

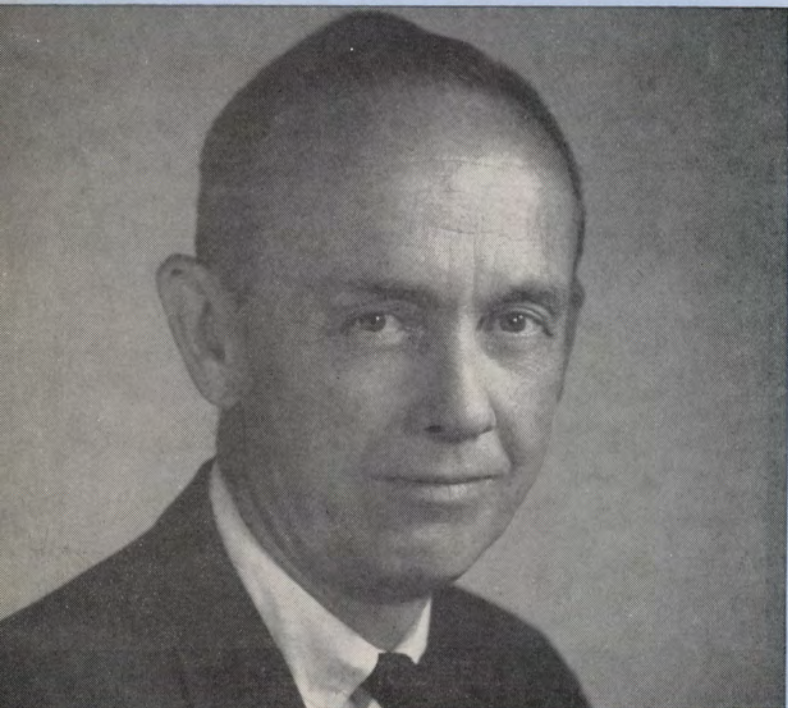
TITLE NEWS

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OFFICIAL PUBLICATION

AMERICAN TITLE ASSOCIATION



LLOYD HUGHES

A LETTER



from

THE PRESIDENT

Dear Friends:

Our newly elected Secretary, Jim Robinson, still our Public Relations Director too, encouraged Ernie Loebbecke to keep in touch with you via a monthly communique in TITLE NEWS. Jim has encouraged me to do the same, and I am grateful for the opportunity.

If you were at the Convention in New York, I know you enjoyed it, and thanks again for making me the President of our Association. If you weren't there you were missed; and I send my sincere condolences, for you missed the stimulation and the benefit that a really top-notch meeting provides—not to mention missing the beautiful entertainment that our New York hosts provided. (Title men and women everywhere leave no stone unturned to give their guests the greatest enjoyment possible.)

I realize, too, that many of you who couldn't be in New York last month have given me your support in past years and my thanks to you for it, and I am counting on you to lend a hand at our job this year.

In that connection I have asked Jim to change the title of this page from "Postscript" to "Letter." This is to emphasize that I am hopeful that this will encourage a true correspondence between us, a two-way affair, that could develop into a wonderful source of information for all of us as to what is going on in our business in 50 States.

Let me hear from you.

Sincerely,

Lloyd Hughes



TITLE NEWS

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Features

Title Insurance—A Panacea?	2
<i>Boyce Outen</i>	
Where Is That Land?—What of It?	6
<i>T. J. McDermott</i>	
A Successful Convention	10
<i>53rd Annual Convention Highlights</i>	
The New Look at ATA Headquarters	25
<i>Re-organization to Improve ATA Service</i>	
Judiciary Committee Report	38
<i>F. W. Audrain</i>	

Departments

A Letter from the President	Inside Front Cover
Meeting Timetable	9
In the Association Spotlight	29
On the Cover	30
Letters	37
In Memoriam	37

TITLE INSURANCE— A PANACEA?

BY
BOYCE OUTEN

A "down-to-earth" look at the title insurance industry is offered us by Boyce Outen, Chief Title Officer of the Lawyers Title Insurance Corp., Richmond, Virginia. His article is reprinted here with permission of the editor of that company's official publication, "Lawyers Title News."

There is probably no one of mellowed maturity who has completely forgotten the familiar and colorful patent medicine vendor of earlier and less complicated days, whose "showcase" was any main street. More often than not, a home made beverage was the dubious ware which he represented to credulous hearers as a cure for all their ills. Even the more sophisticated clustered around him, though drawn more by curiosity and anticipated entertainment than by the prospect of purchasing an incomparable "cure-all." Actually, recalling this remnant of the near past will serve the purpose of this article to no unusual extent except as a springboard, but that it will do well.

Title insurance was not conceived and has never been advertised as a panacea for all the inherent needs, ills, aches and pains of real estate conveyancing. The doctors, nurses and medicines of the real estate and mortgage loan fields are found in many diverse people and their services. Each has an integral place and a part, but inevitably as in all other fields there are very real needs unfilled or unmet. These needs challenge ingenuity and resourcefulness.

Title insurance companies for their part in the scheme of economic affairs must constantly review and re-appraise their policies and procedures in the light of the needs of their customers as molded by changing business conditions and practices. This they must do fully recognizing in the process that title insurance was not launched fully grown into the business world and still must grow. Their product is not a static thing.

While the history of the more secure form of title assurance is not



BOYCE OUTEN

within the scope of this article, some benefit may accrue from recalling that over the years it was the pressure of customer need, the desire to serve, and competition that caused title insurance underwriters to enlarge their concept of the function of title insurance. But despite this progress, if indeed it was progress, these same pressures have never diminished, but, rather, have constantly heightened with the passing years. By these same pressures title insurance companies even now may have been brought to a new and perhaps dangerous crossroads.

Need Information

It must be fully recognized that lenders, especially non-resident national lenders, have entirely legitimate needs in connection with their extensive real estate securities for which they can find no ready universal solution under current practices. Many of these needs devolve, to a large extent, from the feeling of lenders that available information about their properties is not complete. Their need is for information in these cases, not insurance. In some cases there are other needs which do not properly belong to the field of title insurance, but which also, must conveniently to the lender can be furnished in a title insurance policy in the form of affirmative statements or certificates. Among the latter, to be somewhat specific, is a growing demand for inclusion in policies of affirmative statements of facts relating to land contiguous to, but not part of, the property, title to which is insured by the policies. Many requests are received for affirmative certification that the insured is protected against possible damage arising out of mining operations, or the existence of easements. Requests increase for affirmative certification that the builder in construction has complied with all building and use regulations of government. Many other requests of similar nature are becoming more and more frequent. They pertain to matters highly important to the owner of a particular property, or its use, but are only in-

cidental to, and not part and parcel of that title. Perhaps such an unequivocal statement should be supported by further comment.

Possession of real estate in an uncivilized state is taken and maintained by force, in the exercise of personal discretion, and such possession is synonymous with title. Thinking imaginatively and assuming a desire for insurance, the only need for protection would relate to the future and partake of the nature of casualty insurance. In a civilized state, "title" is possession or right of possession based on a right of property accruing under law and as extensive as the state permits. When adequately evidenced and limited to a particular property and to a certain quantity of interest, ordinarily called an "estate," such a title constitutes a legal "status" capable of being insured.

By definition, applying what might be called a "title" test, not forgetting the limiting property description, the requests for affirmative insurance mentioned above are obviously not requests for title insurance at all. Whether inclusion of such risks in title policies would be beneficial to lenders in the long run is a serious question meriting adequate consideration, and comment on that question becomes the burden and challenge of this article.

Sound, responsible and conservative title insurance companies issuing, after certain protective steps, a uniform and well defined product for reasonable premiums is the concern of all lenders, national and local. Such insurance companies do not overliberalize their practices in an effort to obtain business or under the pressures of competition, friendship, and the desire to serve. How close to the edge of the precipice they tread depends upon their own integrity and sound judgment exercised in the light of customer pressures and needs.

Casualty Coverage

Affirmative certification in title insurance policies, which cover matters not of title, do constitute additional coverage or something tanta-

mount thereto. The kind of certification most often requested involves casualty coverage, which in a title insurance policy is priming material for misunderstanding and even litigation. "Conjectural" is certainly the word most applicable to the construction our courts would put on such affirmative casualty coverage. Moreover, if such certification begins to appear regularly in title insurance policies, it could alter the nature of the title policy and bring about a new concept of title insurance.

Restraint Exercise

Lenders and their counsel, in the main, exercise some restraint in bringing pressure for inclusion in title policies of matter foreign to their nature or concept. Those who do exercise restraint evidently recognize that an uncluttered policy is a less expensive policy both as to premium and interpretation, to company and insured. They realize too that lender's benefits will be dubious if the product of the title insurance companies is debased or if it loses its character and definition as a title insurance contract and becomes an indefinite hybrid of the economic world.

Lenders and their counsel have already to some extent concerned themselves with some facets of the problem. For example, consider the words of Warren H. Mendel, Vice President and Counsel of The Equitable Life Assurance Society of the United States in an article on the subject "Title Insurance, Tranquilizer or Boon to the Mortgage Lender."

"Actually, can title policies still be looked upon as guaranties of a carefully searched record, with some skilled decisions as to the importance of minor discrepancies and insurance against risk collateral to the record, which are substantially minimized by well understood protective devices, or are they to be looked upon as being in the nature of indemnity or casualty insurance? It is possible that without realizing the true implications of our actions our past efforts to obtain uniformity in policies, to secure insurance against risks col-

lateral to the record and to assure continuance of coverage after foreclosure have left us not with true evidence of title but with an indemnity contract."

Lawyers might be fascinated by some of the current requests for affirmative statements and certificates in title policies. Often they involve the sufficiency of instruments, dedications, contracts or proceedings not constituting a part of the title to be insured. Affirmative statements relative to such matters as zoning are perhaps susceptible to constructions that they are legal opinions rendered via title policy. The title insurer is not engaged in the practice of law and ought not to be pressurized by competition or friendship into rendering legal opinions. The lenders themselves and their counsel have a stake here.

One of the more interesting features of the requests for inclusion in policies of specific affirmative statements or certification is that occasionally they do not involve casualty coverage, but merely restate the actual coverage of the policy in affirmative terms. At first blush, such inclusions would appear completely unobjectionable from any standpoint. Nevertheless, experience has demonstrated that every affirmative reiteration of coverage raises in someone's mind doubts of the real negative coverage of the policy and results in all sorts of new and different requests for affirmative coverage. The title companies, therefore, must resist where possible even this apparently innocuous form of affirmative coverage in order to maintain a uniform and concise title insurance policy.

Policy Not A Cure-All

The correct philosophy of a title insurance policy is that it should cover a sound insurable title, identified by proper description and based upon a careful title examination by qualified persons, reviewed by experienced underwriters who weigh the title in the light of adequate actuarial experience. This philosophy assumes that the risks involved are matters of title, all departures being looked

upon with disfavor. While it does not eliminate a legitimate field of business risk in matters of title where the insured is acquainted with the facts, it does not contemplate either insuring over real hazards to peaceful ownership and possession, or affirmative coverage of matters merely incidental to the title. It is not so cluttered with affirmative certifications as to render its interpretation difficult or to obscure its true nature. In this light a title policy has real solid worth to a lender even if it is not a cure-all.

The title policy is not, and ought not to be considered, a panacea of all a lender's needs. This is not to say that the underwriting principles of a responsible company ought to be inflexible and subject to the charge that they are arbitrary or capricious rather than based on sound underwriting reasoning or experience. This is not to say that the title insurance company cannot serve the lender apart from the specialized title insurance function. Nevertheless, either by nationwide adoption of recognized

standards by substantially all the title insurance companies, or by the individual company's own imposition of standards, business loss notwithstanding, in which responsible lenders concur, the title policy as we know it should be preserved and improved. In this process the policy should not be forced into a mold for which it was not designed and which might impair its value.

The lens of any camera is capable of adjustment for better results, opening under properly exerted pressure until the lens is expanded to largest aperture. The lens properly adjusted by pressure meets adequately the demands made upon it by outside influences, but irresponsible pressure can disrupt the sturdy mechanism and impair the function for which it was designed. From the outside have come the agitations that have caused title insurance companies to broaden the coverage of title policies, but it behooves us all to proceed and progress together with caution. None of us wants a dubious product—a side show panacea.

HOW TO GET AHEAD IN YOUR CO.

Executives all over the country agree that advancement goes to those who show themselves to be outstanding in their jobs.

"No matter what you do for a living," says one corporation vice president, "you can accept as gospel one fact: there is always room for improvement. The people we keep our eyes on in this company are the ones who have learned to get more out of their jobs."

To help you get ahead, and, in the process, realize many new advantages, here are ten tips on getting more out of your job.

1. Watch your appearance. First impressions rank high, and when you look your best, you do your best—in every department. So be sure you dress right. Make sure you have at least a basic wardrobe. Rotate your clothing whenever possible (hat,

shoes, etc.) for economy and good looks. Remember—a next exterior suggests an orderly interior, and the man or woman with an orderly mind is always in demand. Shoes should always be shined and clothes pressed. Everybody associates proper dress with success. And if you dress the part, you're on your way.

2. Get to know your company. It is vitally important to understand just how your company fits into the national economy, how it contributes to the general welfare, how it is doing. Keep posted on current policy, read your company magazine and bulletin boards; if possible, get to see a stockholder's report. Once you grasp the big picture and see how important your company's contribution to society is—you'll have a new respect for your job. And respect for your job is one of the first requisites for doing a better job.

WHERE IS THAT LAND WHAT OF IT?



BY

THOMAS J. McDERMOTT

It has been our pleasure from time to time to present articles on subjects of general interest to title men written by Thomas J. McDermott. It is hoped that the following discussion will prove to be helpful to the young attorney and abstractor.

After you have puzzled over an intricate or erroneous description you may be inclined to say, "Where is that so-and-so land?" I better omit such descriptive words here.

Descriptions

A description is sufficient for a conveyance when it identifies the land with certainty; it suffices for our purposes when capable of being made certain of record, as by reference to a recorded deed. The lines may be read in the reverse direction or an erroneous call may be disregarded if the description is thereby made entirely clear. When the location cannot be determined of record, a conveyance should be rejected even though the intention can be ascertained and be upheld in a court action. The expressed intention of the parties is not given effect if it contradicts the terms of the description; thus, a recital of intent to convey a larger tract is not an effective conveyance of the part not included in the description.

The addition of erroneous details to a general description by lot number

does not affect the grant unless an intention to convey only a part of the lot is manifested. For example, where it is clear that grantor intended to convey the entire lot, the inclusion of an erroneous dimension is not a defect. A standard of the Ohio State Bar Association is that an error in the plat book and plat book page is not a defect when the subdivision is referred to by an exclusive name.

When the calls of a description are conflicting, preference is given in this order: natural objects and landmarks; artificial monuments; adjacent boundaries; courses; distances; quantity. Thus, a call which goes to the street (an artificial monument) will go to the street notwithstanding an incorrect distance.

Reference to a monument usually means the center thereof; thus, the distance from a highway (not a dedicated street) is generally measured from the center line. Reference to a plat, as a conveyance by lot number which is assigned by a plat, incorporates the plat in the description; this is so even where the plat is insuffi-

cient as a dedication. When there is actually a deficiency or excess of land from the dimensions, the deficiency or excess is divided proportionately between the owners of the platted lots; the operation of this rule is precluded where boundaries have been established by adverse possession.

A description is presumed to convey to the center of the road if the grantor owned so far. The side line is presumed to be intended when the thoroughfare is dedicated as a street and the fee is in the government. A grant is presumed to go to the center instead of to the side of a private easement or a watercourse on the boundary. The adjoining land of the grantor which is under water or which is subject to an easement does not have pass when a contrary intention is shown. The presumption of such a conveyance is always rebutted by a clear expression excluding the adjoining land. An application of these rules is that a vacated street, which is contiguous to the described lot, passes by the grant unless an intention to except it is expressed.

"North" means due north unless controlled by other terms of the description. "Northerly" implies that a general direction is intended but is construed the same as "north" in the absence of other expressed intention. Courts commonly hold that "north" means parallel with the liens of the tract being subdivided.

Caution should be exercised in changing a description by which the land has been previously conveyed. For example, in combining supposedly contiguous parcels, a strip between the parcels may not be actually described by the previous conveyances.

Corporations

After we have found the land, what of it where a corporation is in the chain of title? An investigation should be made for franchise taxes which may be a lien; these liens do not appear in the county records, and inquiry is made at Columbus. Failure to affix the corporate seal does not affect the validity of any instrument. A corporate deed must

appear to be from the corporation, that is, not from the officers as grantors.

A standard of the Ohio State Bar Association is as follows:

Problem:

When should the authority of officers of a corporation for profit to execute a corporate deed not be questioned?

Standard:

"The authority should not be questioned when the deed is executed by two officers, in the absence of known facts creating a doubt. This standard is not intended to apply to requirements of the attorney for the purchaser at the time of closing the purchase.

Comment:

"Conveyances from nonprofit corporations are governed by express statutory provisions."

Special statutes control the disposition of all or substantially all the corporate assets if not sold in the usual course of business. A dissolved corporation or one whose articles have been cancelled continues for the purpose of winding up its business and affairs; however, the statutes providing procedure upon dissolution should generally be consulted in such a case.

Partnerships

Prior to September 14, 1949 a partnership could not acquire or convey the legal title to real property. On that date the Uniform Partnership Act became effective. Under the Act, partnerships can own and deal with land.

The title standard adopted by the State Bar is as follows:

Problem A:

What should be required to show the authority of partners to execute conveyances in behalf of the partnership?

Standard A:

"A conveyance from a partnership holding the title is sufficient if it recites that the partners executing it are all the partners, in the absence of information to the contrary. When it does not appear that all the partners executed the conveyance, satis-

factory evidence of authority should be required.

Problem B:

"Should an objection be made to the title because a deed to a partnership does not disclose that the grantee is a partnership?"

Standard B:

"No, the requirement should be considered directory, and the defect not such as will prevent the title from passing to the partnership."

Other organizations

The statutes provide for the ownership and alienation by "Any unincorporated lodge or other subordinate body of any society or order which is duly chartered by its grand lodge or body." Special statutes must be strictly complied with as upon conveyances by boards of education, municipal corporations and other subdivisions of the state, and by religious or charitable organizations and certain other organizations. Unincorporated associations cannot require nor convey the legal title to land unless authorized by statute to do so.

Incompetent persons

Persons under twenty-one years of age do not have capacity to convey or encumber lands owned by them. A statutory exception to the rule exists where a minor obtains a GI mortgage. Alienation by an infant is voidable, not void; however, minor's transaction may be set aside until twenty-one years have elapsed after his majority.

A deed made by a grantor while he lacks sufficient mental capacity to understand in a general way the nature and effect to the transaction may be declared void by the court. If he had been previously adjudged mentally ill, his incapacity is presumed. Methods are provided by statute for a finding by the court that a person mentally ill is competent to execute an instrument, or for a finding that his competence has been restored.

After a guardian has been appointed for an incompetent person, the latter's conveyances are generally held to be void.

The validity of a deed is not af-

fectured by the incompetence of the grantee if the grant is beneficial to him.

Restraints Upon Alienation

Restraints which prohibit the conveyance or encumbrance of a fee simple absolute are void. Exceptions are made when the transfer is to a charity. Postponement of the right to partition has been upheld in Ohio.

Recourse should be had to the books when alienation of an estate less than a fee simple is restrained or when the restraint provides that the estate shall be forfeited for attempted alienation. A forfeiture may be enforced even where the restraint is void.

Rule Against Perpetuities

Grants and devises of land may be void under the rule against perpetuities. Two rules are in effect in Ohio.

The former statutory rule applies to deeds or wills which became affective at a time prior to 1932. It prohibits a transfer to persons who were not either in being, or the immediate issue or descendants of persons in being, at that time. For example, a devise of a remainder is void where it is given to the grandchildren of a life tenant who has no children when the testator dies. A possibility of violation of the rule is fatal to validity under this rule and also under the present statute.

The common-law rule against perpetuities applies where the testator died or where the deed was delivered since 1931. It is concerned only with the time of vesting; it is not concerned with the time the property comes into possession and enjoyment. No interest in property can be created unless it must vest not later than twenty-one years after a life or lives in being. For example, a devise of a remainder is void where it is to vest in a child of life tenant when the child becomes twenty-five years of age, if the child is not alive when the testator dies. In such a case it is possible for more than twenty-one years to elapse after the life in being (that is, after the death of the life tenant) before the gift vests.

The rule against perpetuities does

not apply to rights of re-entry, possibilities of reverter, nor to rights which are incidental to vested interests as rights of a lessee.

Tax Sales

One of the methods of transferring title which we have not mentioned is sale for non-payment of taxes and assessments. The statutory provisions for these sales must be followed strictly, at least when the sale was within one year of the examination. After the tax deed has been of record for more than one year, the title cannot be questioned for any irregularity or omission in the proceeding, provided there is compliance with all jurisdictional requirements. For instance, a tax foreclosure is not binding upon a mortgagee who was not made a party to the proceeding. The difficult questions are whether particular statutory requirements are jurisdictional or are barred after one year when omitted. A tax sale does not extinguish easements, restrictions or the lien of taxes not due.

Descent

Don't rely upon your memory of the statutes of descent for further than inheritance by spouse and children. Your recollection might play you falsely with dire consequences.

Another "don't" is as to reliance upon the court's certificate for transfer. The certificate has no effect upon the title, although it may cause an inconvenience to the true owner because of an erroneous tax listing. Aside from the tax listing, an error or omission in the certificate is of no consequence unless its recitations cast a doubt upon the accuracy of other title records. The ownership passes according to the statutes of descent; the certificate does not transfer the title as does a deed.

The course of inheritance is governed by the law as it existed on the date of decedent's death. No change has been made in the general statute since September 2, 1935. Prior to 1932 separate provisions were made for descent of ancestral real estate. Until the 1932 revision, the wife was not an heir of her deceased husband where children also survived.

Meeting Timetable

FEBRUARY 15-18, 1960

American Title Assn. Mid-Winter
Riviera Hotel
Las Vegas, Nevada

APRIL 15, 16, 1960

Oklahoma Title Association
Ramada Inn
Tulsa, Oklahoma

MAY 1, 2, 3, 1960

Iowa Title Association
Hotel Fort Des Moines
Des Moines, Iowa

MAY 4, 5, 6, 1960

Atlantic Coast Regional
Seaview Country Club
(Just outside Atlantic City)

JUNE 16, 17, 18, 1960

Colorado Title Association
Harvest House Hotel
Boulder, Colorado

JULY 9 - 12, 1960

New York State Title Assn.
Saranac Inn
New York

AUGUST, 1960

Minnesota Title Association
Duluth, Minnesota

OCTOBER 3-6, 1960

Mortgage Bankers Assn. of America
Conrad Hilton Hotel
Chicago, Illinois

OCTOBER 9-13, 1960

American Title Association Annual
Convention
Statler Hilton Hotel
Dallas, Texas



A Successful

They meant business in New York when the 53rd Annual Convention was called to order by President, Ernie Loebbecke.

There were months of planning, thousands of details and a mountain of correspondence to back them up as these officers tackled the problems facing the title industry.

Upper left, the retiring President gives an accounting of his stewardship for the 1958-1959 season.



Convention

Lower left, George Rawlings smoothly leads the title insurance section at an important meeting.

Upper right, Our new new President, Lloyd Hughes, is in a serious mood as he outlines plans for the ensuing year.

Lower right, equally responsive to the seriousness of the occasion is Arthur L. Reppert, Chairman of the Abstracters Section.



BIG NAMES FEATURED



Upper left, Macolm Wilson, Lt. Governor, State of New York.

Upper right, Honorable Norman P. Mason, Administrator, Housing and Home Finance Agency.

Lower left, Dexter D. MacBride, National Secretary, American Right of Way Association.

Lower right, Martin R. Gainsbrugh, Chief Economist, National Industrial Conference Board.

MORE "BRASS"



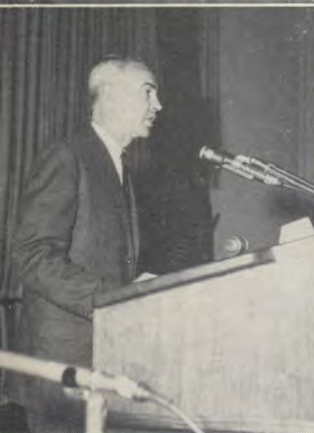
Counter Clock-wise: B. B. Bass, President, Mortgage Banker's Association, President, American Mortgage and Investment Company, Oklahoma City, Oklahoma; James M. Udall, President, National Association of Real Estate Boards, President, James M. Udall, Inc., Beverly Hills, Calif.; Perry Morton, Assistant Attorney General, Lands Division, Department of Justice, Washington, D.C.; and William C. Gould, Insurance Department of New York; Chief of Property Bureau, Department of Insurance State of New York.





Industry Leaders at Work

Left to Right; Top Row; Hale Warn, Executive Vice-President, Title Insurance and Trust Company, Los Angeles; Clem Silvers, Secretary, F. S. Allen Abstract Co., El Dorado, Kansas; Ray Potter, Vice-President-Chief Title Officer, Burton Abstract and Title Company, Detroit.

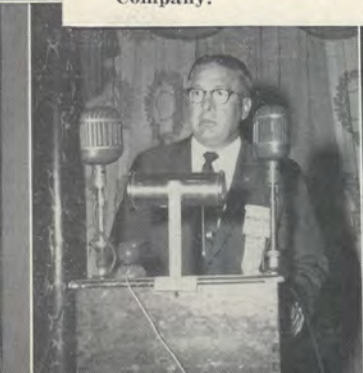


Center Row: Richard H. Howlett, Senior Vice-President, Title Insurance and Trust Company, Los Angeles; F. W. Audrain, Chief Counsel & Vice-President, Security Title Insurance Company, Los Angeles; and Gordon M. Burlingame, President, The Title Insurance Corporation of Pennsylvania, Bryn Mawr.



Bottom Row: L. B. Weddell, Vice-President, Land Title Guarantee and Trust Company, Cleveland; William A. Jackson, President, Southwest Title and Trust Company, Oklahoma City; and Charles B. Roe, Manager, Roe Abstract Company, Pinckneyville, Illinois.

Left Margin: ATA Executive Committee and Public Relations Panel, moderated by Joseph D. Shelly, Vice-President, Chicago Title and Trust Company.





Top Row, Left to Right:
Jerry W. McCarthy, Owner-Manager, Grand Traverse Title Company, Traverse City; Harold McLeran, Owner-Attorney; Harold F. McLeran, Mt. Pleasant; C. J. McConville, Vice-President, Title Insurance Company of Minnesota, Minneapolis.

Center Row: Otto Zerwick, President, Dane County Title Company, Madison; Lawrence B. Zerfing, Executive Vice-President, Commonwealth Land Title Ins. Co., Philadelphia.

Bottom Row: Morton McDonald, President, The Abstract Corporation, DeLand; Drake McKee, President, Dallas Title and Guaranty Company, Dallas; E. P. (Steve) Carrier, Counsel, Investments, The National Life and Accident Insurance Company.



A MEETING



Carroll West, Vice-President of the Title Insurance and Trust Company, Los Angeles, draws upon his years of experience in the public relations field to bring an important message to the members.

Center: ATA Treasurer, Joseph S. Knapp, Jr., reports to the delegates on the Association's financial status. Below: A. F. Soucheray, Jr., President of the St. Paul Abstract and Title Guaranty Company brings us up-to-date on abstracters liability and bond coverage.



The members wanted action—and they got it. Every opportunity was afforded for a free and open discussion of all subjects of interest to the industry. Those attending were unanimous in expressing the conviction that this had been one of the most productive and generally satisfying Annual Conventions in the history of the Association.



TO REMEMBER



ABOVE: Saul Fromkes, President of the City Title Insurance Company, Brooklyn, New York, proudly displays a proclamation from the office of the Mayor, City of New York, designating the period beginning October 19 as Real Estate Title Week. Past President Loebbecke accepts the tribute with a typical California grin.

BELOW: A unique tribute to an out-standing title man. William Gill, Sr., President of the Great Western Business Investment Company is honored by his life-long friends and fellow industry members as ex-president Loebbecke presents him with a certificate of honorary membership in the American Title Association.



SEA-GOING TITLE MEN



LIVE IT UP



AS THEY



CRUISE AROUND MANHATTAN



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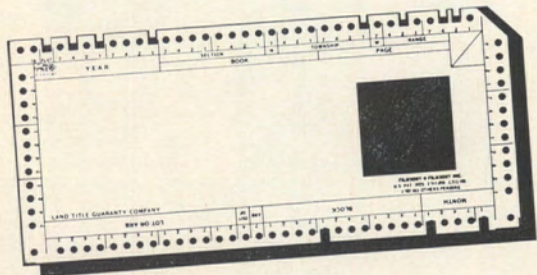
DISPLAY



Through the cooperation of many of the members the display area leading to the West Ballroom of the Commodore Hotel was filled with old documents, photographs, art sketches, blue-prints, and advertising material.

Point of sale pieces (center), which will be made available to members at cost for distribution to bank windows and real estate counters, were among the many features that drew the interest of those attending.

SPACE IS MONEY



... and Filmsort (R) is the space-saving process that does away with bulky, hard-to-handle files.

Filmsort is built to save SPACE. Since space is overhead, reduce it! And, increase profits! It is a UNITIZED system designed by title men specifically for the title business. Besides saving a great deal of storage and filing space it works ideally in any type operation—key sorting, key punching, hand sorting, etc. You pick the exact record *immediately* — no scanning — no probing.

Call, write or visit . . .

MICRO-RECORD, Inc.

P. O. BOX 2840 ★ BOISE, IDAHO

THE NEW LOOK AT ATA HEADQUARTERS

Executive Vice President—
New Secretary Named

Staff Additions
Meet Service Needs

Vote Move to Washington

Culminating a thorough study of ATA office procedures, a series of committee meetings and a two-day inspection of the Detroit headquarters, President Ernie Loebbecke, supported by the Vice President, the Chairman of the Title Insurance Section and the Executive Committee and with the approval of the Planning Committee, submitted to the general assembly at the 53rd Annual Convention at the Commodore Hotel in New York on October 22 a recommendation for the re-organization of the ATA office.

In commenting on the proposed changes, Mr. Loebbecke stated: "The functions of the A.T.A. office and the services which the association performs for the members has been a matter of discussion among the officers for a number of years. The suggestion made most often has been that the office be moved from Detroit, Michigan to Washington, D.C.

In accordance with the instructions of the Board of Governors, I have devoted considerable attention to this matter. I discussed it with the Chairman of the Planning Committee and my approach to the problem has been made in accordance with those discussions. I visited the office in Detroit in the spring, and following discussions with the staff, asked that certain material be prepared for study. The most important item was a detailed job description for each person in the office. Also, as I have traveled



JOSEPH H. SMITH

around the country I have discussed the problem with title people in the various state associations. A preponderance of these people feel that the A.T.A. should increase the scope of its service to its members.

I then asked Mr. Lloyd Hughes and Mr. George Rawlings to serve with me as a committee to study the available data and make a report to the Executive Committee and the Board. Early in September we met in Detroit and spent the better part of two days in finalizing our thoughts and arriving at a basis for this report.

Basically we reached the following conclusion:

A. That certain structural reorgan-

ization and emphasis in fields of service are indicated.

B. That recent experience further confirms our conclusion that the A.T.A. office should be moved from Detroit, Michigan to Washington, D.C."

Specifically the following changes were recommended by the committee and approved unanimously by those in attendance at the Convention meeting.

First, that Joseph H. Smith be elected at this Convention as Executive Vice-President of the American Title Association.

Second, that James W. Robinson, Director of Public Relations also be elected as Secretary of the American Title Association.

Third, that another man be employed by the ATA in an executive capacity to serve as assistant to the Director of Public Relations.

Fourth, that the staff be expanded

to meet the requirements of providing anticipated expanded services to the industry.

Fifth, that the national headquarters of the ATA be established in Washington, D.C. with the details of the actual selection of office space, remodeling, furnishing, and moving to be supervised by a special committee and approved by the Executive Committee.

ATA OFFICERS 1959-60

President

LLOYD HUGHES
Denver, Colorado

Vice-President

GEORGE RAWLINGS
Richmond, Virginia

Treasurer

JOSEPH S. KNAPP, JR.
Baltimore, Maryland

Chairman, Finance Committee

MORTIMER SMITH
Oakland, California

Chairman, Abstracters Section

ARTHUR L. REPERT
Liberty, Missouri

Chairman, Title Insurance Section

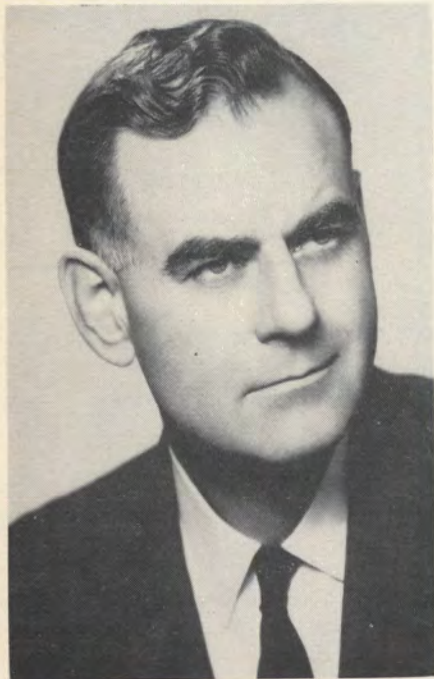
THOMAS P. DOWD
Detroit, Michigan

Executive Vice-President

JOSEPH H. SMITH
Detroit, Michigan

Secretary and Director of Public Relations

JAMES W. ROBINSON
Detroit, Michigan



JAMES W. ROBINSON

The American Title Association welcomes to its staff at national headquarters two employees who have joined the organization in recent months.

Janet Breyfogle, secretary to the Director of Public Relations, is a native of the Detroit area. Following her graduation from Clarence M. Kimball High School she attended the Detroit Business Institute from which school she was graduated as an accomplished secretary. She lives in Royal Oak, Michigan with her parents, Mr. and Mrs. W. Roland Breyfogle. Her hobby is music.



JANET BREYFOGLE

Bringing a bit of old-world charm and simplicity to the office is hard-working Dorothy Behrens. Also a graduate of the Detroit Business Institute, Dorothy serves as utility stenographer and mail room clerk. In her spare time she assists with the monumental task of compiling the annual directory, expediting convention registrations, and processing blotter orders. Her hobbies are bowling, sewing and horse-back riding.

It was with mixed emotions that the office staff said good by



DOROTHY BEHRENS

to their good friend and loyal fellow employee, Colleen Turkiewicz. Colleen, whose eight years of experience in the ATA office was an invaluable asset in meeting many Association emergencies, has resigned to assume her even more important duties as



COLLEEN TURKIEWICZ

mother. Colleen's baby is expected about December 1st.



PAULINE MORRISON

Taking over as the Association's bookkeeper is Pauline Morrison, a member of the ATA staff for more than six years. Mrs. Morrison has worked successively in the mail room, in a secretarial capacity, as filing expert, and as accountant clerk. She is familiar with all phases of the Association's operations.

RECIPE FOR EFFICIENCY

The efficient persons knows he can do a job, wants to do it—and does it. The "doing it" requires self-management in these six channels:

- Learn to concentrate.
- Read the right things, and read well.
- Remember things that should be remembered.
- Plan and organize work.
- Develop full skills.

Not Las Vegas

Maybe you can't take it with you, but these days where can you go without it?

DON'T QUIT

When things go wrong as they sometimes will,

When the road you're trudging seems all up-hill,

When the funds are low and the debts are high,

And you want to smile, but you have to sigh,

When care is pressing you down a bit—

Rest, if you must, but don't you quit.

Life is queer with its twists and turns,

As every one of us sometimes learns,

And many a failure turns about

When he might have won had he stuck it out;

Don't give up though the pace seems slow—

You may succeed with another blow.

Success is failure turned inside out—

The silver tint of the clouds of doubt,

And you never can tell how close you are—

It may be near when it seems so far,

So stick to the fight when you're hardest hit—

It's when things seem worst that you must not quit.

—Anonymous

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IN THE
ASSOCIATION
SPOTLIGHT

TITLE MAN HONORED

"A strange and wonderful breed of men," we say to ourselves about titlemen, recognizing all the while how little the general public appreciates the good judgment, the devotion to duty, and the contribution to society that our members make.

Not so in Salt Lake where the Sunday Tribune recently carried the following story about Mark, recently retired President of the Utah Title Association.

If Utah had a "titled" class, Mark D. Eggertsen would be its regent.

For the affable Mr. Eggertsen certainly is "Mr. Title" as far as his associates in Salt Lake City's steadily expanding title insurance business are concerned.

As president of Security Title Co., 45 E. 10th South, he has watched his profession boom in the state's post war economic growth.

With the advent of Utah's building boom — including speculative tract home construction, commercial and industrial expansion and healthy business activity—the title insurance field has grown proportionately.

As an example, in 1945, the newly established Security Title Co. processed 1,338 orders for abstract of title or title insurance and counted \$26,000 gross sales. Last year, Security Title processed 6,043 orders and added up gross sales of \$453,811.

During the intervening years, the company has expanded from eight to

40 employees. Seventeen agents are located in various Utah counties.

Expansion has required three moves to larger quarters. The firm is contemplating construction in 1960 of a new office on a site purchased at 444 S. State, west of the City and County Building.

What services are provided by title companies?

Mr. Eggertsen describes their mission as the searching and compilation from official records of all matters pertaining to the title for a particular parcel of land and improvements thereon.

An abstract of title is information



MARK EGGERTSEN

obtained from a records search and compiled in a chronological manner, thus enabling an examining attorney to determine the marketability of the title to a particular property parcel.

Title insurance, says Mr. Eggertsen, steps out farther than an abstract of title and attorney's opinion. The insurance guarantees the sufficiency of all deeds and other documents affecting the title and insures against many off-record risks such as forgery, recorder's errors, missing heirs or defective court proceedings.

"You might say our profession is concerned with the genealogy of property," Mr. Eggertsen adds. "Title men are the custodians of the rights of man to the use of the earth itself."

Born the youngest of six sons and daughters of Mr. and Mrs. Lars E. Eggertsen, young Mark was assured of an expert education from the start. His parents were dedicated educators, the father at one time serving as superintendent of Provo city schools.

His brother and four sisters all entered educational fields. For Mark the teaching profession failed to hold a similar glitter.

"I guess I got through school on the reputation of my brothers and sisters," he muses.

After graduation from Brigham Young University with a degree in business administration, he clerked for one year with a mail order company.

Then opportunity knocked and the 25-year-old Mr. Eggertsen started on the bottom of the office totem pole with the Intermountain Title Guarantee Co. in Provo. Within two years, a combination of luck and hard work gained him the Provo branch manager's position.

Ascent was rapid, as he combined "savvy" with a profound interest in mathematics, law and records — necessary ingredients for a "title man."

He organized his own Provo company in 1942, sold out in 1944 and moved to Salt Lake City where he founded Security Title with R. G. Kemp, former executive vice president of Intermountain Title. Inter-

ON THE COVER

We salute Lloyd Hughes, President of Record Abstract and Title Insurance Company, Denver, Colorado, who was elected October 22 to serve as President of the American Title Association.

Lloyd was born in Denver, Colorado in 1907. He is a graduate of the University of Colorado, a member of the Sigma Chi Fraternity, and a 32nd degree Mason of the Scottish Rite.

During all of his business life, Hughes has been active in civic affairs, in his opinion an integral part of his job. Except for the four years during which he served with the United States Army Air Corps, he has been active since 1931 in both the Colorado Title Association and the American Title Association, having held the posts of Secretary and President of the CTA and Chairman of the Abstractor's Section; member of the Board of Governors; and Vice-president of the National Association.

Hughes is married, has one son and is currently hard-pressed to maintain his family championship at ping-pong. His favorite sport is golf.

mountain had pioneered the title insurance business in Utah.

When Security Title opened, Mark Eggertsen had 12 competitors. Now he has 10. "I bought out two of them" he grins.

Mr. Eggertsen's private secretary married the boss, but before she became secretary—a switch on the usual story.

One day seven years ago Mrs. Eggertsen came to the office to help out on the switchboard. She's been at Security Title since.

They live at 717 McClelland St. (1050 East).

As for the future, they have no qualms. "The title and abstract business will enjoy continued growth with Utah's fast growing economy," he says with a firm confidence.

CONGRATULATIONS

The entire industry joins the A.T.A. staff in extending heartiest congratulations to the officers and employees of the TITLE GUARANTEE COMPANY, Baltimore, Maryland on the occasion of its 75th anniversary.

NEW BRANCH MANAGER

Frank W. Marsalek, former Title Officer in Lawyers Title's Washington, D.C., Branch Office, has been named to succeed J. Claude Coppinger as Branch Manager. Announcement of Marsalek's promotion was made by Lawyers Title Insurance Corporation President, George C. Rawlings, after Coppinger stated his intention to retire effective September 1.

Mr. Coppinger, 67, announced his plans early in August. He first became associated with Lawyers Title early in the company's history. He was at that time co-owner of a Florida title company acting as agent for Lawyers Title. He was employed by the company to modernize its Washington office title plant in 1942-43. Rejoining the company in 1945, he was elected Manager of that office in 1948. Under his management, the Washington Branch grew into one of the company's outstanding producing offices, increasing its business significantly each year of operation.



FRANK W. MARSALEK

Frank W. Marsalek, named to succeed as Washington Manager, has been with Lawyers Title 18 years. He first joined the company as Title Examiner, and soon thereafter was named Assistant Title Officer. In 1950 he was elected Title Officer. He has spent all of his time with the company in the Washington office, and has been instrumental in guiding the growth of that office's operations and its expansion in nearby territory.

Mr. Marsalek received his legal education at Southeastern University in Washington. He is a member of the Maryland Bar Association, and the American Bar Association. He also holds an associate membership in the Washington Real Estate Board.

RETIREES

Walter J. Sullivan recently retired after 35 years with the Pioneer Title Insurance Co. in San Bernardino.

A member of Pioneer's board of directors, a vice president of the company, and its chief title officer, Sullivan began his career with Pioneer Nov. 15, 1920, and has been with the company since, with the exception of



J. CLAUDE COPPINGER

a four-year period when he served as postmaster of San Bernardino.

He is active in civic and fraternal affairs and has devoted nearly 20 years service to the National Foundation for Infantile Paralysis, of which he served as first chairman of the San Bernardino County Chapter.

The executive committee of Pioneer has retained him in an advisory capacity. He will devote particular attention to the customer relations department.

Mr. and Mrs. Sullivan and their four sons reside at 3333 Arrowhead Ave., San Bernardino.

Move at Security

F. R. "Dick" Marvin has been named to succeed James O'Keefe as vice-president and manager of the Security Title Insurance Company in Santa Ana.

Marvin, formerly associated with Orange Title Insurance Company as vice-president and public relations director, previously worked for the Alabama Title and Trust Company.

During World War II he joined the Marine Corps and served until he was released from active duty in 1946. He was recalled in 1950 to serve during the Korean conflict.

In another appointment by the state-wide title insurance company, R. L. Statton of Sacramento will report for duty as assistant manager in Santa Ana.

New Phoenix President

Charles W. Mickle, 2920 N. 7th St., has announced his resignation as president of the Phoenix Title and Trust Co.

Mickle made the announcement at a board meeting. He said that he was leaving the office in order to devote more time to family affairs. He will continue to serve on the board of directors.

Newly elected president is Rhes H. Cornelius, 922 W. Palm Lane. John M. Clements, 357 E. Catalina, was named chairman of the board to fill a vacancy left since the death of G. W. Mickle. Edward B. Juliber, of

Scottsdale, was elected executive vice president.

Both Clements and Cornelius have served with the Phoenix Title and Trust Co. more than 25 years as executive vice presidents. Juliber has been with the company for six years.

Mickle joined the company as a director in 1943. He was elected vice president in 1946 and president in 1948.

During the time he served as chief executive of the company, assets increased from \$1,300,000 to more than \$4,000,000.

Branch offices were opened in Yuma, Bisbee and Tucson, as well as five additional offices in Maricopa County. Employees have grown in number from 184 to 635.

Two new members were also elected to the board—Garland D. Graves, of Transamerica Corp., and George H. Koster, the firm's tax attorney, both of San Francisco.

Lawyers Title Buys Florida Corp.

The Central Abstract Corp. of Orlando, Fla., has been purchased by Lawyers Title Insurance Corp. from Lawyers Title's Orlando agent, Central Title & Trust Co., it was announced.

The purchase is the fourth one in the past year for Lawyers Title. It means termination of the agency agreement between Lawyers Title and Title & Trust, said a company spokesman.

Central Title & Trust will remain in the trust business, but will no longer operate in the title insurance field.

Central Abstract, said George Rawlings, president of Lawyers Title, will do business as a wholly owned subsidiary of Lawyers Title. Its personnel will be retained.

Other Lawyers Title acquisitions this year have included Atlantic Title Co. of West Palm Beach, Fla.; Title Guarantee & Trust Co. of Toledo, and Erie County Title Co. of Sandusky, Ohio, a subsidiary of Title Guarantee & Trust.

Revised Prices

The Federal National Mortgage Association announces revised purchase prices for FHA and VA home mortgages purchased over-the-counter and under standby commitments.

The revised prices represent a ½ point decrease from previous over-the-counter prices and 1 point in standby prices. The new price schedules apply only to FNMA's secondary market operations.

The agency also announced it would no longer accept mortgage offerings on 4½% FHA and VA mortgages.

According to FNMA president, J. Stanley Baughman, the new prices range from 98½-96½ for 5¼% mortgages, 96½-94½ for 5% mortgages and 94½-92½ for 4¾% mortgages. In accordance with usual mortgage practices these prices vary by areas and by the amount of the mortgagor's equity.

No change was made in the ½ of 1 percent purchase and marketing fee charged in connection with over-the-counter purchases, and the 2% common stock subscription requirement also remains unchanged.

New prices for standby commitments were also announced by the agency: 92 for 5¼% and 90 for 5% home mortgages. Standby commitments on 4¾% home mortgages have been discontinued.

Standby commitments for 4½% multifamily housing mortgages will be issued at 91 but over-the-counter prices for these mortgages will continue to be negotiated on an individual basis.

Wilkinson Elected

The Title Guarantee Company, Baltimore, Maryland announces that the Board of Directors, at a special meeting today, has elected Paul J. Wilkinson as President of the Company, succeeding the late George H. Schmidt.

Mr. Wilkinson, an attorney, has been associated with the institution since 1923. He was elected Vice-Pres-

ident and director in 1943 and has served as Executive Vice-President since 1953.

Mr. Wilkinson is a member of the American, Maryland and Baltimore Bar Associations. He is also a member of the Board of Governors Community Extension Branch, YMCA; Past President of the Eastern Shore Society of Baltimore City; Past President of the Executive Association and member of the Baltimore Country Club.

Expect Housing Decline

TWO current trends in housing will work to temper an expected decline in home building in 1960, the United States Savings and Loan League said today.

The trends, reported in the League's "Quarterly Letter," were listed as (1) the ability of conventional lenders to attract new savings and "make such funds available to home buyers on acceptable terms," and (2) the rising trend in multiple-unit construction.

The "Quarterly Letter," written by Norman Strunk, League executive vice president and Leon T. Kendall, League staff economist, discusses developments in the fields of thrift and residential financing.

In forecasting a decline in the volume of home building in 1960, Strunk and Kendall estimated that the level-of-start activity in the coming year would approach 1.2 million units as compared to more than 1,300,000 starts in 1959.

They noted that the decline may not be so great as might be expected under present money market tightness because of these two trends.

"First, conventional lenders—chiefly savings associations—may continue to attract new savings and make such funds available to home buyers on acceptable terms. If funds are available, even at higher interest costs, the effect of tightening credit conditions may be less pronounced than previously.

"Second, the rising trend in multiple-unit construction, less sensitive to interest rates, will also work to

support home building. Once such a trend gets started, it is likely to run for some time."

In discussing current mortgage trends, the two League officials said the conventional mortgage is playing a bigger role in home building than ever before. Sixty-two per cent of the gain in housing starts in the first half of this year, they said, could be attributed to conventional mortgage activity.

Only 26 per cent of the gain could be traced to FHA loans, and 12 per cent to VA activity.

"Because tightening of credit does not affect the conventional mortgage loans as quickly as it does the FHA or VA contract," they said, "home building this time did not suffer so severely when interest rates rose. In addition, conventional lenders so far this year have been accepting mortgages with larger maturities and lower downpayments."

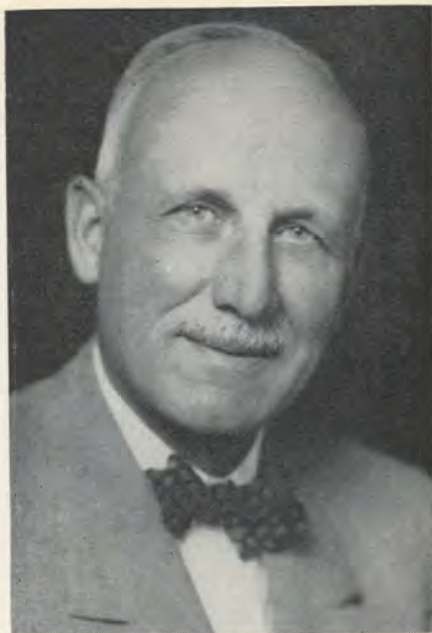
In reporting that an estimated 22 per cent of the gain in home starts this year has been due to multiple unit activity, Strunk and Kendall said that all-in-all, multiple unit activity in 1959 will reach its highest level since the 1920's.

"Financial institutions, especially the mutual savings banks and insurance companies," they said, "are reported to be encouraging construction of multiples in desirable locations by seeking loans on such properties. Such loans are preferred to FHA contracts because they are not so sensitive to interest rate and provide a greater investment return."

Another "First"

Holman D. Pettibone, former chairman of the board of Chicago Title & Trust Co. and prominent Chicago civic leader, has been made an honorary life member of the Chicago Real Estate Board. This is the first time a member of the CREB has been so honored.

Pettibone was presented with a hand-inscribed scroll of the CREB board of director's resolution conferring this status on him at the board's



HOLMAN D. PETTIBONE

members meeting Wednesday in the Realtors Club.

More than 200 members and guests heard Pettibone acclaimed by CREB President George W. Kemp, Jr., as "a valuable and zealous member, who has contributed unselfishly of his time and inspirational energy."

Montana Moves

Frank Whetstone has been elected president of the First Montana Title Insurance Co., a subsidiary of the Montana Corporation, it was announced at the first annual meeting of the stockholders.

Dean Chaffin was named executive vice president; Ward F. Junkermier, vice president; L. E. Poppler, secretary, and Thomas F. Corbally Jr. treasurer.

Directors re-elected are Dr. T. E. Callan, Anaconda; Edward M. Chawner, Bozeman; Thomas F. Corbally, Jr., Great Falls; Ted Delaney, Missoula; L. B. Foster, Miles City; Ward F. Junkermier, Great Falls; Dr. D. Stuart MacKenzie, Jr., Havre; L. E. Poppler, Billings, Howard C. Porter,

Billings; Whetstone, Cut Bank; Robert A. Svoboda, Billings, and Gayde Yoder, Sidney.

R. A. Grant, Miles City, state senator of Custer county, was named a new director.

Chaffin gave a review of the first year's activities and stated that re-insuring arrangements have been completed with the California Title Insurance group, the nation's largest title insurance organization. New policies are being issued, he said.

Chaffin said a complete management staff will be announced for the home office of the company in Great Falls.

Better Land Planning

Federally-chartered savings and loan associations will be able to make an important contribution to better land planning and sub-division design as a result of the Housing Act of 1959, Norman Strunk, executive vice president of the United States Savings and Loan League, said recently.

Strunk said that the new Housing Act, signed into law by President Eisenhower on Wednesday, includes a provision that federal associations can invest a limited portion of their funds in loans to home builders for the acquisition and development of land.

Strunk said that the law would affect approximately 1800 federally-chartered savings and loan associations, who hold about 54 per cent of the \$60 billion in assets of the savings and loan business. State-chartered associations in some states already have the authority.

The new law provides that a federal association with accumulated reserves amounting to 5 per cent or more of its total savings capital may invest up to 5 per cent of these savings in loans to finance the acquisition and improvement of land.

The law also provides that the use of the newly-granted authority shall be subject to "such rules and regulations" as may be prescribed by the Federal Home Loan Bank Board, federal agency which charters and supervises federal associations.

Strunk expressed hope that the Federal Home Loan Bank Board would act "expeditiously to make it possible for federal associations to exercise the newly-granted authority effectively and in a manner consistent with the congressional intent."

Strunk said that by giving this authority to federal savings and loan institutions, Congress has provided a new financial tool looking toward the creation of better neighborhoods and better home sites.

"By enhancing and preserving real estate values of countless American neighborhoods, the new legislation will work to the direct benefit of home buyers, savings and loan institutions as lenders and mortgage holders, and the financial health of hundreds of American communities," he said.

Father and Son

J. J. O'Dowd, active leader and president of Tucson Title Insurance Co. nearly 40 years, has been succeeded as president by his son, Jack B. O'Dowd.

The elder O'Dowd, who announced his resignation as president at a meeting will continue to actively serve as chairman of the board of directors.

Born in Chillicothe, Mo., in 1884, J. J. O'Dowd is a graduate of Christian Brothers College, St. Joseph, Mo. He entered the employ of the Southern Pacific Railroad and Arizona Eastern Railroad—known as the Randolph Lines—upon moving to Tucson with his family in 1910.

On May 13, 1920, the Tucson Title Insurance Co. was incorporated with J. J. O'Dowd as secretary. In 1925 he acquired the company stock.

The firm, which started out with 3 employes, now employs 100 and occupies the four-story building on the northwest corner of Church Ave. and Pennington St.

J. J. O'Dowd, who was admitted to the Arizona Bar in 1924, has been an active community leader more than 40 years. He served as Pima County director for the National Recovery Administration (NRA), was

chairman of the Ration Board during World War II, and is a charter member of the Sunshine Climate and Tucson Country Clubs.

The elder O'Dowd is past president of the Tucson Chamber of Commerce, past president of the Rotary Club and past district governor of Rotary International. An active member of the Pima County, Arizona and American Bar associations, O'Dowd is also past president of the American Title Assn.

He was recently elected chairman of the past presidents council of the American Title Assn.

Jack B. O'Dowd started as an office boy in the Tucson Title Insurance Co.

He is a graduate of the University of Arizona and received his law degree in 1934. Enlisting in the U.S. Army Air Corps in 1942, he attained the rank of captain and served until 1946.

In 1955 Jack O'Dowd was president of the Tucson Chamber of Commerce. The chamber's new building on West Congress street was erected during his tenure.

He is a past president of the Rotary Club, Junior Chamber of Commerce and Arizona Junior Chamber of Commerce.

The new president of Tucson Title served as a member of the American Title Assn. board of governors from 1953 to 1956.

At the present time he is on the board of directors of the Tucson Regional Plan and the Arizona Research Foundation. He is a member of the Mayor's Committee on Urban Re-development and also serves as secretary of Tucson Airport Authority.

New Title Firm

A new title insurance firm known as the Redwood Empire Title Co. of Petaluma, California has been officially formed according to incorporation papers filed in the county clerk's office.

The firm, capitalized at \$10,000, lists its directors (all Santa Rosans) as Charles and Dolores Lee of 801 Village Ct., and Leo D. Macrina, same address.



Happy Thanksgiving Day

Our American forefathers were blessed with precious little in the way of material bounties, compared with today's, but nevertheless they found occasion to and did observe many "days of thanksgiving."

The first on record is that held August 9, 1607, on the rock-bound coast of what we know today as Maine, by colonists who had come from England on the ships "The Gift of God" and "Mary and John."

The generally observed "day of thanks" among the New Englanders was that ordered by Governor Bradford in the autumn of 1621 in gratitude for the harvest. (To the wild turkeys brought in by the colonists, friendly Indians added contributions of deer and participated in the feast, giving rise to the most durable of Thanksgiving Day picturizations.)

The colonists observed a "day of thanksgiving" on Thursday, December 18, 1777, to commemorate the surrender of the British General Burgoyne, after the Continental Congress had recommended that a day be appointed to mark the "signal of success late obtained over the enemies of the United States." President George Washington issued a proclamation appointing November 26, 1789, as a day of general thanksgiving for the adoption of the Constitution.

The first national proclamation of Thanksgiving Day as we know it now was made on October 3, 1863, by President Abraham Lincoln, who set aside the last Thursday in November "as a day of thanksgiving and praise to our beneficent Father who dwelleth in the heavens."

LETTERS



Mr. James W. Robinson
Director of Public Relations
American Title Association
3608 Guardian Building
Detroit 26, Michigan

Re: Annual Convention
Commodore Hotel
New York, New York
October 19-22

Dear Mr. Robinson:

Thank you for the CONVENTION NEWS just received.

If I could attend, as I wish I could, I would probably be the sole surviving charter member of the Association, at least the sole active one, present.

Just 20 years ago I became the sole surviving charter member of the Florida Association, which was for many years known as the Abstracters Association but at which time I was serving as President of the Florida Title Association, recently changed to Florida Land Title Association, but continuous under those three names since organized in Jacksonville in April, 1907, in anticipation of the organization in June, 1907, of American Abstracters Association in Chicago, later changed to American Title Association.

My original membership in the American Association was under the name of J. A. Ormond, Abstracts of Title, Real Estate and Loans, Marianna, Jackson County, Florida, Only Abstract System in Jackson County (It still is).

If you will present the status of our office and myself it may be of interest to the Convention, to which, through you, we send our compliments to the multitude from the sole survivor of the clan active at 77.

Cordially yours,
J. A. Ormond, President
Florida Land Title &
Trust Company

In Memoriam



A. W. Hoover, President of the National Title Insurance Company, Miami, Florida, one of the pioneers in the title insurance industry, passed away at Coral Gables, Florida, November 7.

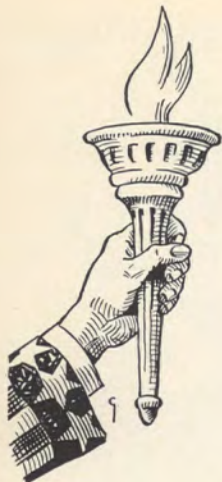
Mr. Hoover at one time was connected with the National Title Insurance Department of the New York Title and Mortgage Company.

Jacob S. Regan died October 2, 1959, as a result of a coronary in Minneapolis. He was Vice President of the Title Insurance Company of Minnesota. He had been in semi-retirement for the last two years due to ill health.

Jake had a wide and varied career being brought up in the bakery business and at one time was President of the largest bakery in Minneapolis. He subsequently was employed by the FHA when that program was first starting. His knowledge of FHA and VA regulations equaled that of any man in the title business.

In 1940 he was employed by the Title Insurance Company of Minnesota as a field man. During the war he took a leave of absence from Minnesota Title to work for the Treasury Department in selling war bonds. After the Second World War, he returned to Minnesota Title.

He is survived by his wife, Jule, a sister, two daughters and five grandchildren.



Judiciary Committee Report

F. W. AUDRAIN
Vice-President, Security Title
Insurance Company
Los Angeles, California
Chairman, Judiciary Committee

Title men often are the first to bear the news to a layman who has a good working knowledge of property law in his state that, when his affairs get into the orbit of federal matters, he may have to abide by the laws of Congress as to land in his state. Of course, the tax liens are a common introduction.

In a case arising in Washington State concerning a defaulted mortgage and the F.H.A., the Ninth Circuit Court held that, as to mortgages, the rights and remedies thereunder, Congress did not adopt all the incidents of the mortgage relation under state law. If the state rules are restrictive as to creditors' remedies, then the federal government is not so restricted. In this case, the government wanted a receiver and was not required to abide by state law as to how a receiver is obtained. *U.S. vs. View Crest Garden*. 6-22-59.

There are surprises for some title men as to the suggested reach of U.S. tax liens. These situations are disclosed, on occasion, at the trial court level. Recently, in a Superior Court case in California (July 1959) the court had before it a contention

by the United States that its tax lien on an oil and gas lessee survived the destruction of the lease by the lease terms, operative on the failure of the lessee to perform. The court, after hearing argument based on the many tax lien cases now well known to title men, stated:

"If the government's contention were upheld and a foreclosure sale ordered here, a most absurd and unjust result would obtain. As against the landowners, the lessee has no rights. The property right to which the tax lien once attached has terminated. If a purchaser at such a sale were to get a better title than the lessee had, it would mean that a delinquent taxpayer enjoys rights not shared by good citizens and that those who, without notice and in good faith, do business with him may have the doubtful pleasure of paying his taxes. Nothing in Section 2410 of the 1954 Internal Revenue Code or in the Bank of America case demands such injustice."

It is reassuring to find a federal court following state court decisions on real property questions.

Some of us see instances of deeds whereby the grantor excepts part of the property granted, from the grantee whose name occupies the traditional grantee position, and then the grantor grants the excepted portion to still another grantee, often in some later deed paragraph. Close to this kind of deed is the deed referred to in *Johnson vs. Republic* 262 F.2d, 108 (12-58), wherein, following a conventional deed form, grantor to grantee of the property, the grantor adds, after the description,

"All the coal and other minerals in this deed to Joel Ratliff with a right of way for all roads and tramways that is necessary for working said coal and other minerals . . ."

The court held for Joel, because, within the deed body, he could be found as a grantee. I had an associate look and see how close the cases in my state came to this rule and they were close.

Suppose you had no books. How would you rule for your state? This inclines me to recall a custom I frequently use when I put a question to a new lawyer in my office and want to initiate a discussion of the point. So often, he evidences a desire to head for our library. I stay him and make this inquiry: "Suppose we had no books and you were on your own and you had no senior man to ask—there was no experienced title officer about to ask—just think for a moment about the facts and how you would interpret the matter all on your own." This immediate running right off to see what some court or text writer has to say seems less than a credit to a man. Then finally go to the books.

Terminating A Joint Tenancy

In this committee's comments in the February (1959) issue of *Title News* mention was made of a decision that a contract of a sale by two joint tenants terminated the joint tenancy.

A California appellate court in May, 1959, likewise ruled, i.e., that a husband and wife, joint tenants,

by making provision in their property settlement agreement for each to have an option to purchase from the other, come a certain date, terminated the joint tenancy. Here the daughter of the deceased husband successfully challenged the claim by the wife as the sole owner survivor. *Wardlow vs. Pozzi* (179 ACA 231).

Policy of Defense

Reference was made in an earlier report by this committee (1959) to the cases dealing with the insurers' good faith in defending under policies, particularly in those cases where the insurer has doubts as to its policy liabilities.

In a Seventh Circuit case, *Grath vs. Standard Accident*, 267 F 2nd 399 (May 1959) the insurer raised the point that its insured never delivered to the insurer the summons, etc. While it is perilous to lift a phrase out of context, the following phrase, caused more careful reading of this case and a related case, *Fidelity and Casualty Corporation, vs. Robb, et al*, 267 F 2nd 473.

"The fact that the defendant (the insurer) had no chance to defend this action and thereby protect its own interests matters not one iota."

These two cases enlarge that group of cases which insurance company counsel should be informed upon, especially those of us in the title business, who mostly manage to take care of our companies without too much concern over the many cases dealing with insurance contracts generally.

Subrogation

Subrogation: Earlier in this committee's writing we noted a subrogation case in a U.S. District Court (1959).

On appeal the favorable ruling for the title company, based on the policy provision for subrogation, was reversed. Developing the premise that subrogation is equitable in character, rather than an absolute right, and finding innocence by the bank in

its reliance on the forged endorsement, the appellate court finds for the bank as against the paid surety, i.e., the title insurer.

As is our custom in these pages, we refer you to the full decision to form your own views. One further point, an express assignment to the insurer by the insured will not improve the insurer's rights if there is found to be no right of subrogation.

Bank of Fort Mill vs. Lawyers Title Insurance Corporation, 268 F 2nd 313 (June 1959).

Husband and wife and the trustee in bankruptcy. By a decision (June 1959) 268 F 2nd 384, the court of the Fifth Circuit found that deeds given between a husband and wife, pursuant to a property settlement agreement, were given for that quality of consideration which would defeat a bankruptcy trustee effort, to hold the deeds void in fraud of creditors.

Bankruptcy

Title men observe on infrequent occasion that a proffered bankruptcy order seems to have a procedural background without the antecedents of case precedent or appropriate compliance with the law. Persons active in bankruptcy practice are not always sympathetic with a title man's lack of confidence in the order upon which he is asked to base a policy.

This comment comes to mind upon reading a recent U.S. District Court decision, wherein a trustee's sale without notice was predicated on the trustee's claim that at the first meeting of creditors he got kind of a catchall authority to sell when and where and what property seemed expedient. This contention was not well regarded by the court:

"In disposing of the trustee's contention that a notice within the requirements of Sec. 58a(4) was given in the proceedings, it is unnecessary to decide more than that the 'Notice of First Meeting of Creditors' falls short, being indeed but an attempted catchall telling the creditors that,

on the occasion of the meeting whereat a trustee is to be appointed, they may 'transact such other business as may properly come before the meeting . . . including petitions . . . by the trustees . . . to sell assets (as yet undesignated) of the bankrupt . . . 'at some time and place as yet undetermined."

In re Park Distributors, Inc., U.S.D.C. So. Cal, (July 1959)

QUESTION OF THE MONTH

If you are so set on making good somewhere, why not make good where you are?

NO CONSOLATION

A dollar doesn't go as far as it once did. But what it now lacks in distance, it sure makes up in speed!

WOULD YOU BE A LEADER OF MEN?

1. Do you rejoice in the success of others?
2. Do you give credit where credit is due?
3. Are you a good listener?
4. Do you encourage others to offer ideas?
5. Do you seek the advice of those who are more expert than yourself?
6. Do you invite constructive criticism?
7. Do you frankly admit your mistakes and take the blame for them?
8. Do you delegate others their share of responsibility, or do you let a cause suffer by making it a one-man operation?
9. Do you allow individuals the freedom they need and deserve to do their jobs well?
10. Do you encourage legitimate self-interest that everyone needs in his work?
11. Do you recognize the particular contribution your associates or helpers make?
12. Do you in short treat others as you wish to be treated yourself?

Title Man's Menu

APPITEEZERS

Caviar Emptor

Chopped Lien Livers

Tossed Secretaries

Au Jus

Au Nertz

ENTRIES

Tie Point Oysters with Creamed Opinions

Half Baked Customer on Half Shell (For Half-Wits Only)

Broiled Government Survey Stake

Fried Stuffed Shirts

Barbecued Wild Deed with Tame Rice

Clean Breast of Escrows (Under Glass — Dangerous!)

Young Whale Stuffed with Underwriters

Ox Joint Tenant Stew

Assorted Cold Metes with Running Leaps and Bounds

* * *

VEGE-TABLES

Fresh Abstracters Stuffed Examiners French Fried Titles

Mixed Indexes Split Vestings

Chopped Department Heads

* * *

DESSERTERS (TAKE-OFFS)

Title Binder Cheese Sugar Bowl Deeds Rat-Race Cheese

Missing Heir Sundae (For Bald Men Only)

Divorced Pairs with I-Scream Insane or Bankrupt Sundays

Creeps Suzette (Warning! Cook is Arsonist)

TOPPED OFF with Cup Brimful of Fellowship

—Thanks to Wanda Eggertsen
Associate Editor
Utah Title News