are all making special efforts to provide adequate accommodations for the travelers and will send letters to the membership. It is only fair both to them and for the travelers themselves that they make advance railroad and pullman reservations too in order that ample space will be available.

In early times various methods were practiced in transferring the legal title to land which are unpractical in modern times. For instance, the seller and purchaser with witnesses met on the land being transferred and completed their transaction. The transaction was formal and generally concluded with some symbolic act such as the seller handing over to the purchaser a handful of dirt or breaking off the bough of a tree and handing it to the new owner, accompanied by words expressing the conveyance to him. Other forms of transfer were used, but the title generally consisted of actual possession of the premises and title passed with the change in possession.

The written conveyance finally came into usage and later laws were enacted providing for the recording of the documents which developed the method of recording all conveyances or other instruments affecting the right ownership or

encumbrances. Each state retains its right to enact its own laws as to the necessary formalities to convey real estate and its descent and distribution and these laws are changed from time to time. The purchaser of real estate required the services of a title searcher to examine the records and approve the regularity of all instruments recorded. With the many transfers and mortgages filed this became not only a lengthy and tedious task, as well as expensive, but it necessarily delayed the closing of any transaction. Too much uncertainty resulted from the varying legal knowledge and skill of the individual examiner.

There presently developed the abstractor who made a condensed history of all transfers affecting any certain parcel of land, but the multiplicity of recorded instruments and the many court proceedings, probates and lien foreclosures, soon made the abstracts very voluminous documents and the examination of these abstracts became as tedious as the original system of a personal examination of the records. The time involved in making the abstract and its examination, with the abstracters and examiners' fees, made passing a title an expensive and long drawn out procedure. There was also in many cases the lack of efficiency of both the abstractor and the examining attorney, and minor circumstances considered of no consequence by one attorney would be considered as vital defects by some other attorney for a subsequent purchaser or mortgagee.

The lack of responsibility was, however, the immediate cause of title insurance when the Supreme Court of Pennsylvania (57 Pennsylvania State Reports, Page 161) decided that the conveyancer was not liable for an error in judgment even though the point involved had been submitted to counsel. Following this decision the constitution of the state of Pennsylvania was changed in 1874 to provide for the incorporation of a corporation by general and not by special statute and the next legislature enacted a general corporation law providing for corporations for insuring owners of real estate mortgages and others interested in real estate against over 322,000 policies of title insurance.

Having the necessary machinery for action, a number of the leading conveyancers of Philadelphia formed The Real Estate Title Insurance Company of Philadelphia in March, 1876, which as far as can be learned, was the first company ever created for the insurance of titles to real estate and as an indication of the demand for its services it has issued over 322,000 policies of title insurance up to the present time.

It was not long until New York followed the example of Philadelphia and the Title Guarantee and Trust Company was formed in 1883 for the principal purpose of guaranteeing titles. It is estimated that about sixty-five or seventy per cent of all recorded instruments affecting real estate in Greater New York are handled through the medium of title insurance, the balance of the instruments being largely on quick trades or transfers.

The Chicago Title and Trust Company first began to guarantee titles to real estate in Chicago in 1888 and its experience has been the same as in Philadelphia and New York. Within a radius of ten miles of the business center of Los Angeles, California, there were 105,679 city lots platted during the eighteen months ending in June, 1923, and practically all the titles were insured by the title insurance companies, a few of the 1,053 subdivisions being covered by title registrations and no abstracts whatever were used. In developing the entirely new city of Longview in the state of Washington, the Long-Bell Lumber Company, one of the largest lumber companies, provided that all titles should be transferred on title insurance.

The City of Portland, Oregon, is delivering title insurance policies issued by the Title and Trust Company of Portland in selling 3,800 lots owned by the municipality and is also having the title insured to its right of way for a thirty-mile pipe-line to bring water from one of the Mount Hood streams. The foregoing are only instances from widely separated localities.

FARCE IN THE TITLE BUSINESS.

By William Rowland, Anderson, Ind.

(Reprinted from the January, 1924, Bulletin of the Indiana Title Association.)

If there is anyone who would be interested in placing the title business in the hands of capable, properly equipped and responsible people it is those persons or corporations who use the title men's product as evidence of the security of vast sums of money in mortgage loans. It would seem that those people who make large investments of this character would demand that the elements of efficiency business equipment and responsibility be considered in all their transactions. Yet some of the great life insurance companies and other corporations who invest their millions in mortgage loans have utter disregard of these elements. Their legal advisors make exhaustive and painstaking examinations of abstracts of title prepared by "this, that, and the other" abstractor or title corporation without inquiry as to who they are or what they are, and, after the usual long and tedious process of meeting the examiner's requirements has been completed, the necessary and inevitable form of the mortgagee company's certificate is attached, duly signed, in many cases, by some untrustworthy person who is not equipped to do a title business and who perhaps does not even reside in the county where the security is loaned.

The whole structure of evidence of the mortgagor's title to the security must rest upon this "final certificate," prepared and submitted by the mortgagee's learned counsel, for the further protection of the investment, and which certificate solemnly asserts, among other things, that the abstract contains a correct exhibit of every instrument of record conveying or affecting the title, that there are no liens of any character whatsoever, that all other liens and incumbrances have

been properly released of record and that this company's mortgage is a first and prior lien upon said real estate.

And this tremendously important document must be signed—it matters little by whom it is signed—but it must be signed before the sorely tried borrower can lay his hands upon a dollar of the money for which he has executed his note and pledged his land.

It happens many times that the applicant submits to the lending company's agent a number of partial abstracts, constituting a so-called complete abstract of his title. The several parts of abstracts may have been made from time to time by different abstracters, some one or more of whom may have been careless or incompetent. The abstract is taken to some reliable abstractor who makes a continuation showing applicant's title to date. The abstracts are examined by the company's counsel and in due course of time the title is approved and the papers executed. Then comes the demand for the company's final certificate. The abstractor making the last continuation is asked to sign this instrument, certifying that the several abstracts (some of which, perhaps, he knows are inaccurate and unreliable) contain a correct exhibit of every instrument conveying or affecting the title; that he has examined all of the records; that all prior liens and incumbrances have been properly released of record, and that the company's mortgage is a first and prior lien, except taxes.

Any self-respecting and responsible abstractor will refuse to sign such certificate under these conditions. Perhaps he will assent to assuming this responsibility if he can make a new complete abstract and certify to the entire title as his own work. The borrower and the agent will, of course, object to the additional expense and delay. The next and final step is to procure a signature to the company's form of certificate; and, since it matters little to the "Home Office" who signs it, the agent procures the signature of some "curbstone" abstractor, or perhaps some other person who knows nothing about the title to which he is certifying and has no consideration for any element in the transaction except the fee he accepts for his worthless service.

Some of the forms of so-called final certificates submitted to abstractors are absolute certificates of title, which if signed by a responsible individual or corporation have the force of a guaranty; and this is a distinct form of service that has no value if performed by incompetent and irresponsible persons.

No abstractor with the proper sense of honor and professional pride will sign one of these certificates unless he has himself prepared the abstract to which it is attached, or at least verified the entire abstract; and he will, in any case, hesitate to assume the responsibility involved in such certificate of title unless he is paid for the additional service. If such a certificate of title adds anything to the title or the security he should be compensated the same as those persons whose business it is to make certificates; and if such certificate does not help the

title or add to the security it is of no value and there is no jurisdiction for demanding it.

There are three distinct forms of title service in common use throughout the country; of these the one most generally used (except, perhaps, in the larger cities) is the abstract of title as prepared by the abstracter who maintains an office equipment of records and indices to facilitate his work and insure accuracy. The abstracter who furnishes the most of this service in his county is the one who through years of experience and painstaking labor has acquired a familiar intimacy with the records, a proper knowledge of the legal phases of his work and a dependable, private record or working equipment. He puts conscience and pride in his work, and his clients place confidence and faith in him and his product. When he has prepared an abstract of title and attached his certificate thereto, stating that it is a true and complete abstract of the title, it is generally accepted as complete evidence of the title, without question. If there are any defects in the title or incumbrances thereon, as shown by his abstract, it is up to the examiner to point them out.

Responsibility is not an element that enters very largely into this abstracter's work and product. The public confidence is based largely upon his reputation for accuracy and dependability. It is not in his province to furnish a guaranty or insurance of title; indeed, in most cases, a certificate of title or a guaranty of certificate would add little, if anything, to the value of his product, for comparatively few of the men of his calling are possessed of large means. Yet this class of titlemen are in the West and Middle West the "backbone" of the title business.

And this man usually has competition in less reliable and unequipped persons who dabble in the business by "working from the public indexes." They do not make up any private record or keep any copies of their abstracts. The most of their work is obtained by cutting prices under those of the regular abstracter. When opportunity offers they will work in competition with abstracters in adjoining counties, being equally at home in any county other than their own, and, being irresponsible and with nothing at stake, they are usually willing to meet almost any requirement that is made of them that will contribute a fee.

It is to this inferior class of craftsmen that the great loaning companies frequently go for signatures to their so-called final certificates, requiring their borrowers to pay additional fees for a valueless service that benefits no one but the recipient of the fee.

The other forms of title service referred to are the certificate of title and the title insurance policy, which it is useless to discuss here, except to say that they involve a financial responsibility that is seldom to be found in the ordinary abstracter's office, and they come almost entirely within the province of responsible corporations. It is this service, however, that some of the loan companies would impose upon the honest and trustworthy abstracter, and when he re-

fuses to comply with their requirements, turn their business over to his unworthy and irresponsible competitor.

If there is anything farcical in the title business it may be found in the certificates attached to abstracts that repose in the files of the great life insurance companies and loaning corporations.

PRESIDENT COOLIDGE PAYS TRIBUTE TO REALTORS, AND LINKS HOME OWNERSHIP WITH CITIZENSHIP.

The President's Address to the National Association of Real Estate Boards is here printed because of its interest and sound expression.

The President said:

It is out of an appreciation of the marked importance of this convention that I have come here to extend on behalf of the national government the welcome which is your due. It seems to me that this gathering is typical of the sort of unifying effort that is most calculated to improve the methods of business and strengthen public confidence in its processes. There can be no doubt that the widespread movement in recent decades to bring business leaders together, for common and frank counsel, has been paralleled by a great improvement in business and professional ethics.

The idea has been planted throughout the structure of American activities, that no business is quite justified if its sole aim is profit, to whoever conducts it. There must be a mutuality of advantage, reaching to both sides in every truly successful business operation. The deal in which one side gets the best of it is not good business. It does not promote more business, or produce confidence in business generally. Formerly there was a curious notion that if one side in a business transaction profited, the other must necessarily lose. If that were true, all business would be under suspicion and wise people would stand aloof from it. The truth is that when two parties enter into a transaction by which each exchanges something he needs more, both sides are benefited. That is the ideal basis of all trade and commerce, and it is the real basis of most transactions.

It is particularly the opportunity and the duty of real estate men to maintain such a standard. As a rule their service is that of middlemen, bringing buyer and seller together. They will in the long run prosper if they are of real service to both sides. The transaction whose sole motive is the brokerage fee, whether or not it is earned by genuinely benefiting the principals, is not commendable.

The real estate business makes large demands on the skill, intelligence and abilities of those who succeed in it. The good realtor must make a success big enough to divide by three, giving buyer, seller and intermediary each a share of the benefit. This is the ideal of men who are actuated by the ethical considerations which your organization represents and seeks to propagate. It

makes your work a most important one. Your national and local gatherings are broadcasting centers from which the best aims and business ideals are circulated and encouraged. Yours is one of the biggest, most important departments of activity in the nation. No other business group contributes more effort to establishing full appreciation of the great present and assured future of our country.

You are purveyors of cheer, confidence and soundly-based optimism. You are in a very literal sense the seller of America. You have sold it so well that it is recognized everywhere as the best buy in the world. In welcoming you to the National Capital city for this annual gathering, I wish to assure you of the fullest appreciation for the work you are so ably performing. The country looks to those gathering for continuance of your worthy efforts to establish the highest ideals of usefulness and service throughout all departments of American business.

Your profession has given largely to leadership of the better-housing and better-homes movement throughout the country. Therein it has done much for the advancement of the community. We cannot hope that good citizens will come from bad homes. There will always be exceptions, but on the whole the quality cannot be expected to rise much above the character of the home from which the citizens come.

The ownership of a home, the feeling of independence that comes with possession of a bit of the earth, are among the most powerful incentives to high civic interest and usefulness. You men represent one of the strong practical forces working to make ours a nation of home-owning families. You are entitled to be applauded for all you have done and are planning to do in this direction. Second only to the devoted womanhood that must always give to the home its character and its inspiration I greet you as the advance guard of the national home movement. You have an especial duty in this movement of seeing that investments are made on a sound basis that will give the purchaser a bargain that he can always find fair and a motive for completing it. In that direction lies good citizenship.

If the meek ever inherit the earth, it will not be until after all the coal, oil and timber have been removed by the present title holders.

AD MAXIMUS.

A rolling Firestone gathers no tacks. It's a long road that has no Socony sign.

To B. V. D. or not to B. V. D.!

The ham is not always to the Swift. Time and Tydol wait for no man.

Where there's a Willsnap there's a way.

There's many a slip, 'twixt the Kuppenheimer and the lip.

In the spring a Young hat's fancy. To the Victrola belongs the spoils.

A pipe may be Dunhill but it's never out.—[Fudge.

Abstracts of Land Titles—Their Use and Preparation

This is the sixth of a series of articles or courses of instruction on the use and preparation of abstracts.

THE TAKE-OFF.

The take-off is the basis of the abstract plant, and the correctness of them and their proper posting on the office indexes makes the plant either a good or one inefficient and unreliable one.

Whether a complete or skeleton take-off is used, it makes no difference in the amount of information or data taken, the question is how reliable and correct is it. The next thing is, is it properly noted on the index.

For these reasons, much consideration should be paid to having a competent person do these particular parts of the work in the building and keeping up to date of the plant. There is a mistaken idea among many abstracters that some inexperienced person, hired at a small salary is all right to do the take off job. It is really the most particular part of the work, especially if a complete take-off is done, so all the information necessary for putting on an abstract will be on hand at the office.

No suggestions will be given here for those who take only a scant or brief amount of data, as this must be left to each one's decision but only the complete take-off will be gone into in detail.

First—the information should be collected as soon as possible and sent to the office for posting on the indexes. It should likewise be posted immediately. A set of abstract books should be kept right up to the minute all the time and one should never get behind in either the take off or posting. The reasons for this are too obvious to be explained. Many abstracters however, get behind in one or both and are that way most of the time. Others get behind and never do get caught up while some stop keeping up their indexes and never intend to bring them. Any such condition is folly and mighty poor business. A set of abstract books not up to date is a liability and can drop in value so much and so quickly as to be worth nothing while on the other hand one up to the minute is something very valuable. There is probably nothing so valueless as a set of books not up to date and that has been allowed to become out of date.

While the records themselves hold, and the laws of some states provide that the instrument must be recorded before being accessible to any other than those in the recorders office, and it is generally considered in all cases that the information should be taken from the record and not the instruments themselves, such is an impossibility and not practical, and the take-off clerk should therefore take the matter direct from the instrument, either before or after recording—it usually evolves itself into

a question of whenever it is possible to get a chance at them.

The reception records should be examined and a notation made of every instrument recorded for the day. They are usually numbered and their character given. A list of them should be made by number and what kind, and checked off as taken. One should be very careful to get all, and know what instruments effect real estate and distinguish between those that are chattels, etc., and do not have any bearing or influence on any real property. Take no ones word that such and such a number is a contract, or some other thing, and does not affect real property—get the instrument, examine it and be the judge yourself.

In taking off deeds, mortgages, releases, assignments, and all evidencing a deal or transaction between two parties, in fact, everything but miscellaneous matters such as affidavits, etc., always take the grantors name as signed, then examine the body and acknowledgment, and if the name appears different in either or both of them make a notation that "body and acknowledgment says:" and explain how the name appears differently from the signature and being mentioned as such and such a way in other places in the instrument. Also note what it says about the grantors being, married, single, husband and wife, heirs of so and so and such other facts and information as may be given.

Then it should be shown to whom the thing is made, or the grantees, mortgages, etc., name, exactly as given in the instrument; the Nature of Instrument; Date; Date of Acknowledgement; Name of Acknowledging official and Residence, county and state; Consideration; Book and Page; Description of Land Conveyed (this should be taken absolutely as given in the instrument itself, one cannot be to particular about getting a full and correct description.

This being done, the next thing is to get any exceptions, and special clauses, such as life estate clauses, and all such things, all of which should be copied in full.

The instrument should be examined for interlineations, insertions and changes, especially in printed forms, which are now almost universally used, and which appear sometimes in a muchly changed, altered, interlined and otherwise made over form.

In mortgages the terms of it should be noted, particularly the time and rate or dates of payments, and whether it is subject to any other mortgages, any exception or explanation of which should be copied in full.

In assignments and releases, if on original mortgage to be copied on record, and not acknowledged, it should be so noted. If on special form, notation should be made that it releases or assigns mortgage in book—page—, on whatever real estate mentioned in said original mortgage.

Contracts, agreements, leases, party wall agreements, certificates and other such documents should be shown on abstracts in full and a brief of them can be taken for posting on the indexes, and full copies of them taken either by the abstracter himself, or by arrangement to have them furnished by the recorder.

All Guardian's, Administrators, Sheriff's and other deeds from judicial sales should show by whom made, approval by Court, and other brief statements of certain facts as necessary and required by certain courts and states, but it is not necessary to show them in full, as proceedings had in various courts resulting in said deeds should be shown on the abstract. As these judicial deeds are merely full of statements showing the various things from which they resulted, it is certainly not necessary to show them in full when a brief of the court proceedings themselves appear in the abstract and it could hardly be considered that a judicial sale were invalid by reason of a defect or error in the deed when the proceedings back of the deed were regular and they were all approved and confirmed by the court as they usually are, before the deed is ordered issued. In some localities however, examiners insist on having full copies of such deeds, in which circumstance they will have to be furnished.

The matter of posting has been touched on in the prior article. Emphasis is again given to the fact that care should be exercised in taking off the date, and properly posting it, as they are the very life of a dependable plant.

ANNOUNCEMENT.

"THE PRINCIPALS OF LAW OF REAL PROPERTY"—an exceptionally fine work and treatise on this subject will appear in the August "Title News."

This has been prepared by William A. Gretzinger, Title Officer of The Republic Trust Co., Philadelphia, Pa., who has presented it for publication.

A review of this work shows it to be such a valuable and well prepared treatment of the subject matter that special attention is called to it and readers may anticipate something exceptional.

It is something very much worth while for title workers to read, study and have for a reference and the Association is pleased to be able to offer it through the medium of it's monthly publication.

THE MISCELLANEOUS INDEX

Being a review of interesting matters presented to the Secretary's office

Dr. J. R. Morgan, not from, but truly "of" Kokomo, Indiana, is becoming more and more a part of the life of Kokomo. Dr. Morgan is a man of vision and unselfish activity and his townfolk have given further recognition of his work by electing him President of the Chamber of Commerce.

Only a short time ago Dr. Morgan took charge of a campaign to refinance a well known and one of the country's largest automobile plants and thus saved the city one of its largest and most important industries. The campaign was very successful and largely due to Dr. Morgan's efforts.

During the winter he has been conducting a course in real estate principles and practice, a course of study on that subject in the Kokomo High School Vocational night school.

In announcing it the newspaper account stated that:

Real Estate Course to be Taught by Dr. Morgan in Connection with Night School.

An additional course of instruction, that will have an appeal for every property owner, will be included in the vocational night school that begins Monday at the High School building, according to the announcement of Virgil Fleenor, vocational director. This course will have sixteen lessons dealing with all phases of real estate transactions. To every person owning or expecting to own property the instruction should be exceedingly profitable.

The class will be under the direction of Dr. J. R. Morgan, president of the Johnson Abstract Company, who will include treatment on division and subdivision of real estate; ownership, how acquired, how disposed of; methods of evidencing titles to real estate; conveyancing, mortgaging, leasing, wills and codicils; estates, testate and intestate; guardianships, administrations, powers of attorney, encumbrances, liens and assessments; taxes, regular, special, inheritance, state and Federal.

A few months ago it was mentioned in the "News" that the Kansas Association had a proposition offered or under way to furnish insurance to abstracts against losses.

Roy Johnson, of Newkirk, Okla., tells of a practical method an abstractor in his state has adopted as a protection against losses and claims. There happens to be an active Building & Loan Association in this abstractor's city that is also a very good customer of his office. He has taken out a \$10,000 building and loan stock with the understanding that the amount of each month's bill is to be applied to the payment of the stock, with the further

understanding that any part or all that is necessary of it can be applied at any time to the payment of losses. The account has been more than necessary to pay them, and the small ones for taxes, small items, etc., have been paid by the accumulation.

This certainly seems to be a most practical method of insurance and in addition to protection, a real accumulation will soon be realized to have as an asset.

One of the most dangerous things for an abstract company to start is the practice of giving and furnishing "pencil abstracts" on request of attorneys, real estate men, etc. These should not be given to even the best customers when requested as it is very easy for them to get into the habit of using them entirely and abusing the generosity and desire to accommodate on the part of the title company.

It is a pernicious and exasperating custom to have to contend with and has no advantages for the title man. Sometimes loan companies will ask for a pencil note abstract in order to close a loan quickly, and will either use it all together or else use it for the time being, then order the abstract later, making only one completion when there would ordinarily be two for the abstractor. Oftentimes banks will ask for them in order to be sure of their security when making a loan to a customer, thereby getting all the advantages of having an abstract and yet not paying for it.

Even attorneys have been known to ask for them when bringing suits but in no instance are they justifiable in expecting the abstractor to furnish them and certainly the abstractor has no business putting them out in place of the regularly written, certified abstract for which he would receive full pay.

There are many places where these pencil abstracts are being used, and it is an almost impossible job to discontinue them once started. The moral is to never start the practice of furnishing them.

A mighty fine piece of advertising is found in a booklet issued by the Potter Title & Trust Co., Pittsburgh, Pa., entitled, "What We Can Do For You."

It contains an alphabetical list of services, with an explanation of each. The first is "Abstracts of Title" and the last subject "Vacation Money," and altogether there are 70 different lines or branches of business engaged in by the company.

The Gracy Title Guaranty Co., Austin, Texas, announces the inauguration

of title insurance, brought about, as it says, by a realization that title insurance is the best method for buyer, seller, money lender and borrower. Thus the people of Travis County have the ultimate in title service from the Gracy Co.

Many articles and papers on title matters prepared by William A. Gretzinger, Title Officer, Republic Trust Co., Philadelphia, Pa., have appeared from time to time in various title and real estate publications. Mr. Gretzinger is an authority on such matters and any article by him is worthy of study. He has had such an interest in affairs for several years now but has lately been very active in his endeavors.

The last issue of the magazine of the Philadelphia Real Estate Board contains a very interesting article on the Titles of Independence Square, that city. It tells how they were secured, and the steps in their history. It is a very fine story of an interesting piece of ground and has been most ably presented by Mr. Gretzinger.

Bill Hardy of Waukesha, Wis., tells of an interesting occurrence in the events of his business. A loan was made to a man, say named Smith for \$8,500.00 on a summer home and estate of 27 acres, well improved and desirable. The abstract was extended and showed no back taxes. Later it was found that his state income tax of \$2,000.00 had not been paid, likewise his Federal Income Tax of about \$3,000.00.

The Federal Court being in Milwaukee, no notice was filed in the county wherein the property was situated.

At the time of the making of the loan, insurance for \$10,000 was taken out, and Smith later put a second mortgage of \$3,500.00 on the place. The house burned, and the Revenue Department tried to tie up the insurance for collection of the Income Tax.

It was later found that the furniture was insured for \$7,500.00 and Bill naturally proposed that the Government should get its money from that.

The question is—can the government step in and claim the insurance provided for in the mortgage and claim it ahead for the payment of an unknown-to-the-mortgagee Federal Lien.

It seems to be another one of those Federal Lien questions.

A monthly report of Supreme and Appeal Court Decisions is prepared by McCune Gill, Vice President and Attorney of the Title Guaranty Co., St. Louis, and sent out to the members of the Missouri Association.

This has been done for several years now, and the Missouri Association should compliment itself on having someone as capable and interested as Mr. Gill who will do the work.

It is also a very profitable thing for the Association to do as an activity for its membership.