TITLE NEWS

Vol. 5 MAY, 1926 No. 4

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The American Title Association

The American Title Association

OFFICE OF EXECUTIVE SECRETARY
TITLE & TRUST BLDG
KANSAS CITY, MO.

May 15th 1926

Fellow Titlemen:

A distinguished financier remarked in a speech a short time ago that "The time is not far away when a business man's membership in trade associations will be an important factor in his banker's judgment of his credit rating. It will be that for three reasons: Trade association membership is a measure of character, because it shows the member's ability to get along well with others. Trade association membership is a measure of intelligence of the member's business methods, because he is trying to eliminate competitive waste and to use co-operation as an economical promotion weapon. Trade Association membership is a measure of the soundness of the industry, because it is doing something for the stability, efficiency and economy of production and distribution."

"That is why, as a banker, I believe that the need of the nation is better, stronger, more active, more intelligent, more public spirited trade associations. Only through them can there be better business men and better business."

The convention of a trade association provides the best and most profitable opportunity for the members to receive the greatest amount of good from its activities, and here likewise is the opportunity where the members can do it a great amount of good and add impetus to its work by attending these meetings.

The 1926 Convention to be held in Atlantic City, September 7-8-9 and 10th, is an alluring inducement to attend either as a vacation, a business trip, or a combination of both. Make your plans accordingly.

Sincerely yours,

Richard B Hall

Executive Secretary.

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A publication issued monthly by

The American Title Association

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Announcements

Your attention is called to the two articles in this issue treating of the Proposed Uniform Mortgage Act. This will be of interest to titlemen because of its nature and intent and also because of its relation to the American Title Association's Fifteen Proposals for Uniform Land Laws. This proposed act commands attention not only because of its treatment of an interesting and vital subject, but also by reason of the sponsors and influence back of it. The first article gives a brief history and review of its progress. The second is a treatise of it by Frank Ewing, of the Legal Department of the Metropolitan Life Insurance Co., who, it is unnecessary to say, is well qualified to give an authoritative explanation of the subject.

The idea of Cooperative Ownership of apartments is a scheme of comparative unfamiliarity and gives occasion for complexity and questions of title. Mr. Kinney's article not only explains the matter but gives practical and valuable suggestions for proper handling.

The value of McCune Gill's page, "Tittle Questions and the Courts Answers" cannot be over-emphasized. This showing appearing each month provides an opportunity of getting invaluable knowledge on title questions as settled by the courts of last appeal of the various states. The manner in which they are presented is unique and adds to their interest and value.

Two more "Meritorious Title Ads" are shown this issue. The introduction of this new monthly feature last month was given an enthusiastic welcome.

Members of the different state associations whose conventions are announced in this issue are urged to attend their organization's meetings. A large attendance will help both the local association in its work and those attending will receive much benefit and value from having been present.

Articles of interest to appear in coming issues are, "Liability of Abstracters" by V. E. Phillips, Kansas City, Mo.; "Title Insurance—A Service" by John E. Potter, Pittsburgh, Pa.; "State Wide Title Insurance" by James E. Putnam, Detroit, Mich.; "Voices from the Grave" by Wm. E. Gretzinger, Philadelphia, Pa.; "Sovereign Right to Title of Land Under Water" by Anson Getman, Albany, N. Y., and others of value.

The Uniform Mortgage Act—Its History—What It Provides

A Proposed Measure of Interest to Those Concerned with Uniform and Simplified Laws

The Uniform Mortgage Act will come before the National Conference of Commissioners on Uniform State Laws again this year at the meeting of that body preceding the annual convention of the American Bar Association. It has been up for consideration with hopes of being adopted and recommended for the past five consecutive years. Each time has seen a stronger possibility of its becoming a reality, and it only failed last year by a very few votes. This act is of vital concern to all interested in good legislation, land laws, land titles or real estate and real estate development in general.

The adoption of this act in the several states would be a benefit and boon to general business, develop and enhance the mortgage business in particular and facilitate the financing of real estate transactions by making more funds available because added security and facilities would be offered to those having surplus funds to invest them in mortgages and would put the whole business and system of lending and having money available to loan on real estate security on a more definite and desirable basis for both borrower and lender. This act has the endorsement of all recognized organizations and bodies interested in the real estate, mortgage and title business. The National Association of Real Estate Boards, The American Title Association, The Association of Life Insurance Counsel, The Mortgage Bankers Association, the officers of the Federal Farm Loan Board and others, have all passed resolutions endorsing the proposal. It has been considered and approved by virtually all of the leading attorneys and counsels for the many loan and mortgage companies, real estate firms, land banks and the publications of the principal law schools of the country have contained articles and discussions on it, all of which were favorable to its passage, some so much so as to almost be a plea that it be adopted.

It seemed as though its success were assured at the meeting of 1925 but those members of the conference responsible for its destiny failed to give it a majority vote, due to a log rolling movement started against it at the last moment with personal solicitations that negative votes be made. Several misrepresentations were made, probably not intentional or malicious in origin, but due to the fact that there was a lack of knowledge and information on the entire matter and many of those who voted against it or were opposed to it took that attitude on the old theory of "vote against and kill its passage, for I do not know whether it is the right thing or not so will play safe by not helping it along." It was a peculiar situation last year, too, in that there were seven new members of the committee who were unfamiliar with the history and development of the act and all of them voted in the negative.

Every one interested in better legislation, especially those in simplified laws, should know something of this act and give it hearty support. The mortgage laws of the various states represent one of the most cumbersome and complicated, as well as varied, mass of schemes and ideas as any subject on the statute books. It is a condition that should be remedied. There is much needless expense and waste of time caused by the mortgage and foreclosure laws of the various states. The present mass of complication is a detriment to the development, standing and attractiveness of mortgage loan business, and is expensive both to the borrower and lender.

The commission on uniform state laws has spent some six or seven years in considering this matter. A special committee of that body which has had this in charge has done a splendid work. S. R. Child of Minneapolis has given a great deal of his time and talent in the interest of the measure and has served as chairman of this committee ever since its origin. Donald E. Bridgman, also of Minneapolis, who was appointed draftsman for the act, began his work in 1922 and deserves an unlimited amount of praise and commendation for his most excellent work. This act should be recommended and endorsed at this year's meeting. Everyone seemingly knows the desirability of its approval, except those who could bring it about by voting in the affirmative. It is hoped that they will realize it this year.

History.

Appearing elsewhere in this issue of TITLE NEWS is an article by Mr. Frank Ewing describing the act and its provisions. It will be well then to have a knowledge of the body that has undertaken the work and review the history of this particular measure.

The national conference of commissioners on uniform state laws is composed of commissioners from each of the states, the District of Columbia, Alaska, Hawaii, Porto Rico and the Philippine Islands. In thirty-three of these jurisdictions the commissioners are appointed by the chief executive acting under express legislative authority. In the other jurisdictions the appointments are made by the general executive authority. There are usually three representatives from each jurisdiction. The term of appointment varies, but three years is the usual period. The commissioners are chosen from the legal profession, being lawyers and judges of standing and experience, and teachers of law in some of the leading schools. They serve without compensation, and in most instances pay their own expenses. They are united in a permanent organization, under a constitution and by-laws, and annually elect a president, vice-president, a secretary, and a treasurer. The commissioners meet in annual conference at the same place as the American Bar Association, usually for four or five days immediately preceding the meeting of that association. The funds necessary for carrying on the work of the conference are derived from contributions from some of the states, from appropriations made by the American Bar Association, and contributions from various state bar associations. The record of the activities of the conference, the reports of its committees, and its approved acts are printed in the annual proceedings. The approved acts, sometimes with annotations, are also printed in separate pamphlet form.

The origin of the conference is, briefly, this: In 1889 the American Bar Association appointed a special committee on Uniform State Laws. In 1890 the legislature of the state of New York adopted an act authorizing the appointment of "commissioners for the promotion of uniformity of legislation in the United States," whose duty it was to examine certain subjects of national importance that seem to show conflict among the laws of the several commonwealths, to ascertain the best means to effect an assimilation and uniformity in the laws of the states, and especially whether it would be advisable for the state of New York to invite the other states of the union to send representatives to a convention to draft uniform laws to be submitted for the approval and adoption of the several states. In the same year, a special committee of the American Bar Association, after reciting the action of New York, reported a resolution that the association recommend the passage by each state and by Congress for the District of Columbia and the territories, of a law providing for the appointment of commissioners to confer with the commissioners from other states on the subject of uniformity in legislation on certain subjects. As a result of the action of New York, of the recommendation of the American Bar Association, and of the efforts of various interested persons, the first conference of commissioners was held in August, 1892, at Saratoga, N. Y., for three days immediately preceding the annual meeting of the American Bar Association. Since that time, thirty-two conferences have been held. While in the first conference but nine states were represented, since 1912, all the states, territories, the District of Columbia, Porto Rico, and the Philippine

Islands have been officially represented.

The object of the conference, as stated in its constitution, is "to promote uniformity in state laws on all subjects where uniformity is deemed desirable and practicable." The conference works through standing and special committees. In recent years all proposals of subjects for legislation are referred to a standing committee on scope and program. After due investigation, and some hearing of parties interested, this committee reports whether the subject is one upon which it is desirable and feasible to draft a uniform law. If the conference decides to take up the subject, it refers the same to a special committee with instructions to report a draft of an act. With respect to some of the more important acts, it has been customary to employ an expert draughtsman. Tentative drafts of acts are submitted from year to year and are discussed section by section. Each uniform act is thus the result of one or more tentative drafts subjected to the criticism, correction, and emendation of the commissioners, who represent the experience and judgment of a select body of lawyers chosen from every part of the United States. When finally approved by the conference, the Uniform Acts are recommended for general adoption throughout the jurisdictions of the United States and are submitted to the American Bar Association for its approval.

The conference has drafted and approved thirty-eight acts. It has also approved seven acts drafted by other organizations. Some of its own acts have been by conference action declared obsolete and superseded, leaving at present a total of thirty acts being recommended for adoption.

In 1919, the committee on scope and program of the national conference, in making this report, referred to the fact that the law governing the promissory notes secured by the mortgage as uniform in the states and asked why the mortgage should not also be regulated by a uniform law. In 1920 this committee was authorized.

In 1921 the conference, having before it the first report of the committee with synopsis of the first tentative draft, discussed the general features of the act and went on record in favor of a uniform mortgage act embodying foreclosure by advertisement with a period of redemption, and instructing the committee to consider whether the foreclosure sale should not be at the end of the redemption period rather than at the beginning, and whether the act could not be made to apply to trust deeds. The committee made an extensive investigation of the question of the time of the sale, and found that there was no experience in foreclosure by advertisement with the sale at the end of a redemption period, that it was impractical and without advantage, and set forth the findings in its report. A section was added to the act, providing for the foreclosure by advertisement of trust deed mortgages in like manner as mortgages.

In 1922 the committee presented a rather full report on the scope and purpose of the act and its relation to mortgage laws in the different states, together with a tabulation of state laws on mortgages, and the second tentative draft. The conference took up the act for discussion section by section; and suggestions were made which the committee has had under consideration. The act was recommitted to the committee for report at the 1923 conference.

The act was further revised and presented at the conference of 1924. Some of the sections were rearranged and new ones added so as to include trust mortgages, commonly called trust deeds, but directions were also appended to show the changes necessary to make the act apply to the ordinary mortgage only, eliminating the trust mortgage pursuant to the instructions of the conference. It was again presented in 1925 and here much discussion was brought out on the hope that an act regulating fore-

WHAT THE UNIFORM MORTGAGE ACT DOES.

The Act furnishes a statutory short form mortgage that will, by use of some 160 words in the short form, supply the place of and be equivalent to one containing about 1,000 words with all covenants in use, thus saving more than four-fifths of the records of mortgage and often extended to 4,000 words. The Act provides the equivalent covenants and clauses that become by statute a part of each mortgage. Short form mortgages of this character are found to be practical and are in nearly universal use in two states where the law provides adequate statutory covenants.

It makes the mortgage a lien upon, instead of an estate in, the premises, leaving the right of possession in the mortgagor until foreclosure is complete. This is the law in the great majority of states; and in the minority, the mortgage is treated as a lien for most purposes.

It provides for a definite substantial period of redemption after foreclosure sale, and for the manner of exercising the right of redemption by both the mortgagor and subsequent lienholders. By the change of two words in Section 25 the redemption period may be made anywhere from one month to two years.

It provides for the application of these redemption features to foreclosure by suit or action in court.

It provides a simple, inexpensive and efficient method of foreclosure without resorting to the courts, with ample protection to subsequent lienholders, leaves the title clear, definite and unclouded. The method is "foreclosure by power of sale." It has been found satisfactory after extensive use, and has been fully interpreted by the courts. It consists of foreclosure by power of sale so regulated as to prevent oppressive use and of a substantial period of redemption. It requires notice of sale to be given by mail to interested parties, but not so as to affect the validity of the title. In case there is a dispute on the mortgage, injunction may be easily secured and foreclosure must then be in court. Statutory Attorney's fees are provided.

This method relieves courts and court records of foreclosure proceedings, and saves public expense. It meets a public demand to remove from the courts matters that can be handled more expeditiously and economically in an administrative manner.

The Act provides for the treatment of trust deeds in the same manner as the ordinary mortgage.

It provides a statute of limitations for outlawing mortgages that leaves title unclouded by the mortgage because of some act outside the record, a feature contained in only a few states.

WHAT THE ACT DOES NOT DO.

The act does not cover generally the substantive law of mortgages.

It does not interfere with or prohibit the foreclosure of any mortgage suit in equity or otherwise by court proceedings, except as to redemption features provided in Section 36.

It does not provide for foreclosure by power of sale of mortgages not containing a power of sale.

It does not permit a power of sale in a mortgage or in a trust mortgage, to be exercised in any manner except as provided by the act.

closure in court could be added. With court procedure so diverse in the various states it was considered impractical to so regulate the procedure as to make it uniform, and furthermore the power of sale foreclosure as provided in the act would eventually replace court foreclosure as its advantages would become known.

It now stands ready to be approved and in a most acceptable and desirable form after its five years of discussion, alteration, improvement and final draft.

The Uniform Mortgage Act

As Proposed by the National Conference of Commissioners on Uniform State Laws

By Frank Ewing, Attorney
Metropolitan Life Insurance Company, New York

(Address given before Association of Life Insurance Council, 1925 meeting, Hartford, Conn.)

When our forefathers adopted the Constitution of the United States they wisely divided the authority of government between nation and state. Certain powers pertaining to the general welfare of the nation as a whole were delegated to the Federal Government, while all powers not so delegated were left with the several states. It naturally followed that in so large an undertaking in which so many different minds and interests must be harmonized, a great many powers, not so delegated to federal authority, were more or less national in scope and importance. Some of these have been brought within the power of the National Government by constitutional amendments, but a great many more are not only more or less national in scope but have a local or state importance as well. These form a sort of twilight zone between the nation and the states. This zone has been constantly widening since the establishment of our National Government. Especially has there been an increase in the interstate or national importance of many matters formerly having more of a local or state character. This is not necessarily due to any change in our theory of government but very largely due to improved means of communication.

When Thomas Jefferson was Vice-President in 1797 to 1801, it is said to have taken him five days traveling on horseback to go from his home at Monticello to Philadelphia. Relatively speaking Philadelphia was then about as far from Monticello as Washington is today from San Francisco. Thus has the use of our railroads, commercially speaking, reduced the size of our country. With the invention of the telegraph, telephone, radio, and aeroplane and compared with the days of our forefathers the nation today has become little more than a neighborhood. The theory of local self government as expounded by the Sage of Monticello may be as sacred and important as ever, but changing conditions have so widened our commercial and social relations that in many particulars the boundaries of the local unit must be widened. State boundaries do not have their former meaning. Our improved means of communication is such that frequently the same person will conduct business transactions in two or three different states on the same day.

As the volume of business transactions increased we began to appreciate the necessity of more uniformity in our laws. As long as each community was more or less separate from the other; as long as its transactions with other communities were only occasional there were little necessity of uniformity in our laws. When, however, these transactions became large in number and volume it was realized that the lack of uniformity meant a serious handicap to the transaction of business.

This became so apparent in relation to certain state laws which were particularly applicable to interstate transactions that in 1889 the American Bar Association appointed a special committee on uniform state laws. In 1890 the legislature of the State of New York adopted an act authorizing the appointment of "commissioners for the promotion of uniformity of legislation in the United States," whose duty it was to examine certain subjects of national importance that seemed to conflict among the laws of the several commonwealths; to ascertain the best means to effect an assimilation and uniformity in the laws of the states, and especially whether it would be advisable for the State of New York to invite the other states of the union to send representatives to a convention to draft uniform laws to be submitted for the approval and adoption of the several states. In the same year a committee of the American Bar Association after reciting the action of the State of New York reported a resolution recommending the passage by each state and by congress for the District of Columbia and the territories, of a law providing for the appointment of commissioners to confer with commissioners from the other states on the promotion of uniformity of legislation on certain subjects. As a result of the action in the State of New York and the recommendation of the American Bar Association and of the efforts of other interested persons the first National Conference of Commissioners on Uniform State Laws was held in August, 1892, at Saratoga, N. Y., immediately preceding a meeting of the American Bar Association. Since that time the conference has met annually. In the first conference there were only nine states represented, but since 1912 all the states, territories, District of Columbia, Porto Rico and the Philippines have been officially represented at these conferences.

The object of the conference is to promote uniformity in state laws on all subjects where uniformity is deemed desirable and practical. It works through standing or special committees. In recent years all proposals of subjects for legislation are referred to a standing committee on scope and program. After this committee makes an investigation and sometimes after a hearing of parties interested, it reports whether the subject is one upon which it is desirable and advisable to draft a uniform law. If the Conference decides to take up the subject it refers the same to a special committee with instructions to report a draft of an act. In a great many of the more important acts it has been customary to employ an expert draftsman. Tentative drafts of acts are submitted from year to year and are thoroughly discussed. Each uniform act is thus the result of at least one or more tentative drafts and has been subjected to the criticism and correction of the commissioners who are composed of a body of experienced lawyers chosen from every part of the United States. A great number of uniform acts have been drafted and approved by the commissioners and some of them have been quite extensively adopted by the states. The Uniform Negotiable Instruments Act has been adopted by every state and territory with the possible exception of Georgia and Porto Rico. The Sales Act has been adopted by more than half of the states. The Warehouse Receipts Act by forty-eight. Bills of Lading Act by more than half of the states. In all some thirty-two acts have been approved by the conference and recommended for adoption and most all of them have been adopted by at least some of the states.

In 1911 the question of a uniform mortgage law was brought before the commissioners in the shape of a report made by the chairman of the committee on conveyancing, Mr. Amasa M. Eaton of Rhode Island, who reported against an attempt to draft such a law. The matter rested then until 1919 when it was again brought before the commissioners in a report of the committee on scope and program. This report was referred to the committee on commercial law to report a uniform

mortgage law if found desirable. In 1920 the committee on commercial law reported "that it was not advisable to draft a uniform mortgage and trust deed law." However, after a discussion of the report it was decided to appoint a special committee to investigate and report upon the desirability of a uniform mortgage law and to report a draft form if found desirable. In 1921 this committee made its first report. Among other things it reported "That mortgages, both real and chattel and the foreclosure of the same, are subjects of interstate use to the extent that the law of each should be uniform throughout the states or they should at least conform generally to a common standard." The report went to a considerable extent into the discussion of the desirability of a Uniform Mortgage Law and reported a tentative draft of an act prepared by Donald E. Bridgman, of Minneapolis, Minnesota. This draft is the basis of the present proposed act, which in reality with the exception of a few amendments and additions is almost the same as the original draft.

The matter was considered by the conference in committee of the whole and the desirability of such a law approved and referred back to the committee with certain recommendations and for a further report at the 1922 conference.

The committee at the conference in 1922 made an extended report, the act recommended being substantially the same as 1921 except the inclusion of the foreclosure of trust deeds as well as mortgages under the provisions of the act. The act was discussed by the conference section by section and suggestions were made and the proposed act again recommitted to the committee for report at 1923 conference.

The proposed act was before both the 1923 and 1924 conferences and was thoroughly discussed. Certain slight changes and modifications have been made from the original draft. At the meeting in 1924 it was discussed for two days. It was approved as printed with slight changes and referred back to the committee to report the fifth and final draft to the next conference. There seems little doubt but that the conference to be held this year will adopt the proposed act and recommend it for passage by the several legislatures of the states. Briefly this sets forth the steps already taken and gives the present situation in regard to the proposed Uniform Mortgage Law. It has been thoroughly discussed and analyzed and will probably be adopted this year by the conference of commissioners.

Before we consider the various proposals and the phraseology of the proposed act itself we should look into the importance and necessity of such a law. As to the importance it may be said that land is the basis of our material prosperity. The foundation of our wealth. The mortgage is the chief instrument in use in financing real estate transactions. Forty-eight states with widely different laws and forms are borrowing and loaning money on mortgages. About nine billion dollars are now invested in farm mortgages and about thirty billion in city mortgages. Bonds widely distributed throughout the country are secured by corporation mortgages on property scattered about in numerous states. Mortgage loans are one of the most important of all our forms of investment. This form of investment, however, is greatly hampered by the diversity of the laws in the different states. A table furnished by the committee on a Uniform Mortgage Act in 1922 showed that in seventeen of the states a mortgage was considered an estate in the land; in twenty-seven states it was considered as a lien on the land; while in four states it was treated as both an estate and a lien. In twenty-five states a mortgagee secured possession of the land upon the completed foreclosure of the mortgage; in six states upon the completion of the foreclosure, but subject to stipulation between the parties; in one state upon the execution of the mortgage; in nine states upon the execution of the mortgage, but subject to stipulation; in seven states upon default and in two states upon default, but subject to stipulation.

In thirty states the form of instrument used was an ordinary mortgage without power of sale; in ten states an ordinary mortgage with power of sale; in one state a trust deed without power of sale; and in eight states a trust deed with power of sale. The usual method of foreclosure in sixteen states was by action in court not regulated by statute; in twelve states by action in court but regulated by statute; in eleven states foreclosure was by sale under power without a period of redemption; while in seven states foreclosure was by sale under power but with a period of redemption. In two states foreclosure was by entry followed by possession for one year and in one state by executory process and ex parte court order followed by notice to the debtor. In seventeen states no period of redemption is allowed. In the remainder of the states the period of redemption varied from six months to eighteen months. The approximate time required after default under the mortgage in which to complete foreclosure and acquire clear title varied from a few weeks in some instances, being simply the days required to advertise before sale, to as much as two years.

The statute of limitations on the foreclosure of mortgages in the different states varied from a period of four years to twenty years and in a number of instances there is no statute of limitations applicable solely to the mortgage but the mortgage is simply barred whenever the debt it secures is barred by the regular statute of limitations. In fifteen states there were no statutory short forms of mortgage or trust deed. In the remaining states there was a statutory form of either one or both.

This lack of uniformity of the law in regard to mortgages in the various states hampers and interferes with interstate dealings both as to the loaning of money in the usual investment transactions and also in the arranging for loans in connection with business dealings. This is especially true in financing large corporations. All parts of the country are benefited by a free flow of capital from one section to another as the need may require. The western farmers want more money and a lower rate of interest. The eastern investors wish to get as high rates of interest as possible of the newer sections and yet to seek only perfectly sound investments. The wishes of both are aided by a uniform method of investing under a uniform law. One of the reasons money is frequently slow to be invested in mortgages is because of the various and unsatisfactory methods of foreclosure and other laws applicable to mortgage investments.

A single mortgage given by a corporation may be on property in several states. If this is drawn under the present law it is most always a long and cumbersome instrument and even when so drawn by attorneys especially qualified in such matters there is yet an uncertainty as to just what interpretation might be put on the form or what method of foreclosure it might be necessary to use dependent upon in what particular state the particular piece of property is which is included under the mortgage.

The present diversity of mortgage law seems to have been due very largely to a haphazard growth. Fundamentally there is no reason why a Uniform Mortgage Act could not be used throughout the United States. The present situation has been brought about very largely by local decisions and variations in local statutes but is not based on any fundamental differences except possibly in a few matters.

In a great many states one of the most unsatisfactory laws in force at present in connection with mortgages is the method of foreclosure. There are three ways generally in use in which mortgages are foreclosured. One is by power of sale given in the instrument and not regulated by statute. Another is by power of sale given in the instrument but regulated by statute. The third is by court procedure.

The first of these is unsatisfactory because of its drastic nature and tendency to sacrifice the property of the borrower. The second if properly regulated by statute is no doubt the most satisfactory of the three. The third method is very expensive and cumbersome. It is also often uncertain in results and title is not acquired until after a long delay. If a Uniform Mortgage Law is to be used it should provide a more economical method of foreclosure. The foreclosure in court was

brought about very largely to avoid drastic foreclosure under power of sale. Apparently to escape this unfairness to the land owner in a great many states the legislatures provided that foreclosure could only be had in court. While they thus avoided the drastic nature of the foreclosure by power of sale they injured both the owner and the mortgagee by providing a slow, cumbersome and expensive method of acquiring title to the property. In addition to this there is also a great deal of difficulty in getting a marketable title by foreclosure, especially when the foreclosure is by court proceedings and in which every possible person having an interest in the land is required to be made party to the suit and to be served with legal notice.

Another reason why there is need of a Uniform Mortgage Act is that a Statute of Limitations should be adopted showing definitely when a mortgage ceases to be a lien on the land. Old outlawed mortgages which have not been satisfied of record are constantly appearing as clouds on the title. If a definite period were provided by statute when a mortgage ceases to be a lien it would eliminate this trouble. In some states we have such a law; in others there is no statute providing when the lien of a mortgage ceases and under the decisions it is usually held the mortgage remains a lien as long as the debt is not barred by the statute of limitations. Inasmuch as the debt usually is not barred as long as interest is paid or the debt is otherwise recognized, and for a definite period of time after that, it is readily seen that it is very difficult to know whether a mortgage has ceased to be a lien even though it may be of very ancient date.

Some time ago it was necessary for the writer to ascertain how long a mortgage would continue to be a lien without having to be renewed of record in the various states. This was a practical question brought about by requests from the real estate department of his company in regard to the question of extension of time for payment of mortgage loans. These requests became so numerous that finally a communication was sent to a local firm of attorneys in each of most of the several states. The replies were very interesting. When these letters were written it was assumed that the attorneys could answer the question in a very few sentences. On numerous occasions, however, the attorneys wrote briefs on this subject. In probably the majority of states there was a law which provided that the lien of a mortgage ceased to exist for a definite period of time varying from about ten years to twenty years. In some states, however, the question was so complicated that after reading the brief on the subject the same was laid aside for further study and he has not yet determined just when a mortgage ceases to be a lien in those states.

Another reason why the Uniform Mortgage Act is necessary is to avoid the use of long form mortgages. If such a law did nothing more than simply give a short form mortgage which was satisfactory and workable and would be put in general use, it would be well worth the effort. A great many states already have short form mortgages. In a few states these are generally in use but in a great many states where they are provided by law they are not now generally in use. The use of these short form mortgages is claimed by the committee not to be due to unwillingness to adopt new methods so much as is generally supposed, but to the fact that such forms are incomplete and do not in fact furnish the necessary covenants to complete the mortgage. Any statutory short form mortgage must have the necessary covenants and rules of construction provided by statute just as such rules and covenants are contained in a promissory note by the law construing them. No doubt the short form statutory mortgage acts of a great many states were passed in the form in which they were because of lack of information by those who sponsored the bills in the legislature.

It is not generally recognized how much savings might be made by using a short form mortgage. Saving in recording fees, saving in fireproof buildings in which the records are preserved, saving in accuracy and uniformity of construction, saving in labor in the recording offices and avoidance of delay in securing the return of the mortgage from the recorder's office.

Upon one occasion an attorney from Salt Lake City visited the writer and in protest against a long form mortgage that a correspondent who was placing mortgages for the company were requested to use in his state, inquired if we would permit him to shorten the form. He was told to make as many suggestions as he wished and shorten the form as much as he wished as long as he retained all of the covenants in the mortgage. After about thirty minutes of time going over the form of mortgage he stated that he had saved his client at least $1,500.

One of the largest trust companies in the country and which make thousands of mortgages each year, which mortgages are purchased in large quantities by one of the life insurance companies, have been using a form of mortgage which contains 5,131 words. After repeated hints and suggestions that this form might be shortened a new form was used, which new form contains only 4,119 words. The proposed short form mortgage would contain about 160 words.

The savings in mortgage recording fees on mortgages placed by the Metropolitan Life Insurance Company during the past year, if they had been placed on the proposed short form mortgage of the Uniform Mortgage Act would have been thirty-five to forty thousand dollars. In a great many counties the recorder's offices are months behind in their work because of their inability to keep up with the recording of instruments presented. In Philadelphia it takes about six months after a mortgage is filed of record before the mortgage is returned. This causes a great inconvenience especially where mortgage companies are placing these mortgages of record with the expectation of selling them to investment companies outside the city. If a short form mortgage were used the work of the recorder's office would be reduced to from one-fifth to one-tenth of what it is now. During the recent session of the legislature of Pennsylvania a bill was presented for using a system of photographed records. It is not surprising that something of this kind was being considered in view of the condition of the recorder's office in Philadelphia. Probably, however, quicker results could be brought about by adopting a short form mortgage with full statutory provisions and covenants.

One of the worst features of the present diversity of the morgtage law of the various states and the system of foreclosure in court is the uncertainty of the law on important points. This uncertainty always militates against the use of this class of security. If a Uniform Mortgage Law were passed by the various states in which a short form mortgage is used and statutory covenants provided definitely setting forth just what the short form mortgage means, it would destroy the present uncertainty of the law. In the first place the statute clearly sets forth just what covenants are provided for by the use of short form mortgage and in the second place the same wording on the same forms are in use in the various states and lenders of money soon learn to know that a mortgage in one state means practically the same as in any other.

Having discussed the importance and necessity of a Uniform Mortgage Act we will now take up the proposed act itself. The committee in its report in 1924 suggested that there are certain general tests that are applicable to a Uniform Mortgage Act. First, the proposed act should be fair to both parties, mortgagor and mortgagee. Second it should be sound in public policy. Third it should be practical, and fourth, it shoud be framed and worded so it can be passed in all or nearly all the states with minimum changes. In the following discussions of the proposed act these general tests should be kept in mind.

In considering the Uniform Mortgage Act for convenience it has been divided into seven different sub-heads.

First: The Method of Foreclosure.

The method of foreclosure in the proposed uniform mortgage act is what is known as foreclosure by advertisement. The report of the committee states this method is almost exclusively used in Michigan, Minnesota, North

Dakota, South Dakota and Wyoming. The method in those states is not exclusive as foreclosure by court procedure is still permissible but it is almost exclusively used where there is no dispute in the amount owing and where the mortgage contains a power of sale. The system in use in these states is what is known as "Statutory Regulated Power of Sale." This is the method proposed by the Uniform Mortgage Act.

The report of the committee in 1924 states that the proposed act is more complete than the act in any one of the states where it is now used, as the provisions in each state that have tended to perfect the law have been incorporated in the proposed act. This foreclosure can only be used where a power of sale is given in the mortgage.

The procedure is as follows:

The mortgage must contain a power of sale, be recorded and any assignment also must be recorded. There being a default in the mortgage the owner places it in the hands of an attorney to foreclose, although if he wishes to do so he may foreclose it himself, and gives him a power of attorney to foreclose the mortgage. This power of attorney is recorded. This is done to prevent unauthorized foreclosures and makes a complete record from the mortgage to the foreclosure certificate. A notice of foreclosure is drawn giving the facts as required under Section 13 of the Act. The notice is published for three successive weeks in a newspaper, the first publication being at least six weeks before the date of sale. In addition to the publication a notice is also mailed to those parties interested in the foreclosure whose names and addresses are known to the party foreclosing. Failure to mail these notices does not invalidate the foreclosure but makes the person conducting the foreclosure liable for a misdemeanor. If the mortgagee's right to foreclose is disputed, further proceedings may be enjoined and the matter brought into court. On the day named the premises are sold by the sheriff to the highest bidder. The premises are usually sold to the mortgagee for the amount owing on the mortgage, including any taxes and insurance paid and attorney's fees and small disbursements. Should the sale be less than the amount due the mortgagee, he can sue and recover a deficiency judgment.

After the sale the sheriff issues a certificate of foreclosure which at the expiration of the period of redemption becomes the instrument of transfer, equivalent to a deed conveying the property to the purchaser as of the date of the mortgage, unaffected by any liens or encumbrances subsequent to the recording of the mortgage. Should the party in possession refuse to yield possession of the premises after foreclosure is complete a summary process of unlawful detainer may be invoked.

This process of foreclosure is simple, inexpensive and certain in its results. It leaves the title clear and definite in the purchaser of the property. It avoids on one hand the drastic process of sale under power in the mortgagee unregulated by statute, and on the other hand it avoids the cumbersome, expensive and generally unsatisfactory method of foreclosure by proceedings in court.

Second: Redemption Period.

The Uniform Mortgage Act provides for a redemption period. This period may be made different in the various states adopting the act by simply inserting whatever period of time is desired. It is generally considered that one year is probably the most satisfactory and just period of redemption. The theory of a period for redemption is so well established in the minds of the American people in a great many states that it is recognized that most states would insist on a period of redemption. This right of redemption is of very ancient origin. The year of redemption was given even from sales of land in Bible times. In Leviticus, Chapter 25, beginning with the 29th verse, is the following:

29th. "And if a man sell a dwelling in a walled city, then he may redeem it within a whole year after it is sold; for a full year shall he have the right of redemption."

30th. "And if it be not redeemed within the space of a full year, then the house that is in the walled city shall be made sure in perpetuity to him that bought it, throughout his generations; it shall not go out in the jubilee."

31st. "But the houses of the villages which have no wall round about them shall be reckoned with the fields of the country; they may be redeemed, and they shall go out in the jubilee."

The nature of real estate is such in fact since the title must be investigated and a purchaser must be found who desires the particular piece of real estate, that very seldom at a public auction will real estate sell for its full value. This means the real estate will be sacrificed if forced to immediate sale. In justice to the owner he should have a period of time within which he can arrange to take over the property after the foreclosure sale or if not able to take it over himself he can secure a purchaser for his right of redemption. This is just not only to the purchaser but also to the holder of the mortgage for it usually happens that the party loaning the money does not wish the real estate but simply wishes to collect the interest and principal due. If the owner is given a little time he very often will arrange his affairs so as to redeem or will sell his equity and a new purchaser will continue the loan.

Third: The Right to Possession, Rents and Profits.

There are two theories in the various states as to the law of mortgages. One is that a mortgage is only a lien on the land, while under the other it is held that a mortgage is an estate in the land. The proposed act adopts the lien theory. The reason for this among other things is that it is the law in most of the states. Under this theory the mortgagor is not entitled to possession and the rents and profits until foreclosure is completed. The mortgagee of course may go into possession with consent of the mortgagor and the mortgagee may retain possession until the dept is paid. The committee considered that the right of the mortgagee to the possession is of little value to him as foreclosure is the substance of his right, while possession is very important to the mortgagor so that he may have the management of the property undisturbed, during the period of redemption. Where desired, however, as a condition of an unusually large loan in proportion to the value of the property, or of extending the mortgage, the mortgagor may place the mortgagee in possession and the mortgagee may thus retain possession until paid. In regard to impairment of the security it is provided that the mortgagor may not impair the security by waste and must keep the property in repair. In case of failure to keep the premises in repair or the commission of waste a receiver may be appointed and if the conditions exist whereby a receiver might be appointed and none is applied for, the mortgagee himself is entitled to receive the rents and profits from the person in possession as if he were a tenant and if the premises are unoccupied may take possession.

It is contended that the fact that the mortgagor gets the rents and profits pending the foreclosure and period of redemption and to that extent reducing the security is more than outweighed by the fact that possession by the mortgagor is essential to a real chance for redemption. Also that the mortgagee gets the property if there be no redemption which is the important thing and usually the amount is much less than the real value of the property and he gets it cheap enough without having the rents and profits in addition. The mortgagee also saves the expense in law-suits, receiverships and otherwise necessary for him to get the rents and profits during the foreclosure which usually exhausts a large proportion of the rents and profits for this short period. It is claimed the right would be of little value, except to harass the mortgagor.

Fourth: Mortgages and Trust Deeds.

Since in a number of the states trust deeds or what is sometimes called trust mortgages are in general use rather than the ordinary mortgage, the act is made to apply to both mortgages in their ordinary form and trust deeds. A mortgage is defined to include a trust mortgage and the provisions of the act relate generally to all mortgages both as to their nature and method of fore-

closure. In this way the law is easily adapted to present usage in the various states. The foreclosure is to be made by the "legal holder of the mortgage" a term which by definition means the person holding the mortgage of record, and includes a trustee or his successor. It is also provided that a trustee may foreclose by power of sale the same as a mortgagee and also that the assignee of a mortgagee may also exercise the right to foreclose. Short forms of both mortgages and trust mortgages are provided for by the act.

This provision applying the law to both ordinary mortgages and trust mortgages is valuable in practically all of the states for most all of the states even though the ordinary mortgage is the one generally in use, in the placing of large mortgages to secure bond issues, the instrument is usually in the form of a trust mortgage in which the trustee holds the security for the benefit of numerous holders of the bonds. It is very essential that the law apply to both forms of mortgage.

The act also applies to what is sometimes termed equitable mortgages or informal mortgages as well as those in the form of a conveyance on condition. With this provision in the act an equitable mortgage or an informal mortgage may be foreclosed by power of sale if it contains such a power, although it contains no regular conveyance or is not in the form of the statutory mortgage. Any mortgage containing a power of sale may be foreclosed under the proposed act.

Fifth: Statute of Limitations.

The proposed act provides for a statute of limitations on mortgages which causes the mortgage to cease to exist as a lien after a period of time as against purchasers or incumbrances who have no knowledge that it is not paid, but it leaves it effective between the parties. It is an absolute bar with no exceptions so that an old mortgage which has not been satisfied of record but appearing to be barred by the statute may be passed by an examiner of title, without inquiry or securing its satisfaction. The period of limitations is in brackets and may be changed according as each state may see fit to specify the time. It is also provided that this period of limitations takes effect one year after the rest of the act to allow reasonable time to save existing mortgages against outlawing.

It is quite evident that this is a very important feature of the act as it serves to fix a defintie period when the lien has expired. It provides a remedy as to any subsequent purchasers or lienholders without notice, but does not outlaw the debt or mortgage as between the parties themselves.

Sixth: Short Form Mortgage.

The short form mortgage act provides for a short form of mortgage and trust mortgage with statutory covenants so that there is certainty as to their meaning.

Section 34 of the Uniform Mortgage Act which contains the short form mortgage and statutory covenants is as follows:

Uniform Short Form Mortgage.

(1). The use of the following short form of mortgage of real property is lawful, but the use of other forms is not forbidden or invalidated:

Short Form Mortgage.

This statutory mortgage, made this .....day of..... between (give name and address), mortgagor, and (give name and address), mortgagee,

Witnesseth, that to secure the payment of (give description of indebtedness and instruments evidencing same), the mortgagor hereby mortgages to the mortgagee (give description of premises with any incumbrances thereon).

And (.....one of) the mortgagor covenants with the mortgagee the following statutory covenants:

1. To warrant the title to the premises.
2. To pay the indebtedness as herein provided.
3. To pay all taxes.
4. To keep the buildings insured against fire for.....dollars and against (give other hazards insured against and amount of such other insurance) for the benefit of the mortgagee.
5. That the premises shall be kept in repair and no waste shall be committed.
6. That the whole of the principal sum shall become due after default, in the payment of any instalment of principal or interest, or of any tax, or in the performance of any other covenant,..... .....days after notice.

If default be made in any payment or covenant herein, then mortgagee shall have the statutory power of sale, and on foreclosure may retain statutory costs and attorney's fees.

In witness whereof the mortgagor has duly executed this mortgage.

(2). Any of the covenants or the power of sale in the short form mortgage may be omitted. Additional clauses, conditions, covenants and provisions may be added, but shall be designated as not statutory.

The language of the short form mortgage shall have the following meaning and effect.

Construction of Covenants in Short Form Mortgage.

(3). The expression contained in the short form mortgage "the mortgagor hereby mortgages to the mortgagee (description of premises with any incumbrances thereon)," shall be construed as equivalent to the following:

"The mortgagor also in consideration of one dollar, paid by the mortgagee, the receipt whereof is hereby acknowledged, doth hereby grant, bargain, sell, release and convey unto the mortgagee, his heirs, successors, and asisgns forever (premises with any incumbrances thereon as described in the mortgage), together with the hereditaments and appurtenances thereunto belonging or in any wise appertaining, and all the estate, rights and interests of the mortgagor, including all homestead and dower rights and all inchoate and contingent rights, in and to said premises; to have and to hold the above granted premises unto the mortgagee, his heirs, successors, and assigns forever; Provided, that if the mortgagor, his heirs, executors or administrators, shall pay unto the mortgagee, his executors, administrators or assigns, the said sum of money mentioned in said (instruments evidencing indebtedness) and the interest thereon, at the time and in the manner aforesaid, and shall keep and perform each and every covenant herein contained on the part of the mortgagor to be kept and performed, that then this mortgage, and the estate hereby granted, shall cease, determine and be void."

(4). The respective statutory covenants contained in said mortgage shall be construed as follows:

I. Covenant 1 is equivalent to: "That the mortgagor is lawfully seized of the premises; that he has good right to mortgage the same; that the same are free from all encumbrances except as above stated; and that the mortgagor will warrant and defend the title to the same against all lawful claims."

II. Covenant 2 is equivalent to: "That the mortgagor will pay to the mortgagee the principal sum of money secured by this mortgage, and also the interest thereon as herein provided, and also, in case the mortgage is foreclosed in court, the costs and expenses of the foreclosure, including reasonable attorney's fees, which shall be allowed out of the proceeds of the sale."

II. Covenant 3 is equivalent to: "That until the indebtedness hereby secured is fully paid, the mortgagor will pay all taxes, assessments, and other governmental levies which may be assessed or become liens on said premises, before any penalty, interest or other charge accrues, and in default thereof the mortgagee may pay the same, and the mortgagor will repay the same with interest at the mortgage rate, and the same shall become a part of the debt secured by the mortgage."

IV. Covenant 4 is equivalent to: "That the mortgagor will, during all the time until the indebtedness secured by the mortgage is fully paid, keep the buildings on the premises insured against loss or damage by fire, to the amount of (the sum specified in mortgage) dollars (and against loss or damage by [any other hazards specified] to the amount of [sums specified therefor] dollars) and in a company to be approved by the mortgagee, and will assign and deliver the policies of such insurance to the mortgagee, so and in such manner and form that he shall at all times, until the full payment of such indebtedness, have and hold the

said policies as a collateral and further security for the payment of said indebtedness, or at the option of the mortgagee will make such policies payable in case of loss to the mortgagee as his interest may appear and will deposit them with the mortgagee, and in default of so doing, that the mortgagee may make such insurance from year to year, or for one or more years at a time, and pay the premiums therefor, and that the mortgagor will forthwith repay to the mortgagee the same, with interest at the mortgage rate, and that the same shall become a part of the debt secured by the mortgage in like manner as the principal sum. The mortgagee may retain any moneys received by him on the policies, and the same shall apply in part payment of the mortgage."

V. Covenant 5 is equivalent to: "That the mortgagor will at all times keep the premises in good repair and suffer and commit no waste thereon, and that no building shall be removed or demolished without the consent of the mortgagee."

VI. Covenant 6 is equivalent to: "That should any default be made in the payment of any instalments of principal or any part thereof, or in the payment of any interest or any part thereof, on any day whereon the same is made payable, or in the payment of any tax, assessment, or other governmental levy, as herein provided or should any other default be made in any of the covenants of this mortgage, and should the said principal, interest, tax, assessment or levy, or the repayment thereof to the mortgagee, remain unpaid and in arrear, or should such other default in any covenant continue and the covenant remain unperformed, for the space of (time specified in the mortgage) days, after written notice by the mortgagee of the default or breach of covenant and that the whole sum will become due unless payment or performance is made within such time, delivered or mailed to the mortgagor or to his successor in interest at his last known address according to the mortgagee's best information, then the whole sum including accrued interest, secured by the mortgage, shall, at the option of the mortgagee, become and be due and payable immediately thereafter."

(5). The statutory power of sale clause contained in said mortgage immediately following covenant 6, shall be construed as equivalent to the following:

"If default be made in the payment of the principal or interest or any part thereof, or of taxes, assessments, insurance premiums, or any other sum, when the same becomes due as herein provided, the mortgagor hereby authorizes and empowers the mortgagee to foreclose this mortgage at once, and to sell the mortgaged premises at public auction according to the statute in such case provided, and to apply the proceeds of the sale to pay all amounts then due on the mortgage, including principal, interest, and the amount of any taxes, assessments and insurance premiums and any other sum which may then be due to the mortgagee, and also to pay all costs and expenses of such foreclosure sale, including statutory attorney's fees, which costs, expenses and fees the mortgagor agrees to pay."

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(6). All the obligations of the mortgagor as set forth in this section shall be construed as applying to his heirs, executors and administrators or successors; and all the rights and powers of the mortgagee shall inure for the benefit of and may be exercised by his executors, administrators, successors or assigns.

Seventh: Foreclosure of Chattels.

The act also provides for the foreclosure of chattels along with real estate in cases where the chattels are used in connection with the real estate and included in the same mortgage with it. In such a case the chattels are treated as a part of the real estate in the foreclosure.

The reason for this is that in a number of mortgages, especially in cases where the mortgages are on factories or mill properties, there is a great deal of machinery and chattels used in connection with the real estate and the value of these chattels and machinery depends very largely upon their being used in connection with the buildings and the land. The same right of redemption of chattels thus sold enables the mortgagor if he is able to redeem the property to keep the chattels and real estate together.

Conclusion.

In conclusion the benefits of the proposed Uniform Mortgage Act may be briefly summarized as follows: It provides a simple, inexpensive method of foreclosure in which everyone interested is notified. It gives a chance for court hearing if contested. It gives adequate period of redemption. It avoids unduly long foreclosure proceedings. It provides a good marketable title after foreclosure. It gives possession and right to rents and profits to the mortgagor prior to and pending foreclosure, thus giving him an opportunity to redeem. By agreement of parties the mortgagee may be put in possession at any time as further security. The mortgagor must keep the premises in repair and not commit waste. A short form of mortgage and trust deed are provided that will fully protect the rights of both parties by statutory construction. Additional provisions may be added by marking them not statutory. An effective statute of limitations is provided. Chattels used in connection with real estate may be included and foreclosed with and as a part of the real estate. Finally, if adopted it would give a uniform law, with definite and positive provisions, which would be a great aid in the handling of the enormous mortgage loan business of the country upon which in a large measure our prosperity and happiness depend.

GOLF PRIVILEGES EXTENDED TO CONVENTION VISITORS.

While many sports not available in inland cities present themselves to visitors to that famous resort, members of the American Title Association who enjoy golf, should take their sticks with them when they go to the Ambassador this September. There are three of the best greens in the the country within a fifteen minute auto ride of the hotel. Cards of introduction will be given upon request of the room clerks.

These three clubs are charmingly located, each overlooking the water thoroughfare which divides Absecon Island, on which Atlantic City is located, from the mainland on which the courses are located. Each club, of course, has an attractive club house with obliging attendants.

However, if one is not an expert in the ancient sport of Scotland, and wishes to practice in the art of teeing and driving in solitude, he may do so, for on the east lawn of The Ambassador is a baby link, with six holes, bunkers and hazzards, a real opportunity for putting. Then there is a driving net nearby and a driving machine, so one's golf wants will be catered to during the convention.

LAW QUESTIONS AND THE COURTS' ANSWERS

Compiled from Recent Court Decisions by

McCUNE GILL,

Vice-President and Attorney

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Certain vacant lots were sold under execution. The debtor showed that he had cleared and fenced them and intended to build a home thereon when able. Is the sale good or bad?

Bad. The lots are homestead. Espinoza v. Cooke, 276 S. W. 1095 (Texas).

Is a judgment rendered, but not indexed on the judgment index, a lien?

No. Jones v. Currie. 129 S. E. 605 (North Carolina).

Is a sale in the probate court based upon false statements in petition as to necessity for sale, valid or void?

Valid. Scott v. Oil Co. 239 Pac. 887 (Oklahoma).

Does a deed of land "with appurtenances thereto belonging," convey a right of way leading to the land?

Yes. Ziendorski v. Baranowski. 149 N. E. 116 (Massachusetts).

Does possession claiming a fee from 1869 to 1922 give good title if the occupant's grantor had only a life estate and died in 1914?

Title bad, because limitation does not run during a life estate. Kane v. Roath. 276 S. W. 39 (Missouri).

Does possession that bars the husband, also bar the wife's dower?

No. Statute does not run against wife during husband's life. Rook v. Horton. 129 S. E. 450 (North Carolina).

A holographic will is written on hotel stationery, the name of the city being printed thereon; does this affect the will?

Yes. The will is void as it must be written entirely by the testator. In re Bernard's W. E. state. 239 Pac. 404 (California).

Is a remainder to the "heirs" of testator vested at his death or at death of life tenant?

At testator's death; Union v. Wooster, 130 Atl. 433 (Maine).

When river washes away all of the property but it later reappears, who is the owner?

The original owner in South Dakota; but in some other states the owner in the rear. Erickson v. Horlyk, 202 N. W. 613.

Can an affidavit be used to show that deed to "Mrs. R." was intended to mean "Mr. R."?

No. Hatcher v. Rice, 105 Southern 881 (Alabama).

If tax sale is valid but deed is insufficient, can a correction deed be obtained?

Yes. In Oklahoma. Elerick v. Reed, 240, Pac. 1045.

Can a divorced husband take under his former wife's devise to "my beloved husband"?

Yes. Murphy v. Markis, 130 Atl. 840 (New Jersey).

Will a devise to "my children if living and if not to their legal heirs," pass to the husband of a deceased child?

No. Trott v. Kendall, 130 Atl. 878 (Maine).

Does the death of a life tenant during testator's life, defeat the interest of the remaindermen?

No. In re McCurdy 240 Pac. 498 (California).

Can an insane widow's guardian elect for her in lieu of dower?

Not unless authorized to do so by statute; but the court can order an election. In re Stevens, 212 N. Y. S. 123 (New York).

When a lender takes up an old first mortgage, which is marked paid but not released of record, does an old second mortgage become a first lien?

No. Because lender is not a mere volunteer and is subrogated to lien of old first mortgage. Baker v. Bank, 279 S. W. 428 (Missouri).

Can land be conveyed when it is in the adverse possession of a person other than the grantor?

Generally it can but some states still forbid such conveyances. Company v. Morrison, 279 S. W. 651 (Kentucky).

Can husband and wife by will defeat the other's dower?

No. Shoup v. Shoup, 149 N. E. 746 (Illinois).

Does an appurtenant easement pass by a deed not mentioning "appurtenances"?

Yes. Greve v. Caron, 206 N. W. 334 (Michigan).

Can life tenant or remainderman execute valid oil and gas lease?

Neither can alone, but both jointly can. Union v. Weidemann, 277 S. W. 323 (Kentucky).

Title Difficulties in Cooperative Ownership

Promoters of Cooperatively Owned Apartments Must Lay Their Foundations Well to Avoid Legal Difficulties Which May, if Undetected, Destroy All Advantages of This Form of Home Ownership

By C. G. KINNEY, *Chicago Title and Trust Company*

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There are several methods, as we all know, of determining the state of a title. The commoner forms are two, to-wit: the examination of the abstract of that title by a competent attorney, and the obtaining of his opinion, which sets up the various objections, as you of course know; or, alternately, the taking of title insurance.

I shall have occasion a little later to deal more exclusively with some of the features of title insurance. But in opening, I will take it for granted that we are all familiar with the necessity of having a complete assurance of title in vendor to the operator or promoter, as you choose to call him. That is to say, we may start safely, for our purposes with assuming that a site which meets with your approval has been selected, and that title to that site has been examined, or has been guaranteed. In any event, you are satisfied with the fact that this is a flawless title.

Now, I shall confine my remarks in respect of titles entirely to that method of dealing with them which is essential to the conduct of a co-operative apartment plan. Starting out with the acquisition of that title, either by the man or firm or corporation which is promoting the project, or with the control over that title in any one of the numerous ways with which you gentlemen are all familiar, such for example as an option, or an escrow, per a trust, we come now to the first important consideration which confronts you in the conduct of this project. I refer to the method and manner in which you desire to have that title held during your selling campaign, and thereafter.

Many Ways of Holding Title.

There are numerous ways in which that may be done. We may group the first three of these methods and treat them jointly. In the first place, the title may be taken by the promoter, individually. Let us assume now that there is one dealer who is behind the project. He may cause that title to be vested in himself individually, or he may have the title conveyed to a trustee, under a trust agreement, which, in his opinion, will meet all the requirements of the project in which he is about to engage. Or, again, he may have that title vested in an unincorporated association, rather a formidable phrase, but it does not mean very much of anything that is serious. For example, all partnerships are unincorporated associations.

Now, our experience in the field of co-operative apartments, while not as extensive as we hope it will be, has been more or less extensive to date. Various methods of handling and holding title, and the advantages and disadvantages peculiar to each of them, have been considered and we have reached a conclusion as to the method and manner which we conceive to be the best one. To analyze first the three I have mentioned, and to enumerate them so that you have all of them in mind, they are: title in the promoter individually; or title in a trustee for him; or title in some form of an unincorporated association.

Now, all of those methods of holding title are subject to many serious objections, insofar, particularly, as the successful conduct of a co-operative apartment proposition is concerned. Let us consider them more or less briefly in order.

Has Interest in Title.

It is common, I believe, if not universal, to handle cooperative apartments something along this line: the purchaser of the apartment ordinarily takes a lease for the particular apartment which he has selected at a fixed price. In addition to that, under the very nature of the cooperative plan, he must be given some kind of an interest in the title. Where the title is held by an individual or by a trustee or by an association, there is only a restricted field. There are only limited ways in which you may convey to him that interest in the property itself above and beyond the lease interest which he has in the apartment he buys. Necessarily, in any of those forms you must convey to him a direct interest in the land itself.

I emphasize the fact that in these forms of holding and transferring title, you convey, or practically must convey, a direct interest in the land itself, a thing which we believe is exceedingly undesirable in this selling of property on the co-operative plan.

For example, the purchaser who takes a lease acquires, let us say for convenience, a one-fiftieth interest in the fee title, and thereupon takes a one-fiftieth undivided interest in the land itself. That title being vested in him is of course subject to all manner of liens that may attach to his real property.

It is subject to judgments, for example, and various and sundry other kinds of liens that may attach to the real estate of an individual. The result is, that if the title is parcelled out among fifty different holders, you have invited trouble by fifty different avenues to complicate that title.

An Embarrassing Possibility.

Secondly, under the law in practically every state in the Union (I know of none where it does not obtain), where a number of people each and all hold an interest in the same piece of property, any one of them has a right to institute a legal proceeding which is commonly called partition. Under partition proceedings in the various states it is often necessary that there be a sale of the property. For example, we may have fifty men, each of them owning an undivided one-fiftieth interest in the fee title to a certain piece of property. Now, that property has been improved. It is impossible to make a physical division of the property into fifty separate parts or parcels, and to give to each man his respective parcel. Therefore, the court orders the property sold, and each person is entitled to his respective share of the proceeds, in direct proportion to his interest in the land. Comment would be superfluous to show how that might be exceedingly embarrassing in the preservation of a co-operative apartment scheme.

Again, in most states of the Union, a wife has a specific interest in land owned by the husband. At common law it was termed "dower." A great many states still call it dower. Others call it a "widow's third." A rose by any other name smells just as fragrant, but the fact remains that the wife has an interest in that property, and where you have conveyed to a husband or a man who subsequently marries, an interest in the land itself, by that very act an interest has accrued to the wife, or will accrue to her when he marries, if he still owns the land. That might or might not prove to be a source of embarrassment in the conduct of your project in any event, why seek it?

Another Objection.

Again, you have this objection. When any person acquires an interest in land, speaking generally now and without stopping to draw technical legal refinements, the law prohibits and forbids any undue restrictions upon his right of alienation of that property. It is a rule as old as the United States, and it had sway long before that in England, from which our law came.

If, therefore, you desire to maintain solidarity, to use the proper degree of selectivity in choosing the people who will be the purchasers of your apartments, and to secure to yourself permanently that power thus to choose your tenants, and if you have, under your scheme, to convey to each one of them, direct interest in the land, you have courted trouble at the beginning, because you will find it exceedingly difficult to draw or to formulate such a form of contract or deed of conveyance as would vest that title in your several purchasers, and make it impos-

sible for them to convey the same interest to persons who might or might not be undesirable, or to have these interests pass to others by operation of law.

Again, an interest in land descends in accordance with the statutes of the state where the land lies, to certain people, and although you might have a desirable tenant who, during his lifetime, had lived up to the spirit as well as to the letter of his contract with you, you nevertheless have to confront the certainty that when he dies, other persons who might not be as acceptable or congenial tenants, will step into his shoes and take the same interest in the land, thus giving them a right of occupancy of the apartment, and a direct voice in the management, control, disposition and encumbrance of the property; a thing which I am sure you will all readily see might be highly unfortunate.

Again, not to multiply the instances of objections which arise in conveying title in this manner, you have this feature to consider: Where the purchasers of co-operative apartments each have an interest in the fee, in such case all must join in any dealing with that title. Now, we all know how much easier it is to handle any business proposition through one, two or three men, or five or ten, rather than fifty. Always there may be dissension; always there may be an opportunity for obstruction and delay.

Objections Are Innumerable.

I might go on indefinitely citing instances of objections to the method and manner of directly holding title in the several apartment purchasers; but I think I have given a sufficient number to show you that there are grave and serious objections to the holding of the title to the property upon which your co-operative apartment is operated, either in the name of the promoter individually in a trustee for him, or by means of an unincorporated association, or eventually, directly by the tenants.

"Massachusetts Trust."

There is known to the law in the United States at the present time what is known as or called "common law trust," indifferently called a "Massachusetts trust"; a method of doing business with which doubtless you have all come in contact. This is nothing more or less than an association of a number of persons, any number of persons, who occupy a position very similar to that occupied by stockholders or shareholders in a corporation. One difference is that, unlike a corporation, it is not a legal entity. By that I mean, it is not a separate, distinct body recognized by law, and having very many of the attributes of an individual. Those are the characteristics which all corporations possess. In a "Massachusetts trust," the property is held usually by a small number of trustees, under a trust agreement or a declaration of trust which recites the fact that, although they hold the legal title, they hold it in trust for the use and benefit of certain named beneficiaries; or, rather not necessarily for certain named beneficiaries, but for any persons who may hold certificates representing shares, the number of shares representing the fractional part of the whole held by the various beneficiaries.

The "common law trust," or "Massachusetts trust" form of holding title, in my opinion, is better than any of the three individual forms that I have named. But it is also subject to objections. In the first place, while Massachusetts trusts have been known to the law for fifty years more or less, perhaps even longer, they are not in the same class with corporations as to recognition. Perhaps it may be said that they have passed beyond the experimental stage, but nevertheless there are numerous questions which may arise and vex you, and cause you great embarrassment if you decide to follow that particular method of holding your title.

The approved scheme is:—The purchaser takes a lease under the approved form and subject to any laws outlined. With it he obtains a certain number of shares of stock in the corporation, the exact number of which is proportionate to the price of his apartment.

The purchaser thus takes the leasehold, which gives him the right to occupy the apartment he has purchased for the length of time named therein, and through his stock, an interest in the corporation equal to the amount invested in his apartment.

The latitude fixing the length of leases is very elastic, it may be for 5 years, 50, or 900.

The man who has purchased the apartment has a title or right of occupancy in the form of a leasehold interest, ordinarily, for the term of his life. In addition he has the stock which gives him a proportionate interest in the corporate assets.

For example: There is a rule of law known as the rule against perpetuities. Very briefly and generally stated, that simply means that the title to land cannot be placed out of the channels of commerce. It is a rule not always distinguished from the rule against restraints upon alienation, and the two are very often confounded; but for our purpose it is sufficient for me to summarize them as constituting rules which forbid, generally, attaching conditions postponing the vesting of title to land longer than twenty-one years plus the life times of named persons or destroying the power of the owner of a title to transfer it. That is the effect of the rules against perpetuities and against restraints upon alienation.

The rule against perpetuities provides that a title may not be limited so that it will not vest finally within the period of twenty-one years, and added to that, the lives of certain named persons then living. Now, when you come to create a "Massachusetts trust," although the courts have often held that the rule against perpetuities does not apply, you will find that a careful lawyer will limit the life of that trust to twenty years. It may be an excess of caution, but I would not consider the formation of such a trust for a longer period advisable, though I am fully aware that there are decisions which say such a limitation is not necessary and that the trust may last indefinitely.

May Be Construed as Partnership.

So, here is an inconvenience. We all recognize that to select some form or method of holding a title which is permanent as well as secure has advantages over that form which is necessarily temporary, and which must be renewed and buttressed from time to time. Again, in a "common law trust," as in all the three instances which I have named, that is, holding individually, holding by a named trustee, or holding by an unincorporated asociation, there is the ever present possibility of personal liability confronting the promoter and the buyer, as we shall now see.

We are all familiar with the fact that each partner is liable for all the indebtedness and all the obligations of the partnership. Now, you say, what has that to do with a "Massachusetts trust?" Simply this: Unless the instrument which creates your "common law" or "Massachusetts trust" is carefully and skillfully drawn, it may be construed to create a partnership. True, it may be so drawn that it does not; but nevertheless, if it isn't practically perfectly designed, there are always chances that a court may say that a partnership results, and there are numerous objections, many of which I have already named, to the holding of title by means of a partnership, as well as the one we are now speaking of—i. e., personal liability for all the debts of the enterprise. Of course, we all know that nobody ever loses money on a co-operative apartment proposition. That has never been heard of. But disasters do happen, and in such case I think you will all concede that it would be better to have the title held in such form and such manner (as would be true under the corporation plan), that liability would not attach to the promoter, or to his purchasers.

Corporations Old and Safe.

And that naturally and logically

brings us now to practically the last method of holding such a title; the one which experience and investigation has convinced us is by far the best; that is by means of a corporation formed for that particular purpose. There are numerous advantages to the corporate form of holding a title. In the first place, corporations have existed from a time when the memory of men runneth not to the contrary. The law concerning them is well settled; it is exceedingly difficult to conceive of a problem or a question which might arise in corporate management, or in corporate law, upon which you could not find reasonably exact and dependable guidance in some decided case in some of the forty-eight States of the Union.

Now, consider that carefully. It is more important than a mere statement of the proposition would seem to indicate. It means, simply, that when you have vested the title to the land and improvements thereon in the corporation, which is to hold that title not only while the apartments are being sold but thereafter, you have put it in an agency whose every problem and whose every difficulty practically have been anticipated by some other fellow's troubles, and whose rights, powers and capacity all have been discussed and decided by some court whose authority is final. I think perhaps no stronger argument could be advanced in favor of that method of holding title than that particular consideration—authoritative precedent.

Assuming now that the holding of title by means of a corporation created for that purpose has been determined upon, the first question that naturally occurs is: what must be the domicile of that corporation; where should that corporation be organized? It is a sound rule of policy, in cooperative apartments as well as in all other businesses, that "home industries" should always be patronized; and for many reasons, in my opinion, it is better if it can possibly be done, to have your corporation created in the state in which the property is located and in which you intend to conduct your operations. It may be that under the laws of the states from which some of you gentlemen come, there are objections to the laws concerning corporations; there are, perhaps, undue restrictions upon their creations and authorized corporate activities; there are rigid limitations upon corporate powers and it may be that their formation is unduly cumbersome. It cannot be said that there are never conditions or circumstances under which it might not be wise to consider the feasibility and advisability of incorporating in foreign state.

Laws May Conceal Pitfalls.

There is a highly complex body of law upon the powers and functions of foreign corporations. I promised you that I would endeavor to refrain from being technical and that promise prevents my discussing a great many of

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the interesting features which a lawyer constantly encounters in connection with the doing of business by foreign corporations. We know, of course, that corporations may be created in any state in the Union. We know, also, that foreign corporations may be admitted, generally speaking, to other states, and to do business therein. But to demonstrate to you some of the pitfalls which may be encountered in conducting a co-operative apartment project where you have decided to form a corporation to hold the title to your land and building, under the laws of a foreign state, let me cite one or two peculiarities of the Illinois law.

In our state, the statute under which a building corporation is formed permits the creation of a corporation for the purpose of acquiring and owning a certain specifically described site, and erecting or constructing a building (and only one) thereon. But, it continues: "And for no other purpose whatsoever."

That sounds very innocent; but consider what it means. The operation of that statute, as will be seen, is such that it would be impossible to carry on a co-operative apartment project through a building corporation in Illinois, unless that corporation were organized in Illinois. At first glance that may seem contradictory to what I have just said as to the power of foreign corporations to do business in other states.

Law of Comity.

That power of one corporation to do business in a state other than that in which it is formed rests upon one of two principles of law; either a rule known as the law of comity, or an express statute. Comity is nothing more or less than the recognition of the principle of reciprocity. That is a very general statement, and is not advanced as one technically exact; but what it means is this: The State of Michigan, for example, permits corporations formed in Illinois to come into Michigan and to do business there, so long as they do not violate any of the rules of law obtaining in Michigan, on the theory that in turn the corporations of Michigan will have the same privileges in Illinois. But where there is an express statute, that statute entirely displaces, insofar as it operates, the principle of comity, and governs.

Now, under this statute of Illinois, arises an example of the difficulties attendant upon corporations operating in a foreign state. One would naturally say, "If I can form a building corporation in Michigan, why can't I qualify it to do business in Illinois?" Simply for this reason: The corporation thus formed in Michigan would have to conform to the requirements of the Illinois law as strictly as one organized in the latter state before it could be admitted therein, and therefore would have to show on the face of its articles the exact site to be acquired and improved—and that site, of course, would be in Illinois. Even assuming a Michigan charter could be obtained under such circumstances, an insurmountable difficulty would still present itself in this: A corporation which is formed in one state for the sole and only purpose of doing business in another state, and no business whatever in the state where it is formed, is an outlaw corporation and cannot lawfully do business in either. But corporations may be formed, you say, for several purposes. Why form one in Michigan for the purpose of erecting and conducting a co-operative apartment building as a building corporation in Illinois, and also, we will say, of advertising in Michigan and elsewhere. The difficulty with that suggestion is that the Illinois statute says that building corporations may be formed for only the one purpose, and since Illinois would not recognize a building corporation attempted to be formed within its own boundaries with any power other than the single one authorized by its own law, it could hardly be expected to extend its recognition to such a hybrid body born in a foreign jurisdiction.

This is but an illustration of one of the many reasons why, in all ordinary cases, it is far preferable that you incorporate in the state where your land is located, and where you intend to conduct your business. The matter of the organization of a corporation is one which is mere routine to any competent attorney.

Conveyance to Corporation.

Your next step, then, is a conveyance to the corporation thus created. There is nothing particularly formidable in the method of conveying title to a corporation which has a legal existence. The ordinary conveyance operates, as we all know, as it would between individuals.

The matter of by-laws and regulations for the government and control of that corporation is one which is attended with more difficulties. You have certain objects to accomplish. Manifestly, a co-operative apartment program in which there was no power of control over the immediate or future tenants, or to discriminate and to select as to those occupants, would be a failure from the outset. By-laws and regulations may be drawn which will accomplish that purpose but they must be carefully and skillfully drawn. There has been submitted to me a draft, which I believe has been approved by the national board, and which I have gone over rather carefully and found to be entirely satisfactory, and to accomplish the results which must be accomplished in order to make this kind of a project a success. It will not be possible to go into the details other than to say that the general scheme is simply that the purchaser of the co-operative apartment takes his lease under the approved form and subject to the by-laws outlined. With it he obtains a certain number of shares of stock in the corporation, the exact amount of which is proportionate to the price of his apartment. The purchaser thus takes his leasehold, which gives him the right to occupy the apartment that he has purchased for the length of time named therein and, through his stock, an interest in the corporation equal to the amount invested in his apartment. I need not, I am sure, dilate upon the fact that the latitude for fixing the terms, or length, of leases is very elastic. I know of no rule of law which lays down a set term as being the limit. In other words, a lease may be for five years, it may be for fifty. It may be for life, or it may be for 900 years, in most of the states. The man who has purchased the apartment has a title or right of occupancy in the form of a leasehold interest. Ordinarily, in our state, that leasehold interest is for the term of his life. In addition, he has a certain amount of stock, giving him a proportionate interest in the corporate assets—land, building, et cetera.

Now, under the rules, the constitution, the by-laws of the corporation, it is not attempted and should not be attempted to prohibit alienation of that stock by him. The courts have repeatedly held that any condition imposed upon the owner of corporate stock which would operate to prevent utter freedom on his part in selling it and transferring it, are bad. They are contrary to public policy, and they represent an idea which has been repudiated, I believe, in every state in the Union.

Stock Subject to Sale.

The stock thus acquired by the purchaser is subject to sale. It may be transferred freely, but it does not strike at the idea which is fundamental in the successful conduct of co-operative apartment properties. It does not mean that the mere transfer of the stock carries the right to occupancy of the particular apartment purchased. The same rules and regulations to which I have just referred, and which are accessible to all of you, provide that the mere ownership of the stock in this corporation, of itself, does not entitle the owner to the occupancy of the premises. Each corporation has a board of directors which, when your plan is under way, is composed of those who have bought apartments in the building, and who, therefore, are vitally interested in seeing that it is properly conducted, that the right kind of people are admitted to occupancy. It is a condition precedent to the application for a lease that the applicant must have the requisite amount of stock, but that is only one of the conditions. The important one is, that under these rules, under these regulations, he submits his application to the board of directors chosen from the tenants of the building, who then pass upon his desirability as a tenant.

To men engaged in selling real property, no stronger argument could be advanced to show the advantage in this particular alone, which accrues from adoption of the corporate form of holding title, and of transferring the interest of the purchasers of the apartment thereunder.

With particular reference to insurability of those titles, you understand that ordinarily a title insurance policy covers a specifically described piece of real property, say lot 6, block 4, Jones and Smith addition to somebody's subdivision, in such and such a city. It was at first deemed impracticable to issue such a policy as to an apartment in a building. Let us say, for example, that a building covers four lots: You have divided it so that you have sixty apartments. How are you going to insure each of the sixty people who have bought an apartment as to the validity of their title? What exact piece is covered by each or any of the sixty policies? The answer, like the answers to most of what appear to be perplexing problems at first, is comparatively simple. It has been found to be entirely feasible to describe the particular apartment covered by the policy of title insurance, by reference to a ground plan or a sketch certified to by the architect identified in, attached to and made a part of the lease, and so described in the policy. In other words, an apartment in a building is as susceptible of exact description as a piece or parcel of land would be. The main question that confronts all promoters, I take it, of co-operative apartments, is to convince the public that those who buy apartments in their building will get something in the shape of a title in which they will be protected, which is valid and binding, and assures them a home. They are not buying stock in this corporation for speculative purposes, to make money. That often may be an added feature, but the main object is the same as though they were buying a bungalow of a cottage or a house. It is the idea of "owning your own home," the slogan which has become very familiar throughout the United States, fortunately, in the last five years.

Title Guarantee Policy.

To convince the public, your prospective buyers, of the validity and permanence and strength of that title, is sometimes difficult. I may perhaps have a peculiar angle on that feature because of conditions as they exist in Chicago. It has there become practically a matter of course to require title insurance upon all conveyances of property, and the general public have become educated now to the point where they never think of going any farther into the question of title than to say, "Well, get me a title guarantee policy." That being done, they understand that they have the sterling mark upon the title. It calls for no further investigation upon their part, and they realize it is safe to take it without any further question or argument. That, of itself, is a tremendous advantage to the man who is financing and putting over such a project as this.

In addition, however, it has—and I am speaking now of title insurance—an advantage that I want to make as forceful as I can to you gentlemen, and that is this: The co-operative apartment idea, like many other new thoughts, has become very popular. It is a movement which is growing, and which will continue to grow. Its conclusion, its ultimate development, is not in sight, not even capable of con-

It is considered best to decide upon holding title by means of a special corporation created for that purpose because—

If direct interest in land is conveyed to buyer, you invite trouble by as many different ways as you have buyers to complicate the title.

Anyone has a right to petition for partition with possible forced sale of property.

Law forbids restriction on alienation of land.

"Massachusetts Trust" form of title holding may conflict with law of perpetuities.

jecture. Suffice it to say that it is growing by leaps and bounds in all the larger cities of the United States, as any one can find upon investigation. Naturally, when any particular field of endeavor becomes popular, undesirable persons immediately see an opportunity to make money in that particular field. The result is that you have invading your territory, and competing with you gentlemen who are conducting these enterprises fairly and honestly, with a view to permanence, and to obtaining and retaining the respect and confidence of the community, persons who have no such considerations whatsoever, whose only purpose is to get into this new and attractive game for what they can get out of it in the shortest possible space of time.

There is no method that I know of so effective to keep that particular class of undesirables out of the field as title insurance, for the simple reason that among the various advantages which come from this form of assurance of title, not the least is the careful investigation which is made into all possibilities of defeating titles. Naturally, the insurance company which says to the purchasers of an apartment, "We guarantee you that you have a good leasehold, good for the term of 90 years, 100 years or your life," whatever may be stated in the instrument, "and that no one can take it from you," that company is not assuming that risk as a mere matter of sport. It is not doing so casually. It requires, before it issues that policy, and before it assumes the obligation which may run into large amounts of money, that every feature of that project must be safeguarded and that that title of that purchaser cannot be defeated by reason of anything known to the insurer at that time. If a plan has loopholes, if it has been designed and constructed by an unprincipled promoter with a view of getting all the money he can from his buyers and then leaving them high and dry, that plan would never pass muster before a title insurance company.

CONVENTION HOTEL HAS INDOOR SWIMMING FACILITIES.

The indoor pool of The Ambassador is one of the most popular spots in the hotel, both for the expert swimmer and diver, the novice at the sport, and for the spectators. It is not an easy matter to find something that will interest the six year old guest and the sixty year young guest, but the pool provides that common interest.

There one may enjoy the antics of the self-elected comedian as he dives off the three-foot or the ten foot boards; or admires the grace of the movements of a young girl swimmer; or thrills over a race between some mermen; or he may enjoy getting in and trying these stunts for himself. Even though he may not be much to look at in the water either as to figure or stroke, the bather emerges refreshed as he has never been before if he has never bathed in salt water, heated to 74° and purified by the violet ray system as it is in the Ambassador pool.

The swimmer in the making has no qualms about going in this pool for there is a lot of room for him to take his strokes with the bottom of the pool reassuringly near. The pool is three feet deep only at one end, and eight feet at the end where the diving boards are.

The water is a beautiful Nile green, so clear that if anyone carelessly drops a diamond chip in the deep end, it sparkles so that the spectators on the gallery, which practically surrounds the pool, can see it without difficulty. On this gallery, we must add, one may have luncheon served him while he is in his bathing suit.

There are many dressing rooms for men and women, and from these Ambassador guests may go into the ocean —and by the way, the ocean is delightful in September. It is at the front door, as you might have heard, of The Ambassador. Bring your bathing suits if you have them in your wardrobe, but if not, you can hire nice ones at the hotel, but by all means, put swimming on your entertainment program.

SEA WATER SWIMMING POOL,
Ambassador Hotel, Atlantic City.

The
1926
CONVENTION
of the
AMERICAN
TITLE
ASSOCIATION
will be held in
Atlantic City, N.J.
Sept. 7-8-9-10
(Pageant Week)
You cannot afford to miss it!

Mark Twain was called upon to speak at a club, and took for his subject "Honesty." He said that when he was a boy at home he one day saw a cart of melons. He was a boy, and tempted; besides, he liked melons.

"I sneaked up to that cart," said Mark, "and stole a melon. I went into the alley to devour it. But—I did no sooner set my teeth into it than I paused; a strange feeling came over me. I came to a quick conclusion. Firmly, I walked up to that cart, replaced the melon and—took a ripe one."

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Editorial Entries

LURKING DANGER IN "SECOND CLASS" ABSTRACTS FOR CHEAP PROPERTY.

An abstracter recently wrote to the Association office stating that he was having a problem in meeting his competitor's competition in a "second class" abstract. It seems that his competitor makes a very brief and "half-way" abstract for property in the low price districts. The chain of title contains just enough to show what had happened in the various transactions and conveyances, and if there are any court proceedings, these are reduced to mere scant statements.

A reduced rate amounting to almost nothing was being made on these kind of abstracts.

This is certainly a dangerous step. All abstracters are confronted with the problem presented by clients who need abstracts for lots in different localities and parts of a city that have a very low selling price and which in many instances the cost of the abstract amounts to almost or equal the selling price. Such cases are presented when one may be trading a pair of lots worth from a few dollars up to a few hundred for an equity in some other cheap property, an automobile or something, and there is no abstract.

Surely the abstracter should not turn out an inferior product at a low price. There is only one way to make an abstract—the right way, which means full, complete and regular in every degree.

One never knows when the particular lots or that part of town where situated may become valuable and then this make-shift abstract will not suffice. In addition, people will abuse it and seize upon it as an excuse or argument to get this same kind of an abstract made for valuable property.

These short abstracts are dangerous to the abstracter's reputation too and no established abstracter can afford to turn them out because an innocent or an unqualified purchaser will be led into accepting them as the work of an established company, and then maybe not be able to use them when improvements have been made on the place and the entire property is valuable enough to stand any kind of an abstract bill. This will put the maker of the abstract in a bad light.

An abstracter cannot afford to turn out different grades of work any more than certain manufacturers can with their product. They may make different brands of canned goods, tires, batteries, etc., but their best brand is the only one with their trade and firm name. All others have some other brand on them so as not to be confused with the maker's good name and product.

An abstracter had better take a loss in certain cases where the property value and the circumstances of the deal will not justify the regular charge, but make his abstract regular just the same.

Better yet work for a division of the cost between the buyer and seller, or a higher selling price for the property.

A pair of cheap lots, but to which there is an abstract, is entitled to have a higher value because of the combination—the selling price plus the abstract cost, the same as a pair of lots surrounded with paving or other special improvements, the cost and tax assessed for the payment of which have all been paid is worth more than a pair of lots without them.

An abstract may likewise be considered as an accessory, or additional equipment to a pair of cheap lots, and the selling price or value increased to include same, just as two spare tires, bumpers, etc., to automobiles, or additional equipment to anything is included in its selling price.

TAKING TITLE TO SUB-DIVISIONS OFFERS ATTRACTIVE BUSINESS FOR TITLE COMPANY.

The taking of title to sub-divisions and handling the transactions relative to the sales and developments thereof offers an attractive and profitable business for title companies. Many are doing this and it has proven good business for the buyer, seller and the title company.

Title is placed in the company, which acts as trustee, but carrying the title in its own name. The company then executes all deeds, issues policies to the purchaser insuring his title, makes all collections under payment contracts, acts as trustee under trust deeds for deferred payments, or improvement loans, pays taxes and collects for same and otherwise puts lot sales and subdivision developments on a businesslike and preferable basis.

It protects and helps the buyer. It is fine for the developer, because his transactions are on the very highest and most desirable basis, and he is relieved from detail, thereby having an opportunity to devote all his energy and resources to sales and development, and the title company adds business to its volume.

The abstracter stood at the pearly gate,
His face was worn and old;
He merely asked the man at the gate
For admission to the fold.
"What have you done down there,"
asked Peter,
"To gain admission here?"
"Oh, I used to run an abstract office
down there for many a year."
The pearly gate swung sharply, as
Peter tapped the bell,
"Come in, old Top, and take your harp,
You have had enough of hell."

AN ATLANTIC CITY SCENE.
This awaits convention visitors.

Abstracts of Land Titles—Their Use and Preparation

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

Foreclosures of mortgages are probably the most common and frequent "real" court action that the abstractor meets in the course of his work. It is said, and very fittingly, too, that each twenty years or period of generation in a title, brings at least one estate and a foreclosure. This seems to hold true as a generality. Foreclosures also appear as mute evidence of the business condition in the period of a community or the times in general. They make their appearance in "bunches" following business depressions, booms, unnatural expansion and other influences.

Every title is a history, the complete story of a community, of the times, of those who owned the property. The foreclosures and the sheriff's deeds resulting are chapters of pathos, shattered hopes, wrecked enterprise and the other regrettable things of the story.

There are two kinds of foreclosures. Those by the long legal procedure of court action and those under power of sale. There is a wide divergence in state laws relative to mortgages and mortgage foreclosures. Many states have foreclosure possible by a power of sale granted in trust deeds and mortgages, others, however, do not provide for this kind of procedure but it is necessary to foreclose by a formal court action.

We will now consider those by action because they are found in most states, especially the states of the middle west and most of the new agricultural communities. Foreclosures by action are based on a long drawn out legal procedure, with certain steps leading up to a sale, and then more proceedings after the sale, namely; the rights given by statute to the debtor to redeem his property, giving him a time to do it before the purchaser at the sheriff's sale can get actual title and possession and then either the process of redemption or the issuance of the deed as the end of the case.

The principals of a foreclosure are all the same and as follows: The property holder has borrowed money for a length of time, which in the case of a mortgage, is usually for a period of years as the nature of the security has come to be the accepted medium for long time loans. The debt is evidenced by a regular promissory note wherein the borrower agrees to pay a certain sum on a certain day or in a period of time, at a stated rate of interest. Payment of this note is secured by a mortgage upon certain land, which mortgage is a conditional conveyance guaranteeing that all sums of principal and interest will be paid when due, when it will then cease to be in effect. Taxes and special assessments are also to be paid, and failure to pay any of said sums as they become due will make the entire amount of both principal and interest and all other amounts due and payable, the mortgage subject to foreclosure according to law, the premises sold and the proceeds from the sale applied first, to the payment of all costs in the case and taxes due, second, to the payment of the debt, and third, the remainder if any, paid into court and disposed of under its orders. Land is usually bid in by the mortgagee, unless there are other bidders who bid enough to pay all costs, taxes, and the amount due the mortgagee. He is always on hand, as a rule, to bid in the amounts necessary to protect himself.

Sometimes a second mortgage holder will bring a foreclosure under his mortgage, there being delinquencies in payments under his mortgage while the first may have been kept in good standing. In such cases the whole proceedings and sale is subject to the first mortgage, which the purchaser will assume, merely bidding in the land for the amounts necessary to clean up the second mortgage holder's claims.

A mortgage can be foreclosed for failure to pay either principal or interest, taxes, special assessments or any other or all of the sums of money, payment of which is secured. In some states possession of the notes constitutes evidence of all ownership and whether said notes were purchased and secured before maturity or otherwise does not matter. In other states, however, where there has been an assignment of the notes and mortgage, and the assignee is the plaintiff and makes complaint and cause of action he must state that he is the owner and holder of said principal note and mortgage, having purchased same for a valuable consideration and before maturity. Sometimes the assignment of a mortgage has been recorded and sometimes it has not. This is all the more reason why the information given in the petition relative to the transfer and sale of the note and mortgage by the original mortgagee to the plaintiff should be clearly set out. Even then some technical examiner will require an assignment placed of record, but this is really not necessary, although it may have to be done in some cases to humor the attorney.

A petition is filed, describing the execution of the note and the mortgage securing same, stating the provisions and conditions of the mortgage, making alegations as to the delinquencies, and declaring the mortgage fit and due for foreclosure.

This petition is the first step as in all cases. All parties who have become interested in the title since the execution of the mortgage, such as subsequent lien holders, whether by other mortgages or judgments, subsequent purchasers, parties in possession and any and all others who might have an interest in the premises and should be brought into the case.

Summons are issued for all of them, either by actual service or that of publication, as described before in the chapter on service.

After all parties have been served and brought into court, the case is tried. Those who have filed cross petitions are heard, and the court renders judgment of foreclosure, decreeing the petitioner to have a first and valid right and lien, and defining the others if any, such as junior lien holders might have.

Pursuant to this decree, the sheriff is commanded to proceed with the sale, and an Order of Sale issued.

This order of sale is the sheriff's authority to proceed, and commands him that pursuant to a judgment rendered on such and such a day, in a certain case (described it), he shall, according to law, advertise the following described real estate for sale. The real estate is then described.

The sale will be at public sale, with or without appraisement as the judgment and order of sale directs. If appraisement is provided, then there is the appointment of the appraisers, their appraisement and return thereof, and the sale must be for the statutory ratio of sale price to appraisement, two-thirds or three-fourths as the laws in the various states prescribe.

The notice of sale is then had by the sheriff, published in a newspaper for a certain length of time and number of consecutive weeks, as required by law. The notice will state that pursuant to an order of sale issued on a certain date, the sheriff will offer certain land for sale at such a place and time. Such sale to be for cash in hand to the highest and best bidder and to satisfy a certain judgment rendered on a given date in an action in said court, and giving title of the case.

The sale is had, the land bought in by someone, and the sheriff makes his return showing the facts thereto.

As evidence the purchaser has bid in the land, he is given a certificate of purchase showing that he has done so, and this certificate creates an interest and right in the title for him.

The purchaser holds this certificate of purchase until the period of redemption is over. This is a time from the date of the sale until prescribed by statute in which the mortgagor has a right or chance to redeem or save

his land by paying the purchase sum plus interest. If he does that, then the land is said to have been redeemed, and the holder of the certificate of purchase gets his money, surrenders his certificate, entry of same is made on the Records of Redemption of Real Estate, and that completes the case.

If he does not redeem it, the holder of the certificate surrenders it to the sheriff at the end of the time for redemption, and gets a sheriff's deed conveying the title to him.

Attention is here called to care that must be exercised in this last step. Sometimes the one bidding in the land sells his certificate and makes an assignment thereof. The new holder will then surrender it at the redemption period expiration and the deed is issued to another person entirely different from that to whom it was shown as sold at the sale. The abstracter must in such cases find the certificate of purchase, either in the clerk's files or the sheriff's office and make note of this assignment.

Abstracting the Case.

The same heading will be used as described for other cases, merely changing the "Nature of Action"—to read, "Foreclosure of Mortgage."

The Petition.

Foreclosures are one kind of a case, where if there is any in the world, petitions can be abstracted. There is no reason or argument what-so-ever for copying them in full unless it be to humor and baby some technical examiner. Any stenographer or person with average intelligence can be taught to intelligently and correctly abstract a foreclosure petition. The following is an example:

"Petition filed, June 27, 1918, wherein plaintiff sets up and alleges that said defendants, Frank Simmons and Mary Simmons, his wife, executed their certain promissory note in writing on Jan. 2, 1916, in the amount of $1,500.00 payable to said plaintiff, wherein they did promise to pay said sum of money on or before five years with interest at six per cent payable semi-annually. Interest evidenced by ten certain interest coupons of even date and due in stated intervals, all sums to bear ten per cent after maturity. That said note was secured by a mortgage upon the following described real estate: The Northeast one-fourth of Section 19, Township 22, Range 7, West, 6th Principal Meridian, Smith County, state of Blank.

Said mortgage was dated Jan. 2, 1916, and duly recorded in the office of the register of deeds of Smith Count, state of Blank, Jan. 15, 1916, and recorded in book 157, page 119. Said note and mortgage were duly assigned to the plaintiff for valuable consideration and he is now the owner and holder thereof.

Said mortgage was conditioned upon the prompt payment of said principal sum of money, the interest as it became due, and all taxes and assessments due or levied upon said land. Failure to pay any or all of them made the whole or remaining sums immediately due and payable, and the mortgage subject to foreclosure and the land sold according to law.

That default has been made in the payment of the interest coupon and installment due Jan. 2, 1916, in the sum of $45.00 and there is due said sum with interest thereon at the rate of ten per cent from date. That default has also been made in the subsequent interest payments as they become due, one of $45.00 due Jan. 2, 1917, and another June 2, 1917, with interest at the rate of ten per cent from dates of maturity thereof.

That there is, therefore, due said plaintiff, the sum of $..... with interest from date thereof. That by reason of said default the said mortgage is due, and has become absolute, and subject to foreclosure, and sale without appraisement according to law.

That the other defendants, and each of them, claim some right, title, interest, estate, claim to or lien upon said premises but that same, whatever it may be, is junior and inferior to that of plaintiff and he asks that the court make proper adjudication of each, and that they be forever barred of any right, title or interest in or to said premises.

WHEREFORE plaintiff prays, etc., and THIS PRAYER IN EVERY PETITION WILL ALWAYS BE COPIED IN FULL.

Service.

All defendants will now be brought into court by service as described in chapter on "Service." This is by actual service of summons or service by publication, or their voluntary entry of appearance.

Foreclosure proceedings see more cross petitions filed and entered than any other class of case. This is because there are so many second or junior lien holders, either by mortgage, mechanics' liens, judgment or subsequent purchasers, that come in to set up their claims and ask they be protected. These cross petitions are many times as lengthy or more so than the original petition and set out many things. In case of a cross petition by a second mortgage holder, his cross petition will be very much like and similar to the original petition and can be abstracted similarly. In others though they are sometimes complicated and cover a variety of conditions and circumstances. Briefly abstract them, for too much time need not be given to them as they are usually disposed of and barred by the decree and as a rule are of little consequence. Most of them are a last straw appeal or chance of the cross petitioners to protect themselves or the presentation of a bluff to get relief. Most answers and cross petitions can be disposed of by merely making a notation of "Enters general Denial" or in giving a brief statement of the claims set up in cross petitions.

The Decree of Foreclosure.

This will be shown by the Journal entry and SHOULD BE COPIED IN FULL. All journals are shown in FULL in abstracts of all kinds of cases.

Order of Sale.

This is the next step and is shown as follows: "Order of Sale issued, Sept. 19, 1918, out of the court and directed to the sheriff of Smith county, state of Blank, commanding him to advertise and sell without appraisement, the following described real estate." Here described the real estate.

Appraisement.

An appraisement in a foreclosure is getting to be a rare thing because most mortgage forms used provide no appraisement will be made in case of foreclosure. However, if it is had, then there will be an appointment of appraisers. Merely make a statement of this, naming them showing they were sworn and took oath as to fairness, impartiality, disinterest, etc., before some proper officer. Then show their return and the value given the property.

Notice of Sale.

This is very important, and an incorrect notice will invalidate and void the sale. The sheriff will have a notice to run in a newspaper, some party connected with the paper will make an affidavit that the notice was run for a certain number of consecutive weeks, beginning with that of a certain date, and ending with another, and attached to his statement or affidavit of facts will be a clipping from the paper of the notice. This is called the "Proof of Publication." This whole thing is as follows:

"Notice of Sale in the Weekly Herald, a weekly newspaper published in Johnston, Smith County, state of Blank, and of general circulation therein, as per affidavit of John Meredith, business manager, filed Sept. 25, 1918.

"States that said newspaper has been continuously and uninterruptedly published in said county for a period of more than fifty-two weeks prior to the date of the first publication of this notice.

"Said notice was published for four consecutive weeks, first publication, Sept. 25, 1918. Last publication, Oct. 16, 1918.

"The printed notice attached is as follows:"

(All printed notices are copied in full.)

Report of Sale.

The notice will fix the time and place for the sale, and after it is had, the sheriff will make a return. This return will state the facts as to the sale, and can be briefly shown as follows:

"Report of sale, filed, Oct. 28, 1918, wherein the sheriff states that he offered said land for sale and sold same on Oct. 27, 1918, to The Security Mortgage Company for the sum of

$1,962.54 cash in hand, it being the highest and best bidder.

Confirmation of Sale.

The court will then make a confirmation of the sale and the proceedings had thereunder. This is the last act and consummates the entire action. This is in the form of a journal entry and WILL BE COPIED IN FULL.

Often the original note and mortgage are filed with the papers and are cancelled by the clerk of the court.

In such cases, mention "original notes and mortgage filed and cancelled by clerk of the court."

MERITORIOUS TITLE ADVERTISEMENTS

(Examples of advertisements for the title business. A series of these will be selected and reproduced in "Title News", to show the methods and ideas of publicity used by various members of the Association.)

Escrow Quiddities:

A broker earns his money selling real estate, not by closing deals. Close through Escrow.

CHICAGO TITLE & TRUST COMPANY
69 West Washington Street - Chicago

One of the Chicago Title & Trust Co's. famous "Dr. Escrow" Quiddities. These are used on blotters.

LAND-TITLE SERVICE
DILWORTH ABSTRACT CO.
(IN COURTHOUSE-WACO -PHONE 59)
Makers of
Dilworth
GUARANTEED ABSTRACTS
ESTABLISHED 1866
Abstracts Made
Titles Examined-Land Papers Prepared
Members. American Title Association
Texas Abstracters Association —— *Texas Bar Association*

A sample of good "copy" equally adaptable to sign boards, blotters, newspaper ads and other mediums.

The
1926
CONVENTION
of the
TEXAS
ABSTRACTERS
ASSOCIATION
is announced for
JUNE 7-8
at
DALLAS

Every member of the Texas Association is urged to attend

The
ILLINOIS
ABSTRACTERS
ASSOCIATION
will hold its
ANNUAL
CONVENTION
in
CHICAGO

JUNE 11-12
1926

JULY 20-21
have been announced as the dates of the
1926
CONVENTION
of
THE NORTH
DAKOTA
TITLE
ASSOCIATION

Place—Valley City

Every member of the Association should attend this meeting

THE MISCELLANEOUS INDEX

Items of Interest About Titlemen and the Title Business

The Title Guarantee & Trust Co., New York, announces the opening of the Bronx Branch at 370 East 149th St.

It was the first title company to establish a branch in the Bronx and has experienced a wonderful business, occupying its own substantial and imposing building. This Bronx branch is in charge of Charles M. Gambee, manager, and offers every facility for title service, mortgage loan and investment requirements and complete banking and safe deposit facilities.

The company also recently purchased the title business of the law firm of Reeve and Bartlett, in Suffolk County, including the land and building where the firm was located. Good records and indexes of Suffolk county were thus acquired.

With these additions the Title Guarantee is now operating in seven counties in New York, they being New York, Kings, Queens, Nassau, Suffolk, Richmond and Westchester. Westchester County is handled through affiliation with the Wetschester Title & Trust Co., and the others all operate under the Title Guarantee & Trust Co. name.

The Union Title & Guaranty Co., Detroit, announces its 1926 Three Weeks' Vacation Contest. This is open to employees, and three of them will be given these vacations which will be earned by an annual essay contest on the subject "An Employee's Duty to His Company."

The rules are simple and fair. The subject must be limited to 1,000 words, written on only one side of the paper. A key scheme is provided to identify the essay and its writer so judges will not know their identity.

This should arouse a great deal of interest. Each year has brought an increasing number of entrants.

At the annual 1926 meeting in January, the Seattle Title Trust Company increased its capital by $100,000.00 and added $50,000.00 to its surplus. At the same time The Washington Title Insurance Co. increased its capital $100,000.00 giving it a capital now of $600,000.00 and surplus and undivided profits of $162,820.00. These are splendid showings.

Both companies experienced their most successful and prosperous year in 1925.

The Security Title Insurance and Guarantee Company of Fresno, with offices in eight other cities, issues for its patrons a monthly pamphlet. In the June issue it quotes from a booklet of the U. S. Department of Commerce on Home Ownership.

Examine the Title.

"Before you buy," says the booklet, "stop, consider and investigate the factors that make your investment in a home safe and desirable. A. General location: (1) Low or high land values. (2) Transportation facilities: (a)to place of work; (b) to shopping centers. (3) Protection offered to home: (a) Private restrictions, (b) zoning ordinances and city planning; and (c) fire and police protection. B. Specific location of lot: (1) Character of neighborhood. (2) Location with reference to schools and playgrounds for the children. (3) Desirable points for the lot: (a) Shade tree, shrubs, and planting; (b) set of house with reference to sunlight and prevailing winds; and (c) character of soil and necessity for grading, filling or draining. C. Other safeguards: (1) Danger in buying a lot too long before building. (2) Extent of street and public utility improvements (paving, sidewalks, water supply, sewerage, electricity, gas). (3) Possible assessments. (4) Proportion of lot value to total outlay. (5) Checking property values: (a) Land and (b) house. (6) Plan of house and quality of construction. (7) Steps taken in buying. (8) Last, but not least (in fact, most important), Examination of Title."

The importance of an absolutely perfect title cannot be over-emphasized, for without good title to property, none of the other matters above set out make any difference. You might comply with all the above advice, except the examination of the title, and a flaw, a forged deed, a minor heir not taken care of in the settlements, these and a thousand and one other things might happen, forfeiting your title and interest to the property and wiping out the savings and labor of a lifetime. Be sure the title is right before buying.

The following paragraphs are found in a report of a survey made by one of the state title associations on prices and customs among the abstracters of the various counties.

"A number of counties report curbstone abstracters. I do not believe it is necessary to cut rates or give commissions to combat this evil. The curbstoner will lose prestige and business when you disregard him and attend to your own affairs, charge rates to earn a reasonable return on your investment, put up the prosperous appearance you should and by giving the best service possible.

"Some companies do not segregate their certificate charge from that for the search. It is noticed that the companies which do not segregate their certificate charge from that for the search are receiving considerable less for their services than the companies which do, as the charge for the certificate runs about the same, with or without the judgment, tax and assessment search. It seems that the certificate is a separate and distinct item in itself and the charge for same should not include any searches whatever.

"You are entitled to a certificate charge by reason of having and maintaining a tract index of your own, and being able to certify that you have shown all matters of record in the offices covered by your certificate.

"The charge for the judgment searches should be made and based on the number of names covered as the liability of error increases with each name. Tax searches should likewise be based upon the number of years included and covered by the search.

"In repard to duplicate copies, it appears that the majority of companies charge one-half for the second copy. It is believed that this should be raised to a charge of two-thirds for the second copy and one-third for the third, or three for the price of two, double the cost of one. It is just as easy to get two-thirds as one-half and you know you are entitled to it. Every copy made keeps you from making a complete abstract later on and the only saving by making copies is the expense of typewriting.

"Do not make a large number of abstracts at a low price. Several months age one company made seventy-five complete abstracts at $1.00 each, the client paying the cost of printing.

Some companies to not itemize their bills to clients unless requested to do so. The bill is figured at current rates but made out in a lump sum and the theory is that this is the best system of billing. When you itemize your bills you charge so much per instrument, from $1.00 on up, and for other visible items, but make no charge for service and service is the most expensive part of the abstract. It is no wonder your client feels as if he were being overcharged. If you were to segregate your charges and include your charge for services, then the charge for each instrument would be considerably less and there would be no cause for complaint. By lumping, the services rendered are included in charges for matters shown in the abstract."

Advice to Bachelors.

Flirt with the girls who use the lip stick, but marry one who can push a broom stick.

The Boss: "I'm afraid you are not qualified for the position; you don't know anything about my business."

Applicant: "Don't I, though! I am engaged to your stenographer."

The American Title Association

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(The President, Vice-President, Treasurer and Chairmen of the Sections, ex-officio, and the following elected members compose the Executive Committee. The Vice-President of the Association is the Chairman of the Committee.)

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Idaho Title Association

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Payette County Abst. Co.

Vice-Pres., A. E. Beckman (S. E. Division), Pocatello.
Pocatello Title & Trust Co.

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Canyon Abst. & Title Co.

Vice-Pres., O. W. Edmonds (Northern Division), Coeur d'Alene.
Panhandle Abst. Co.

Secy.-Treas., Karl L. Mann, Emmett,
Gem County Abst. Co.

Illinois Abstracters Association

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Illinois Standard Trust Co.
Vice-President, Lynn R. Parker, Lincoln.
Lynn R. Parker Abst. Office.
Secretary, W. A. McPhail, Rockford.
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Pike Co. Abst. Co.

Indiana Title Association

President, John F. Meredith, Muncie.
Pres. Deleware Co. Title & Loan Co.
Vice-Pres., R. W. Miles, Martinsville.
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Secy.-Treas., Charles E. Lambert, Rockville.
Lambert Title Co.

Iowa Title Association

President, Cyrus B. Hillis, Des Moines.
Secy. Des Moines Title Co.
Vice-Pres., O. N. Ross, Orange City.
Sioux Abstract Co.
Secretary, John R. Loomis, Red Oak.
Loomis Abst. Co.
Treasurer, Mary A. Matt, Boone.
Boone Co. Abst. & Loan Co.

Kansas Title Association

President, E. L. Mason, Wichita.
Guarantee Title & Trust Co.
Vice-Pres., Robt. B. Spilman, Manhattan.
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Secy. The Rogers Abst. & Title Co.

Louisiana Title Association

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Bossier Abst. & Title Co.
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La. Title & Mort. Co.

Michigan Title Association

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Lake Co. Abst. Co.
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Minnesota Title Association

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Aitkin Co. Abst. Co.
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Missouri Title Association

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Montana Title Association

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Hubbard Abstract Co.

Nebraska Title Association

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W. W. Barney & Son.
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New York State Title Association

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Pres., Home Title Ins. Co.
Vice-Pres., R. P. Ray (Southern Section), White Plains.
Westchester Title & Tr. Co.
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526 Security Mutual Bldg.
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Title Grty. Corp. of Rochester.
Secretary, S. H. Evans, New York City.
149 Broadway.
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North Dakota Title Association

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Mandan Abst. Co.
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Ohio Title Association

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Dalles & Wesco Co. Abst. Co.
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South Dakota Title Association

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Texas Abstracters Association

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Texas Abstract Co.
Vice-Pres., J. Grover Wells, San Antonio
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Texas Abstract Co.

Washington Title Association

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Thurston Co. Abst. Co.

Wisconsin Title Association

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Citizens Abst. & Title Co.
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Rusk Co. Abst. Co.
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Dane Abst. of Title Co.
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Ashland Co. Abst. Co.