

Title News

the official publication of the American Land Title Association

DO NOT REMOVE



*ALTA Wins
Audio-Visual
Awards*

September, 1971



SEPTEMBER, 1971

The date of our Annual Convention in Detroit is rapidly approaching.

This year's convention will be truly outstanding. In addition to the reports from our own industry committees on the many current and crucial ALTA activities, nine well-known outside speakers have accepted our invitation to address our convention. Attendance at these business sessions should have first priority for every member of ALTA. As a real bonus, however, the social activities have also been expanded for this convention to include a night in Canada, an afternoon trip through the Ford plant and Greenfield Village, in addition to the opening Icebreaker and an outstanding banquet.

With most of us enjoying a substantial upturn in business, isn't this the year to take a few days breather from your day to day workload, to gain a new perspective on current changes in your industry, and incidentally to enjoy yourself thoroughly.

On behalf of your officers and staff of ALTA, we look forward to seeing each of you in Detroit.

Sincerely,

ALVIN W. LONG

Title News

the official publication of the American Land Title Association

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Chicago, Illinois

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ON THE COVER: ALTA Public Relations Committee Chairman H. Randolph Farmer (left); Executive Vice President William J. McAuliffe, Jr. (center); and Director of Public Affairs Gary L. Garrity look over Audio-Visual Achievement Awards won by an Association television public service film clip and ALTA home buyer education radio spots in the 1971 American Society of Association Executives Film Festival. The film clip thus far has been seen by an audience of approximately 124 million in 37 states, and the radio spots have been widely broadcast by stations from coast to coast. ALTA was the only association receiving A-V awards in two categories during presentation ceremonies August 25 at the 1971 ASAE Convention in Bal Harbour, Fla.

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GARY L. GARRITY, Editor, ELLEN KAMPINSKY, Assistant Editor

A black and white photograph of a woman in profile, walking towards the right. She is wearing a sleeveless, knee-length lace dress with a large bow at the waist, long gloves, and high-heeled shoes. Her hair is styled in an updo.

A woman of property.

With 96 title insurance companies available, this woman of property relies on American Title. Why? Her financial advisor recommended us. So did her lawyer. So did her real estate broker. We think this says something about the American way of doing business.



American Title Insurance Company

A member of

The Continental Insurance Companies

Home Office: 150 Southeast Third Avenue,

Miami, Florida 33131

Licensed in 45 states,

District of Columbia, Puerto Rico,

Virgin Islands, Netherlands Antilles.

William F. Galvin, President

Guarantee Abstract And Title Insurance Company

Abstracter-Agent Study Completed

(Editor's note: Author Galvin is chairman of the Organization and Claims Committee, ALTA Abstracters and Title Insurance Agents Section.)

* * *

The first study of the organizational and financial composition of ALTA member abstracters and/or title insurance agents reveals that 67 per cent of the members participating in the project employ fewer than five persons and 45 per cent received gross income of less than \$25,000 in 1970.

The project began on January 8, 1971, when a questionnaire developed by the Organization and Claims Committee was mailed to each of the 1,840 ALTA member abstracters and/or title insurance agents. In order to gain optimum response from members, the questionnaire, for the most part, requested general information which required respondents to indicate by check mark answers applicable to their particular operation. Members were also informed they were not required to identify their companies or to answer certain portions of the questionnaire if they preferred not to do so.

The response to the Committee's request for information was quite good. As this article is being prepared, 828 members, or 45 per cent of the members receiving the questionnaire, had returned completed or partially completed forms to the ALTA Research Department in Washington, D.C.

Of all members responding, 72 per cent indicated that they were both abstracters and title insurance agents, 18 per cent reported their operations involved abstracting only, and 6 per cent stated that they were title insurance agents only.

Only 1 per cent of the members reported having more than 40 persons in their employ, with the specific number of employees for this group ranging in number from 42 to 147 persons.

A capital and net worth of less than \$100,000 for their individual businesses was reported by 73 per cent of the members, while 6 per cent responded that their capital and net worth exceeded \$250,000.

About half of the members indicated that statutory bonds are required in their states, with 71 per cent of these companies reporting

bond coverage ranging from \$5,000 to \$10,000.

Abstract charges are not regulated in the states of 71 per cent of the members returning the questionnaire.

A complete plant is maintained by 70 per cent of the companies, while 10 per cent maintain a partial plant and 20 per cent use courthouse records.

Errors and Omission Insurance is carried by 76 per cent of the members, with 36 per cent of these companies having coverage ranging from \$50,000 to \$100,000.

Of all income received in 1970, members reported that 61 per cent resulted from abstracting, 28 per cent from title insurance, and 11 per cent from other sources.

Net taxable income of less than \$25,000 in 1970 was received by 71 per cent of the members, with only 1 per cent reporting net taxable income in excess of \$100,000.

Many members did not respond to a question asking for the book value of their abstract plant. Of those who did answer this question, 73 per cent estimated the value of their plants to be less than \$50,000.

Complete data developed by the Committee follows this commentary.

Cooperation of ALTA member abstracters and/or title insurance agents in this project has provided the Association officers and staff with data which will be of value when answering questions about the industry and which will be of help to



Author Galvin

members when comparing their individual operations to the industry as a whole.

Acknowledgment for a job well done is due members of the Organization and Claims Committee for their contributions in completing this

project and to the ALTA Research Department under Michael B. Goodin of the Association staff. Members of the Committee for 1971 include William R. Barnes, Jr., Security Title Company, St. Louis; J. W. Bartram, Stewart Title Guaranty

Company, Houston; Robert G. Frederick, C. W. Lynn Abstract Company, Inc., Salina, Kans.; William T. D. Holstein, LaCrosse County Title Company, LaCrosse, Wis.; and John B. Wilkie, Lawyers Title of Arizona, Tucson.

Report of the Organization and Claims Committee

Composition of Abstracter and/or Title Insurance Agent ALTA Members

| <u>Classification by Type of Operation</u> | <u>% of Total Respondents</u> | <u>% When Respondents not Answering this Question are Excluded</u> |
|--|-------------------------------|--|
| Sole Proprietorship | 21% | 22% |
| Partnership | 12% | 13% |
| Corporation | 48% | 49% |
| Corporation, Subchapter S | 15% | 15% |
| Other (not specifically identified) | 1% | 1% |
| Did not answer question | 3% | |
| <u>Classification by Abstracter, Title Insurance Agent, or Both</u> | | |
| Abstracter Only | 18% | 19% |
| Title Insurance Agent Only | 6% | 6% |
| Both Abstracter and Title Insurance Agent | 72% | 75% |
| Did not answer question | 4% | |
| <u>Classification by Number of Persons Employed</u> | | |
| Less than 5 employees | 67% | 69% |
| 5-10 employees | 19% | 20% |
| 10-20 employees | 6% | 6% |
| 20-40 employees | 3% | 3% |
| More than 40 employees | 1% | 2% |
| Did not answer question | 4% | |
| <u>Classification by Number of Persons Employed (continued)</u> | | |
| Specific number of employees reported by those companies having more than 40 persons in their employ: 42, 45, 45, 47, 67, 80, 85, 87, 92, 120, 147 | | |
| <u>Classification by Capital & Net Worth of Operation</u> | <u>% of Total Respondents</u> | <u>% When Respondents not Answering this Question are Excluded</u> |
| Less than \$25,000 | 32% | 36% |
| \$ 25,000-\$100,000 | 41% | 47% |
| \$100,000-\$250,000 | 10% | 11% |
| Over \$250,000 | 6% | 6% |
| Did not answer question | 11% | |
| <u>Classification by Gross Income Received in 1970</u> (Agents reported income net of remittance to underwriter) | | |
| Less than \$25,000 | 45% | 49% |
| \$ 25,000-\$100,000 | 35% | 39% |
| \$100,000-\$300,000 | 8% | 9% |
| \$300,000-\$500,000 | 2% | 2% |
| Over \$500,000 | 1% | 1% |
| Did not answer question | 9% | |
| <u>Statutory Bonds Requirement</u> | | |
| Bonds are required in state | 43% | 50% |
| Bonds are not required in state | 42% | 50% |
| Did not answer question | 15% | |

The following amounts were reported by those respondents indicating bonds were required in their states:

| | % of Total Respondents |
|-------------------|------------------------|
| Under \$5,000 | 4% |
| \$ 5,000-\$10,000 | 71% |
| \$10,000-\$15,000 | 5% |
| \$15,000-\$20,000 | 11% |
| \$20,000-\$30,000 | 4% |
| Over \$30,000 | 5% |

Regulation of Abstract Charges

| | |
|---|-----|
| Abstract charges are regulated in state | 16% |
| Abstract charges are not regulated in state | 71% |
| Did not answer question | 13% |

Maintenance of Complete or Partial Plants or Use of Courthouse Records Total Respondents

| | |
|--------------------------------|-----|
| A complete plant is maintained | 70% |
| A partial plant is maintained | 10% |
| Courthouse records are used | 20% |

Of those respondents indicating that they have partial plants, 29 reported the number of years covered. These ranged from 3 years to 147 years and averaged 40 years.

| | % of Total Respondents | % When Respondents not Answering this Question are Excluded |
|---|------------------------|---|
| <u>Errors and Omission Insurance Coverage</u> | | |
| Errors and Omission Insurance is carried | 76% | 78% |
| Errors and Omission Insurance is not carried | 22% | 22% |
| Did not answer question | 2% | |

The following amounts of Errors and Omission Insurance coverage were reported by those respondents indicating that they carry such insurance:

| | |
|--------------------|-----|
| Less than \$10,000 | 8% |
| \$10,000-\$ 20,000 | 7% |
| \$20,000-\$ 30,000 | 14% |
| \$30,000-\$ 40,000 | 2% |
| \$40,000-\$ 50,000 | 25% |
| \$50,000-\$100,000 | 36% |
| Over \$100,000 | 8% |

Percentage of Gross Income Derived from Abstracts, Title Insurance and/Other Sources

| | Total Respondents |
|-----------------|-------------------|
| Abstracts | 61% |
| Title Insurance | 28% |
| Other Sources | 11% |

| | % of Total Respondents | % When Respondents not Answering this Question are Excluded |
|--|------------------------|---|
| <u>Classification by Net Taxable Income Received in 1970</u> | | |
| Less than \$25,000 | 71% | 80% |
| \$25,000-\$100,000 | 16% | 18% |
| Over \$100,000 | 1% | 2% |
| Did not answer question | 12% | |

Classification by Book Value of Abstract Plant

| | | |
|-------------------------|-----|-----|
| Less than \$5,000 | 6% | 12% |
| \$ 5,000-\$ 10,000 | 6% | 12% |
| \$10,000-\$ 15,000 | 4% | 8% |
| \$15,000-\$ 25,000 | 8% | 16% |
| \$25,000-\$ 50,000 | 13% | 25% |
| \$50,000-\$100,000 | 9% | 19% |
| Over \$100,000 | 4% | 8% |
| Did not answer question | 50% | |

Walter A. Bowers, President
Street Abstract Company, Inc.



Redesigned Abstract Tabulating Cards?

(Editor's note: Recently, Author Bowers sent *Title News* his thoughts on equipment and modernization for a smaller title plant, which resulted in an article in the March, 1971, issue. In the following article, he focuses his attention on the redesign of tabulating cards for use in smaller plant abstracting. He comments: "For each tract of land, there would have to be several alphabetic cards to give the exact land description. On each oil lease there might have to be several cards to identify the nature and functions of each lessee. And on probate and other court matters, other alphabetic cards might be required. So a tabulating card system might have some complications on the alphabetic side that would outweigh the time-saving features in arranging chain of title in laying out the items in an abstract in chronological order." He closes by inviting interested abstracters to submit their comments to *Title News*.)

An abstract is an arrangement in chronological order of abstracted records pertaining to a specific tract of land. These records are those that in some way affect the title to the specific tract of land.

As one author (3 Minn 94) as stated—"An abstract is a summary of the most important part of the deeds and other instruments composing the evidence of a title to real estate, arranged usually in chronological order, and intended to show the origin, course, and incidents of title, without the necessity of referring to the deeds themselves. It also contains a statement of all charges, incumbrances, liens, and liabilities to which the property may be subject, and of which it is in any way material for purchasers to be appraised."

Whatever else may be abstracted, the description of the specific tract of land should be set out in full. No document or record should be abstracted so briefly that an examiner

cannot detect a possible defect in a land title. If there is a suspicion or doubt about the wording or nature of a record, the subject matter in question should be quoted by the abstracter in the abstract in full. This, briefly, is a summary of the difficulties under which an abstracter labors.

With such limitations, it would appear that using the standard 80 column tabulating card, there must be two or more cards. One card can be designed for coding the location of the specific tract of land and a second card for the exact legal description of the specific tract of land. For such detailed descriptions there can perhaps be two or more tabulating cards used.

First, to be considered, therefore, is the design of the tabulating card used for locating the tract of land, the nature of the legal instrument, and the dates by which the instruments can be sorted chronologically

Part VI: ALTA Judiciary

Committee Report

(Editor's note: Members of the ALTA Judiciary Committee have submitted over 400 cases to Chairman John S. Osborn, Jr., executive vice president and general counsel, Louisville Title Insurance Company, for consideration in the preparation of the annual Committee report. Chairman Osborn reports that 81 cases have been chosen from this number for the report. Other installments may be found in the December, 1970, and February, April, May, and July, 1971 issues of *Title News*.)

* * *

VENDOR—PURCHASER

Webb v. Stewart, 469 P. 2d 609 (Oregon, 1970)

Webb, an elderly man, executed an earnest money receipt, as seller, agreeing to convey his home to Stewart, purchaser. Stewart returned two days later and asked Webb to sign additional papers to be placed in "escrow." One of these papers was a deed which Webb signed before a notary public. Stewart, named as grantee in deed, took the deed with him and recorded the same. He then executed a deed to Cascadia Development, Inc., and recorded it. A small part of the purchase price was paid to Webb. Cascadia Development, Inc., then executed a trust deed to Wilson to secure a loan. Webb remained in possession of the property. Webb brought suit to cancel deeds and trust deed. Wilson claimed status of innocent purchaser for value.

Held: Normally, grantor who places fully executed deed in the hands of a grantee may be estopped to assert a claim against subsequent purchaser. However, the continued possession of the premises by the grantor under these circumstances is a fact provoking inquiry from those subsequently

dealing with the land. The inquiry by Wilson, beneficiary in the trust deed, was inadequate, and the plaintiff is entitled to a decree cancelling the deeds and the trust deed.

Wade v. Lake County Title Company, 86 Cal. Rptr. 182 (Cal. 1970)

Vendors brought action against escrow holder and purchasers to recover for purchasers' breach of contract for purchase of real estate. The court held that where escrow holder, without notifying vendors, held purchasers' \$15,000 check from July 22, 1965, to December 3, 1965, without depositing it, and purchasers subsequently went bankrupt so that no money was available to pay the check, the escrow holder was negligent and estopped to deny that it had on deposit the \$15,000 and was liable to vendors for consequential damages suffered because of purchasers' breach, even though the parties' instructions contained no direction that the check should be deposited.

Mortenson v. Financial Growth, Inc., 23 Utah 2d 54, 456 P 2d 181 (1969)

In a suit brought by vendors to terminate the rights of a purchaser under a contract of sale of ranch property, the district court granted vendor's motion for summary judgment and dismissed counterclaim. Defendants appealed. The supreme court held that where a reservation of mineral rights to state and federal governments was based on state and federal statute, such reservations did not constitute an "encumbrance" which would prevent the vendors from conveying the fee simple title to the property free and clear of all encumbrances, and the

purchaser's failure to pay installment was a defalcation of so material and substantial a nature as to terminate the purchaser's rights in contract.

Stegg v. Scharenberg, 20 Ohio App. 151 (1969)

Buyers purchased land known as Lot No. 16 from sellers and were granted an option to "purchase some land (owned by the sellers) immediately adjacent and north of Lot No. 16, at a price in line with whatever the remaining land is sold." Sellers owned 27 acres in the area in question. Buyers sought to enforce the option and sellers refused.

Held: The option is indefinite in that the amount of land the sellers were to sell was uncertain and no other particulars are stated which will indicate with reasonable certainty the land intended. The court will not receive parol evidence both to describe the land and then to apply the description.

Dittman v. Nagel, 43 Wis. 2d 155, 168 N. W. 2d 190 (1969)

The offer to purchase contained a statement that the seller warranted his well to produce an adequate supply of water for human consumption. The offer was accepted by the seller. A short time after closing it was discovered that the water was bad.

Held: An express warranty included in a contract to purchase real estate is just as effective and binding as an express warranty included in a contract to purchase goods, but water must be bad at the time of closing.

Case of first impression, adopting majority view.

Property Sales, Inc., v. Irvington Ice Cream & Frozen Arts, Inc., 184 Neb. 17 (1969)

An action on a contract between a landowner and a broker for the listing of land. The time limit fixed in the listing contract had expired, but it was contended that, after expiration, the contract was extended by the parol agreement of the parties.

Held: Upon the expiration of the written contract it could not be extended by parol, but a new contract in writing was required.

Case overrules earlier Nebraska decision.

Whitley v. Patrick, 226 Ga. 87, 172 S. E. 2d 692 (1970)

This is an unusual ruling on contracts for the sale of realty. Several copies of the contract were prepared, and one copy was signed by the purchaser. A different copy of the same contract was signed by the seller. The court said that where a single writing embodying all the terms of the contract is prepared in multiple form, signatures of the parties on separate copies are sufficient to render the contract enforceable.

County of Trinity v. Rourke, 275 A.C.A. 691 (Cal. 1969)

In this case, the grantors deeded property to an unincorporated association founded for the purpose of acquiring land for a local airport. Subsequently, the association was incorporated and in said capacity conveyed the property to the plaintiff county which brought this action to quiet title to the property. Defendants, claiming title as heirs of the grantors to the unincorporated association, assert that since an unincorporated association is incapable of taking title to real property that the deed failed for want of a grantee. The court held that the deed to the unincorporated association was adequate to vest ownership in the association's members and when the association was incorporated the unincorporated association was ipso facto dissolved and the property held by it became the property of the corporation. Thus, the transfer from the subsequent incorporated association to the plaintiff was valid.

Johnson v. Layman, 1 Wn. App. 909 (Wash. 1969)

In this case, the question arose as to what was the time within which the timber must be removed from the land under a timber deed. The court held that unless the timber deed clearly manifests an intent to convey a perpetual right, the grantee is allowed only a reasonable time in which to remove the timber. The next question, as to what is a reasonable time, was held to depend on the particular circumstances in each case. In the instant case, the court allowed approximately twenty-five years to remove the same, and explained that while this appeared to be unreasonable and no such lengthy time had ever been considered reasonable before, the peculiar situation in the instant case gave rise to that interpretation. The timber deed was executed in 1946, but the land had been logged-off in the mid-1930s. It was clear that there could not be another timber crop for twenty to thirty years.

WATER AND WATERCOURSES

State, ex rel. Thornton v. Hay, 462 P. 2d 671 (Oregon, 1969)

Hay, owner of a tract of land on the Oregon coast line, appeals from a decree which enjoins him from constructing fences or other improvements in the dry sand area between the sixteen-foot elevation contour line and the ordinary high-tide line of the Pacific Ocean. By state statute, the ownership of the shore of the Pacific Ocean between ordinary high-tide and extreme low-tide is vested in the state of Oregon and is declared to be a state recreation area. The issue in this case is the power of the state of Oregon to limit the adjoining owner's use and enjoyment of the dry sand area. The dry sand area lies above the ordinary high water mark and is bounded by the line of vegetation. By statute, the state of Oregon may prevent construction in this area under zoning regulations. The trial court held that the public had acquired, over the years, an easement for recreational purposes to go upon and enjoy the dry sand area and that this easement was appurtenant to the wet sand area owned by the state.

The supreme court affirmed the decree of the trial court and held that the public was entitled to use the dry sand area by virtue of a prescriptive easement acquired through years of use, and also by reason of the English doctrine of custom.

State ex rel. Rheinfrank v. Gienow, 20 Ohio St. 2d 17 (1969)

In an action *in mandamus* originating in the supreme court, owners of land along the Maumee River sought to compel the director of public works to determine the title to the bed of the water abutting their properties under the provisions of section 123.61, Ohio Rev. Code. The state had granted a permit to dredge sand in the area in dispute on the theory that the land was a part of Lake Erie. Section 123.61 states generally that when land claimed by the state is in the possession and occupancy of any person or corporation, the director of public works upon application by those affected may make an award and decision thereon. The director of public works contended that this section was purely discretionary and that he could not be forced to make a ruling.

Held: Upon a claim by any person or corporation claiming ownership of land to which the state claims title, the director of public works must make an award and decision and such award will be final as to all parties having notice and not under legal disability, but is subject to judicial review.

Oliphant v. Frazho, 381 Mich. 630, 167 N. W. 2d 280 (1969)

In 1832, the United States patented lands abutting a connecting waterway of the Great Lakes. By mesne conveyances, a portion of the divided property reverted to the state for non-payment of taxes. The former owner availed himself of the statutory right to repurchase it on land contract. Before completion of the contract and prior to the execution of the deed by the state, purchaser made an extensive land fill into the lake and thereafter platted all the newly filled-in land by and with the joinder of the state de-

Continued on Page 15



Gamboa and Araas Elected Presidents At Joint Idaho-Wyoming Convention

It is the title companies' responsibility to see that the state insurance department does a good job, Idaho Commissioner of Insurance John R. Blaine told members of the Idaho and Wyoming Land Title Associations at their joint convention June 24-26 in Burley, Idaho.

Members also heard from James A. Gray, ALTA Abstracters and Title Insurance Agents Section chairman, who reported on national developments of interest to the land title industry.

In another convention highlight, Mrs. Jeanette Pauli, the Title Insurance Company, Boise, received a standing ovation at the banquet in recognition of her 22 years of service as ILTA secretary. Mrs. Pauli declined the nomination to serve another year in office and Mrs. Mary Davis, Land Title Insurance Company, Payette, subsequently was elected ILTA secretary-treasurer.

Wyoming members elected Kenneth Araas, Wyoming Land Title Company, Green River, president; Larry Monk, Teton Land Title Company, Jackson Hole, vice president; and Elaine Blakeslee, Uinta Title and Insurance Company, secretary-treasurer.

Idaho members elected Joe Gamboa, Canyon Abstract and Title Company, Ltd., Caldwell, president;

Joe Montell, Inland Abstract Company, Grangeville, Panhandle district vice president; Victor Ford, Owyhee County Abstract Company, Murphy, Southwest district vice president; and David J. Anderson, American Land Title, Inc., Pocatello, Southeast district vice president.



Joe Gamboa



Chatting during the joint Idaho and Wyoming Land Title Association conventions are, from left, G. Hal Mayes, program speaker; Robert Balch, Idaho Association past president; Joseph H. Smith, program speaker; Mrs. Jeanette Pauli, Idaho Association past secretary-treasurer; and Lex Kunau, convention chairman.

State, National Items On OLTA Agenda

Local legislative developments and national land title industry activity were among matters discussed at the Oregon Land Title Association sixty-fourth Annual Convention June 24-26 at Wemme, Ore.

Wallace P. Carson, Jr., member of the Oregon senate, delivered a comprehensive report on the 1971 Oregon state legislative session. ALTA Vice President John W. Warren spoke about the Association's national activity.

Other talks were presented by Herbert Altstadt, counsel for the rating bureau for title insurance companies in Oregon, who detailed the work of the rating bureau since the last OLTA convention; and a Portland attorney, Denton G. Burdick, who spoke on foreclosing mortgages, trust deeds, contracts and liens.

A speaker from Boise, Idaho, Vern L. Gurnsey, vice president of Boise Cascade Company, commented on "The Business of Growing Trees for Tomorrow's Homes."

OLTA members elected Robert O. Smith, Union Title Division, Commonwealth Land Title Insurance Company, Salem, association presi-

dent; and Dan P. McLoughlin, Jr., Wasco Title Oregon, Ltd., The Dalles, vice president.

Newly-elected executive committee members at large include: Victor Bender, Pioneer Title Company of Lane County, Eugene; and Ronald Bates, Land Title Insurance Agency, Burns.

Stuart F. Wylde, Abstract and Tile Company, La Grande, was elected chairman of the agents section executive committee and ex-officio member of the executive committee.

Stanton W. Allison was re-appointed executive secretary and treasurer.

New Jersey Elects Eagan President

James J. Egan, Jr., Chelsea Title and Guaranty Company, Newark, has been elected president of the New Jersey Land Title Insurance Association.

Other newly-elected officers include Raymond A. Buckman, Commonwealth Land Title Insurance Company, first vice president; John A. Kiernan, Pioneer National Title Insurance Company, second vice president; and LeRoy D. Sanders, Chicago Title Insurance Company, treasurer.

Henry Vietmeyer Retires in October

Henry W. Vietmeyer, Assistant General Counsel for The Northwestern Mutual Life Insurance Company, Milwaukee, and an ALTA associate member since 1946, is retiring at the end of October.

"I certainly enjoyed my association with American Land Title," he said. "I believe that the Association is now a progressive organization representing a great American industry."

First American Expands Market

First American Title Insurance Company, Santa Ana, Calif. has added Solano County, (Calif.), area coverage through an underwriting agreement with Vallejo Land Title Company of Vallejo.

The Vallejo firm also services southern Napa County through the First American office in Napa.

The company was established in 1952 by a father-son team, Walter F. Parker and William A. Parker, who head it as president and secretary-manager, respectively.



Oregon Land Title Association members and guests spent a busy three days during the OLTA Annual Convention June 24-26. Here, past president Jesse Yardley installs newly-elected officers (from left) Pat McLoughlin, vice president; Vic Bender, executive committee; and Bob Smith, president. ALTA vice president John Warren discusses national activities of the Association (center). Vern McMullen, Salem Title Company (standing) new OLTA honorary member, responds after the presentation while Barbara Smith (president Smith's wife) and James O. Hickman, chairman, ALTA Title Insurance and Underwriters Section, listen.

names
names
names
names in the news

Duane L. Serck has been appointed an assistant vice president of Chicago Title Insurance Company and continues as manager of the Illinois agency department while assuming new responsibility for the national title examining and closing unit.

Chicago Title also has appointed **Loren J. Duensing** an assistant vice president, Kansas City Division office, in charge of the administrative-legal department.

* * *

Title Insurance and Trust Company has announced the election of **James M. Boyar** to vice president and corporate marketing representative with headquarters in the San Francisco division office.

IT also has named **James R. Marshall** business development representative for the Long Beach area. He moves from the Santa Ana operation to the Los Angeles office.

* * *

Warren E. Finch has been elected a vice president of Title Insurance Company and of Pioneer National Title Insurance Company, and will manage the company's new construction disbursement services department, in Los Angeles.

Another newly-elected PNTI vice president, **Wesley E. Stewart, Jr.**, will head the title insurance and related financial service operations for Marion and Polk counties from headquarters in Salem (Ore.). Stewart is former vice president and manager of Salem Title Company.

* * *

Security Title Insurance company announced the promotion of **Garrett G. Bickford**, former assistant vice president and assistant trust officer,



BOYAR



MARSHALL



BICKFORD



MARVIN



McNULTY



ZELLER



BALKE



FRANZONI

to vice president and trust officer. He is also manager of Security's Panorama City (Cal.) Trust Department.

Security also has announced the appointment of vice president **F. R. (Dick) Marvin**, former Orange county operations manager, to the home office national accounts division. **Robert J. McNulty**, vice president and former Sacramento county manager, will replace **Marvin** in Orange county. **McNulty** will be replaced by **Don Zeller**, newly-named vice president and former marketing manager in Sacramento county.

* * *

Commonwealth Land Title Insurance Company announced four promotions: **Peter L. Mulder** has been promoted to title officer and manager of the Harrisburg division from his prior assignment at the Delaware county plant. **Richard G. Powers**, of the claims department, and **Francis P. Chappell**, in the business development department, both were promoted to title officers. **Paul L. Faison**, claims department, has been named assistant title officer.

* * *

Hamilton M. (Monty) Balke has been elected controller of American Title Insurance Company. He formerly was assistant treasurer of Southeast Mortgage Company.

* * *

Anthony S. Franzoni has been appointed president of Industrial Valley Agency, Inc., Blue Bell, Pa. Franzoni formerly was vice president of Pioneer National Co. of Pennsylvania, Inc.

* * *

Inter-County Title Guaranty and Mortgage Company has announced

the appointment of **Mario Sclafani** to vice president at the White Plains office and **Edward F. Eichorn** to assistant vice president at the Riverhead office. Both men are assigned to duties as assistant office managers. **Samuel R. Whiting** is new title officer for the Albany office.

* * *



DEUSCHLE



LEWIS



METZGER

The Title Guarantee Company (New York) has announced the election of **Frederick C. Deuschle**, **Michael A. Lewis** and **George A. Metzger** as vice presidents and branch managers of their respective new offices. Deuschle was promoted from supervisor at the county clerk's office to the Buffalo office; Lewis was promoted from manager of the production center in New York to White Plains; and Metzger was appointed to the Jamaica office.

Six new assistant vice presidents were also elected. They are **Carlton H. Doster**, branch manager of the Syracuse office; **John J. Conforti**, manager of the Riverhead office; **Robert G. Cotroneo**, manager of the Goshen office; **Arthur P. Hohenfels**, manager of the Staten Island office; **Frank W. Kosman**, production manager in the White Plains office; and

Harold Ritter of the midtown Manhattan sales office.

* * *

Newly-elected assistant secretaries are **Harry Gutschow** and **Ralph Jones**, Buffalo; **Norman Perry**, Syracuse; and **Rodger Schmidt**, Lockport.

* * *

Other promotions include **William Gerstner**, New York, and **Albert Yorio**, White Plains, to assistant counsel; **Sal J. Turano**, Riverhead, to title officer; and **William Gross**, White Plains, to assistant title officer.

* * *

Palm Beach Abstract and Title Company has announced the promotion of **Peter F. Gulotta** to executive vice president at the West Palm Beach main office. He formerly was vice president and general manager of the Delray Beach office.

* * *

John C. Carabello, Jr., has been appointed manager of The Title Insurance Corporation of Pennsylvania's Lansdale (Pa.) office. He was promoted from assistant title officer and assistant manager of the Norristown office.

TABULATING—Continued from Page 7

| Columns | Data |
|---------|---|
| 1 - 2 | Name of State |
| 3 - 5 | Name of County |
| 6 - 7 | Township Number |
| 8 - 9 | Range Number |
| 10-11 | Section Number |
| 12 | Quarter Section NW, NE, SW, SE Numbers |
| 13 | Quarter Quarter Section Numbers |
| 14 | Quarter Quarter Quarter Section Numbers |
| 15-17 | Number of Acres |
| 18-24 | Document Dates Month (2) Day (2) Year (3) |
| 25-31 | Filing Dates Month (2) Day (2) Year (3) |
| 32-35 | Book Number in Register of Deeds Office |
| 36-38 | Page Number |

| | |
|-------|--|
| 39-46 | Acknowledgement Dates Month (2) Day (2) Year (3) |
| 47-54 | Notary Dates Month (2) Day (2) Year (3) |
| 55-61 | Seal Shown — State — County |
| 62 | Type of Instrument |
| 63-66 | Taxes Paid through Date |
| 67-72 | Revenue Stamps Paid |
| 73-75 | First Party Alphabetic Identification Symbol |
| 76-79 | Second Party Alphabetic Identification Symbol |
| 80 | Base or Supplemental |

Several types of tabulating equipment are required for a complete installation and the monthly rentals of each quoted here are only approximate:

- 1) Key punch machine \$100 per mo.
- 2) Card sorter \$200 per mo.
- 3) Alphabetic tabulator \$200 per mo.

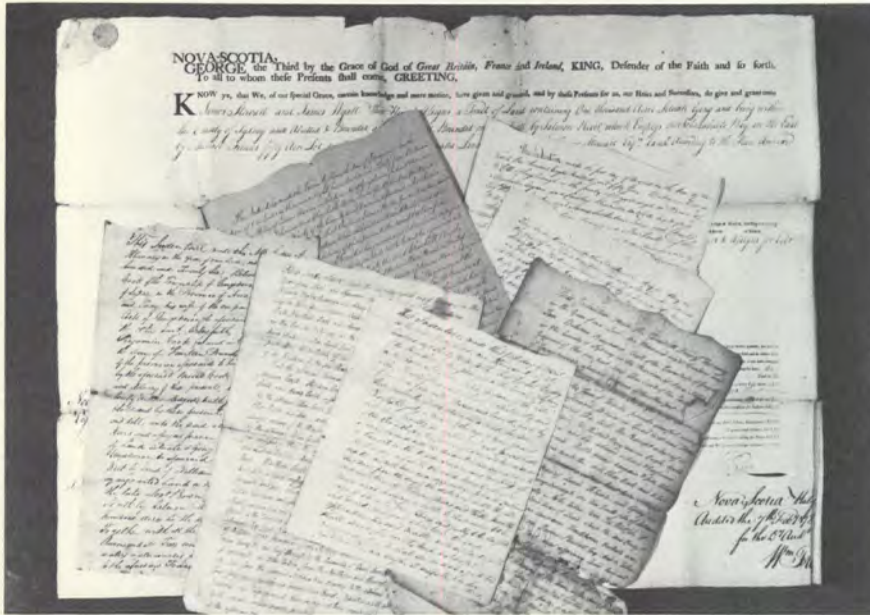
Add to the machine rental costs the monthly salary of a competent operator and the minimum monthly operating cost in Kansas would run around \$1,000.00. A small abstracter processing only a handful of abstracts per month would have to debate with himself for some time before contracting for the expense of a tabulating card installation.

Schmidt to Address International Group

James G. Schmidt, chairman of the board of Commonwealth Land Title Insurance Company, Philadelphia, is scheduled to speak at an international gathering of real estate experts in Weisbaden, Germany, on September 3.

Schmidt will discuss, "Title Insurance Companies and Their Place in Land Registration in the United States of America", at the International Congress of the Federation Internationale des Geometres, comprised of real estate experts from 46 countries.

Historic Records and Documents Fill Titleman's Private Collection



Antique deeds, many curled and spotted with age, are part of the land title document collection of Cecil Beekman.

Anyone wanting to return Manhattan to the Indians might consider searching related land titles through Cecil Beekman, Inter-County Title Guaranty and Mortgage Company vice president. Among his collection of some 1,000 antique documents relating to land transfers is a copy of the only written record of the island's purchase.

Beekman started his collection about 10 years ago when his company handled a case involving the Shinnecock Indians of Long Island, which was carried to the Supreme Court.

Like many of the documents in Beekman's possession, the Shinnecock deed describes boundaries by natural landmarks. Examples of descriptions found in his collection include "two bounded oak trees" and "running 22 rods to a stump". The Indians, by the way, won their case based on a ditch whose location was uncertain but which was defined by the tribe's oldest members.

Beekman's land title career has helped unearth many documents for his hobby and has led to his appointment as historian for the Incorporated Village of Hempstead, and as a consultant to the Nassau County Museum for the Old Bethpage Restoration project (both on Long Island).

About 90 per cent of his collection concerns Long Island. It contains a copy of the 1643 deed Indians gave for the land Hempstead now occupies. The Dutch signed a grant for the same land in 1644. In 1657, Indians reconfirmed the Dutch grant but demanded more payment. Beekman has copies of both these documents, too, the last bearing the marks of Tackapausha and six other tribal chiefs.

Deeds in the Beekman collection range as far south as Baltimore, the grant for which demands a yearly rental of "six shillings in silver or gold" payable "by even and equal

parts" on "the two most usual feasts of the year, that is the feast of the Annunciation of the Blessed Virgin Mary and St. Michael, the Arch-Angel".

Besides deeds and transfers, the collection includes a 1631 atlas with plates by the Flemish cartographer, Gerardus Mercator.

Beekman shares his historic documents with others by giving slide-illustrated lectures before high school audiences and service clubs.

The history of Beekman's family—one of the oldest on Long Island—parallels documents in his collection. The first colonial member of his family, William Beekman, arrived in New Amsterdam with Peter Stuyvesant in 1647. Initially a merchant, he soon invested money in real estate and time in politics, and was named a selectman.

Two of the oldest streets in lower Manhattan, William and Beekman Streets, are named for this early settler. The New York Historical Society has published a book about the family, called *The Beekmans of New York*.

San Juan Abstract Marks 25th Year

San Juan County Abstract & Title Company, Farmington, N.M., recently celebrated its twenty-fifth anniversary.

In a related local newspaper ad, it is noted that San Juan Title was the first company in New Mexico to microfilm the county records, at first typing all abstracts, and when equipment became available after World War II, converting to enlargements of the microfilm records.

The present company was started in July 1946, when Mrs. Linda Nye, now secretary and treasurer, acquired a business known as the San Juan County Abstract and Title Company. In June, 1954, she also acquired the business known as Woods Title & Insurance Service. In April, 1968, the company was incorporated under the laws of New Mexico.



Russell C. Pinker, senior vice president, Commonwealth Land Title Insurance Company, helps Robert R. Schroedel, manager of the company's Paoli, Pa., office, from helicopter following settlement aloft for the new heliport to serve suburban Philadelphia.

Lofty Settlement For Commonwealth

In a first for the Philadelphia area, and possibly the nation, Commonwealth Land Title Insurance Company recently completed a real estate settlement in a helicopter hovering above the transacted property.

The property, site of a future suburban heliport, was acquired by Keystone Helicopter Corporation. Commonwealth's Paoli (Pa.) office conducted the title search and provided the title insurance, but the final settlement was signed aloft by Paoli office manager Robert R. Schroedel.

Among those participating in the settlement, in addition to Schroedel, were Russell C. Pinker, senior vice president of Commonwealth; Richard A. Kunch, secretary and mortgage officer of Phoenixville Federal Savings and Loan Association, which is providing the mortgage; Malcolm A. Campbell, Esq., attorney for Phoenixville Savings and Loan; Peter

Wright, Sr., president of Keystone; and Richard Stevens, Esq., his attorney.

CTI Acquires Lindley Abstract

Chicago Title Insurance Company has acquired the stock of Lindley Abstract & Title Company, Omaha, Neb.

Lindley Abstract & Title serves Douglas County, Nebraska, and has been an agent for Chicago Title for several years. In 1970, it was one of 15 CTI agents nationwide to receive Chicago Title's International Agency Performance Award, presented for outstanding achievement among the more than 850 agents representing Chicago Title throughout the United States.

JUDICIARY REPORT—
Continued from Page 9

partment having jurisdiction over the land contract as well as all tax reverted lands. Thereafter, a deed from the state was executed for the entire area as subdivided. In a proceeding 17 years later, the state under the Great Lakes Submerged Lands Act sought to lay claim against the owners of such filled-in area as being without the benefit of patent.

Held: The state, as well as individuals, may be estopped by its acts, conduct, silence, and acquiescence.

The case contains an unusual set of facts and would not appear to justify carte blanche reliance on the rule of estoppel against the state.

MORTGAGES AND LIENS

City National Bank of Dothan v. First National Bank of Dothan, 232 Southern Reporter, 2nd Series, Page 342 (Ala. 1970)

First National Bank secured three promissory notes, executed prior to July 8, 1965, by a first mortgage on certain real estate. This mortgage contained an open end provision or additional advance clause. On the same day, the mortgagor executed a second

mortgage on the same property, which note and mortgage was assigned to the City National Bank. Subsequently the City National Bank had executed another note and third mortgage on the same real estate. After the execution of these mortgages the First National Bank received another promissory note from the property owner. Thus, the First National Bank had three notes made prior to the date of the execution of the notes and first mortgage and one note executed subsequent to the City National mortgages.

Held: Where mortgage provision extended lien of first mortgage to cover future advances, and future advance was given without mortgagee's having knowledge or actual notice of execution of junior liens to another bank, mortgagee's lien covered the advance, notwithstanding that junior liens were recorded. This case follows the majority view on the subject.

Lily Flagg Building Supply v. J. M. Medlin & Co., 232 Southern Reporter, 2nd Series, Page 643. (Ala. 1970)

Flagg entered a contract February 19, 1965 to furnish materials to use in the construction of improvements on the lot that Medlin owned. Flagg filed a verified statement of a lien October 1965, and a complaint against Medlin in November, 1965. Prior to commencement of the suit and prior to filing of the verified statement of lien, the property was conveyed by Medlin to Cassidy and the Cassadys gave a mortgage on the property to Advance Mortgage Corporation which was assigned to New York Bank for Savings. In February, 1967, more than a year

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after the original bill was filed, Flagg amended the bill of complaint to add Cassady and the New York Bank for Savings as respondents.

Klavens v. Siegel, 260 A 2d 637, 256 Md. 476 (1970)

Plaintiffs contracted to purchase defendants' residence, which contract contained the usual provision that the title was to be good and merchantable. Plaintiffs had a survey made which disclosed that the defendants' driveway encroached onto an adjoining property. The plaintiffs were advised by their title company that an unqualified title policy would not be issued and, therefore, decline to make settlement and demanded a return of the deposit. The defendants declared the deposit forfeited, whereupon the plaintiffs brought suit for damages for breach of contract. Judgment for the plaintiffs, affirmed.

Defendants assign three reasons for reversal: (a) defect in title was not sufficiently substantial to adversely affect merchantability; (b) court erred in excluding evidence of merchantability; and (c) the court erred in admitting testimony of an employee of the surveyor because he had no personal knowledge of the facts as to which he testified.

Although points (a) and (b) were not properly before the court of appeals, it noted in passing with respect to (a) that there was evidence from which the jury could and probably did find that the driveway provided the only means of access to the house and that had the plaintiffs been denied the use of that part of the driveway which encroached on the adjacent property, the remainder of the driveway was narrower than the plaintiffs' cars. As to point (b) the court noted that evidence of a subsequent sale, at a lesser price when the purchaser agreed to accept the defendants' letter of indemnity as to the encroachment, was not material to the issue of merchantability, as it is axiomatic that anything can be sold at some price. As to the third reason, the court held that it was not error, as the same question had previously been decided by the court of appeals.

meeting timetable



1971

September 15-17, 1971
Nebraska Title Association
Villager Motel
Lincoln, Nebraska

October 3-6, 1971
ALTA Annual Convention
Statler Hilton Hotel
Detroit, Michigan

September 17-19, 1971
Missouri Land Title Association
Downtown Holiday Inn
Kansas City, Missouri

October 24-26, 1971
Indiana Land Title Association
Indianapolis Hilton
Indianapolis, Indiana

September 10-11, 1971
North Dakota Land Title Association
Tumbleweed Motel
Jamestown, North Dakota

October 28-30, 1971
Florida Land Title Association
Colonnades Beach Hotel
Palm Beach Shores, Singer Island, Florida

September 17-18, 1971
Wisconsin Title Association
Racine Motor Inn
Racine, Wisconsin

November 4-5, 1971
Dixie Land Title Association
Mobile, Alabama

September 23-25, 1971
Ohio Land Title Association
Sheraton-Columbus Motor Hotel
Columbus, Ohio

December 1, 1971
Louisiana Title Association
Royal Orleans Hotel
New Orleans, Louisiana

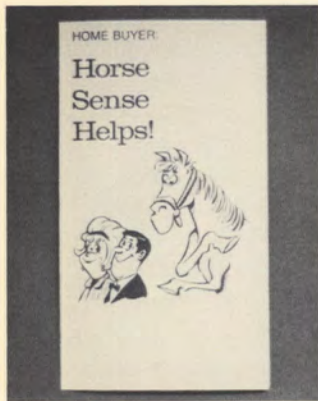
September 24-25, 1971
Kansas Land Title Association
Holiday Inn Towers
Kansas City, Kansas

1972
March 1-2-3, 1972
ALTA Mid-Winter Conference
Regency Hyatt House
Atlanta, Georgia

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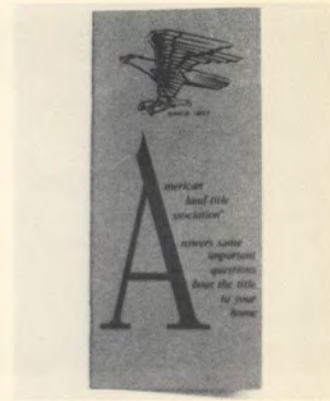
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1828 L Street, N.W., Washington, D.C. 20036)



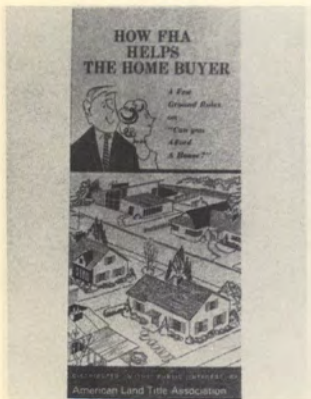
HOME BUYER: HORSE SENSE HELPS! A concisely-worded direct mail piece that quickly outlines title company services. 1-11 dozen, 65 cents per dozen; 12 or more dozen, 50 cents per dozen; designed to fit in a No. 10 envelope.



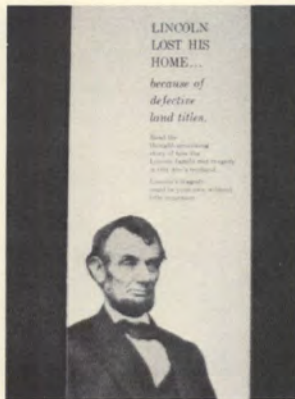
CLOSING COSTS AND YOUR PURCHASE OF A HOME. A guidebook for home buyer use in learning about local closing costs. Gives general pointers on purchasing a home and discusses typical settlement sheet items including land title services. 1-11 dozen, \$2.25 per dozen; 12 or more dozen, \$2.00 per dozen.



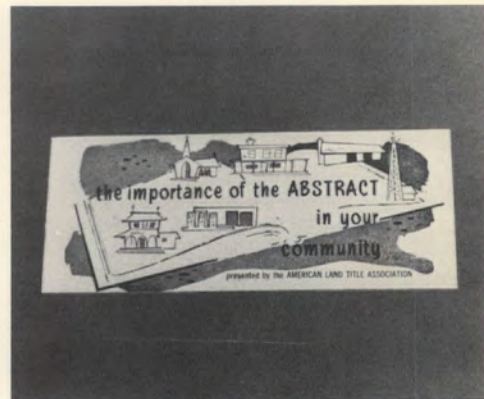
AMERICAN LAND TITLE ASSOCIATION ANSWERS SOME IMPORTANT QUESTIONS ABOUT THE TITLE TO YOUR HOME. Includes the story of the land title industry. \$11.00 per 100 copies of the booklet.



HOW FHA HELPS THE HOME BUYER. This public education folder was developed in cooperation with FHA and basically explains FHA-insured mortgages and land title services. \$5.50 per 100 copies.

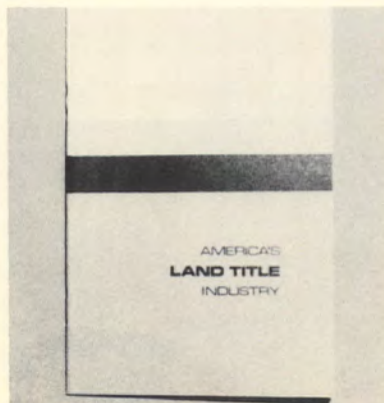


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American Land Title Association

