

# Title News

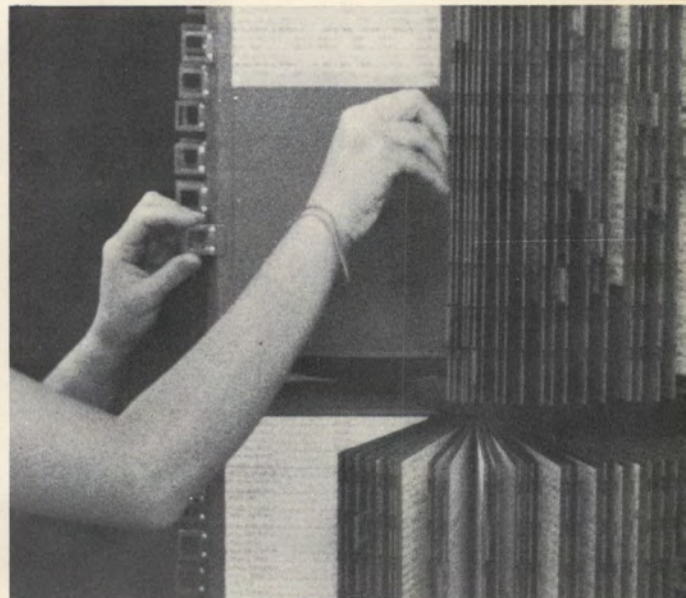
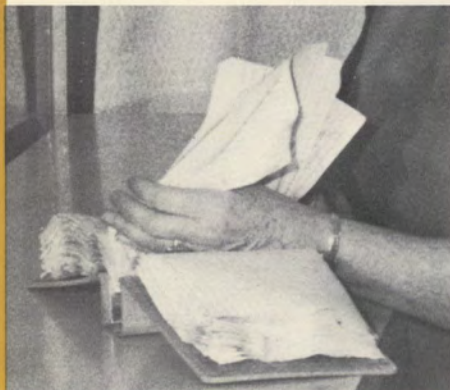
*the official publication of the American Land Title Association*



DO NOT REMOVE



**Microfilm Conversion  
For Abstract Plants--?**



June, 1972



## Vice President's Message

JUNE, 1972

Every four years we in the United States witness the strange phenomenon of a political campaign. Again we are in the midst of the primary contests, where we see the spurring on of one candidate's hopes, or the dashing of the desires of another. In a few short weeks we will view in our homes via television the parade of state banners in the assembly halls of the political conventions. These are not only exciting events to watch, but reflect American democracy at work.

To reap the full benefit of the American system, all of us should exercise our right to express our voice as to the issues and candidates, and further to exert our full effort towards successful determination, whether it be on the local, state or national level. It has been my observation that most members of the title profession have recognized this obligation of citizenship.

Now all of us again will have the opportunity to participate. I urge you and your co-workers to avail yourselves of this chance. There is much that can be done at all levels to assist the men of your choice of being elected, and from this you will then have the satisfaction of knowing you helped the democratic system work.

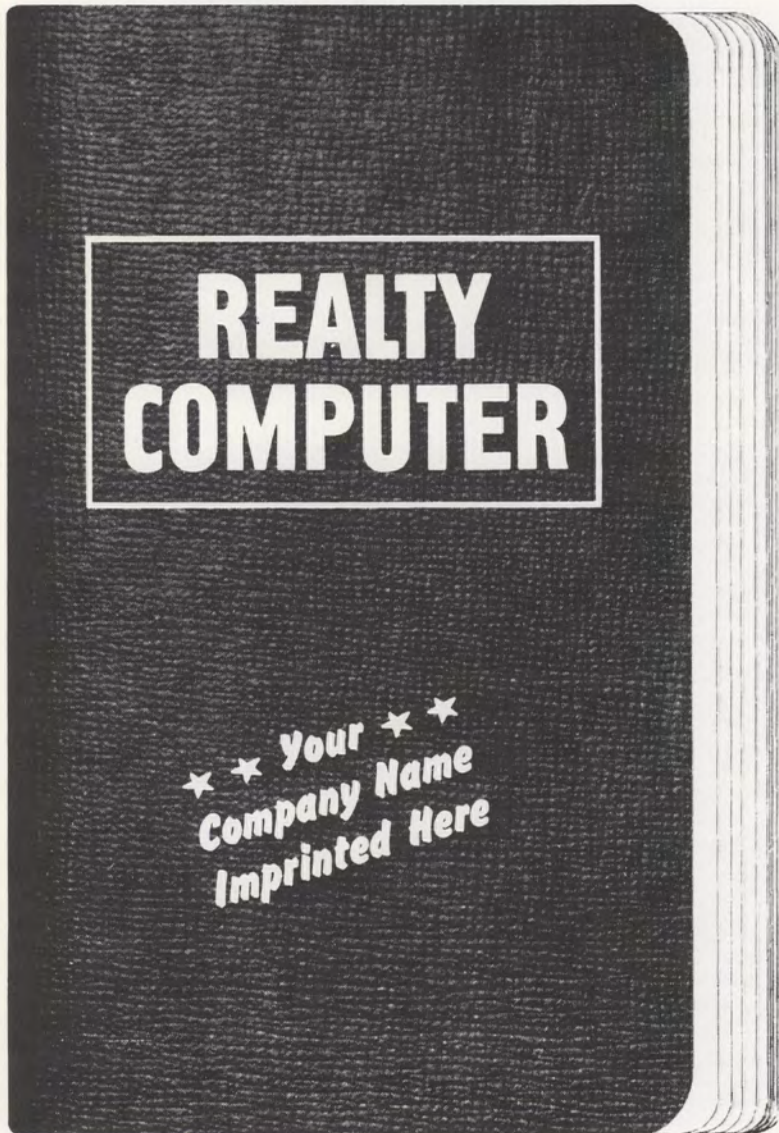
Another benefit, however, from your participation in government has been most evident in our recent Congressional hearings. We have found our entree to be easier and legislators more receptive to hear our position when the contact had been made by someone who knew the Senator or Congressman. The same is applicable on the state and local scene. The title industry has a great deal at stake. One way to protect our investment is by seeing that we become involved. Let us all do so this year!

Sincerely,

JAMES O. HICKMAN

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# meeting timetable



**June 4-6, 1972**  
Pennsylvania Land Title Association  
Pocono Manor Inn  
Pocono Manor, Pennsylvania

**June 9-10, 1972**  
South Dakota Title Association  
Howard Johnson Motel  
Rapid City, South Dakota

**June 15-17, 1972**  
Land Title Association of Colorado  
Stanley Hotel  
Estes Park, Colorado

**June 16-17, 1972**  
Wyoming Land Title Association  
Saratoga Inn  
Saratoga, Wyoming

**June 18-20, 1972**  
Michigan Land Title Association  
Grand Hotel  
Mackinac Island, Michigan

**June 22-25, 1972**  
Idaho Land Title Association  
Sun Valley, Idaho

**June 22-24, 1972**  
Oregon Land Title Association  
Village Green  
Cottage Grove, Oregon

**June 23-25, 1972**  
Illinois Land Title Association  
Chase Park Plaza Hotel  
St. Louis, Missouri

**June 29-30, 1972**  
Utah Land Title Association  
Ramada Inn  
Ogden, Utah

**July 6-8, 1972**  
New Jersey Land Title Insurance Association  
Seaview Country Club  
Absecon, New Jersey

**August 9-12, 1972**  
New York State Land Title Association  
The Greenbrier  
White Sulphur Springs, West Virginia

**August 10-12, 1972**  
Montana Land Title Association  
Holiday Inn  
Bozeman, Montana

**August 24-26, 1972**  
Minnesota Land Title Association  
Winona, Minnesota

**September 8-9, 1972**  
Kansas Land Title Association  
Ramada Inn  
Topeka, Kansas

**September 15-16, 1972**  
North Dakota Title Association  
Townhouse Motel  
Fargo, North Dakota

**September 15-17, 1972**  
Missouri Land Title Association  
Stouffer's Riverfront Inn  
St. Louis, Missouri

**September 20-22, 1972**  
Wisconsin Land Title Association  
Lakelawn Lodge  
Delavan, Wisconsin

**September 21-23, 1972**  
Ohio Land Title Association  
Terrace-Hilton Hotel  
Cincinnati, Ohio

**September 23, 1972**  
Nebraska Land Title Association  
Holiday Inn  
Kearney, Nebraska

**October 1-4, 1972**  
ALTA Annual Convention  
Astroworld Complex  
Houston, Texas

**October 25-29, 1972**  
Florida Land Title Association  
King's Inn  
Freeport, Grand Bahamas

**October 29-31, 1972**  
Indiana Land Title Association  
Indianapolis Hilton  
Indianapolis, Indiana

**November 3-4, 1972**  
Land Title Association of Arizona  
Tucson, Arizona

**December 6, 1972**  
Louisiana Land Title Association  
Royal Orleans  
New Orleans, Louisiana

**1973**

**March 13-16, 1973**  
ALTA Mid-Winter Conference  
Del Webb's TowneHouse  
Phoenix, Arizona

**September 30 - October 4, 1973**  
ALTA Annual Convention  
Century Plaza  
Los Angeles, California

# Title News

*the official publication of the American Land Title Association*

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**ON THE COVER:** Can microfilm conversion be justified for a smaller abstract plant? Walter A. Bowers, Street Abstract Company, Inc., Yates Center, Kansas, suggests a time and cost study approach for obtaining the answers in an article beginning on page 7.

*VOLUME 51, NUMBER 6, 1972*

*TITLE NEWS is published by American Land Title Association, 1828 L Street, N.W., Washington, D.C., 20036; (phone) 202-296-3671*

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

(Editor's note: This article is adapted from an address presented at the Texas Life Convention April 13, 1972.)

\* \* \*

We are confident that 1972 will set records in almost every category of real estate and mortgage finance, and we are equally certain that the decade of the 1970s will set records. During the next 10 years, more houses will be started, more shelter will be produced, more homes and properties will be sold and more construction will be put in place than ever before in our history.

All of this means there will be a strong demand for services that the mortgage financing industry provides. In turn, investors will find expanding opportunities. They will be

In real estate, the demand for financing derives from basic needs. The basic demand is for personal shelter and for commercial construction — shopping facilities, offices, service facilities, recreation and leisure buildings — from bowling alleys to yacht marinas — you name it, we're going to have more of it in the 70s. Of my many reasons for saying this, two deserve special mention: the growing population and rising income levels.

As some of us know from having been participants in it, the country experienced just after World War II what is called a baby boom. Now that these youngsters have grown up, the number of young adults has risen at a record pace. Did you realize that we are experiencing a 50 per cent growth rate compounded? The

was about the mildest business slowdown since World War II. In 1972 the increase in the number of new jobs will set a record — despite continuing high levels of unemployment.

To this growing private demand must be added a very substantial new source of demand — the federal government and various state and local governments. A decade ago, the number of housing starts subsidized by government programs either directly or indirectly was less than 50,000 units a year. In 1971, government subsidized units reached the 500,000 level. This represents a tenfold increase in ten years. Last year, one out of every four housing starts carried some form of direct or indirect subsidy. Clearly, this government has enriched, enhanced, en-



*Everett Matson*

*First Vice President*

*Mortgage Bankers Association of America*

## A Record-Setting Decade

able to choose among a variety of real estate securities that will provide them attractive yields. The term *securities* should be considered in a very broad sense. Today the range of alternatives available to investors is very broad. The day when real estate automatically meant mortgages is gone. Besides mortgages, the investor is now offered convertible and straight debentures, equity participation, variable return leases, and other specially tailored securities. The investor's choice can be fitted exactly to the desires of the institution.

adult population of the 1960s rose 50 per cent from the 50s and during the 70s, the increase over the 60s will again be 50 per cent.

Also, this larger population has more money to spend. Part of their increased income will go directly into real estate. An even larger part will be used to purchase goods and services related to real estate or requiring real estate investment. We know that the recession of 69-70 slowed the growth in incomes. We sometimes forget that it did not stop the growth in incomes — since it

larged or otherwise boosted current activity beyond what the private market would have done over so short a time period. This has not been without its costs — both in terms of its impact on the government's budget and — directly important to us — on construction costs.

These four ingredients—of growing adult population, rising income, more jobs, and mushrooming government housing programs — have

Continued on page 11

# Title Services: A Customer Critique



*Stanton W. Felt, III  
Frederick W. Berens, Inc.  
Washington, D.C.*

(Editor's note: This article is adapted from an address delivered at the 1972 ALTA Mid-Winter Conference.)

\* \* \*

When our mutual friend, Gary L. Garrity, ALTA's Director of Public Affairs, telephoned and asked me to participate today, I felt the way most speakers do. If you have time available, and if you like the organization, you say "yes". It's only after you hang up the phone that you start thinking, "How am I going to handle this subject?" Do I speak on, "My Delightful Friends, the Title Insurance Companies"; or do I speak on, "I Know Exactly What's Wrong With the Entire Title Insurance Industry and I Know Exactly How to Correct it"?

Rather than adopting either of these approaches with their built-in problems, I think a far better way would be to recommend a few improvements to make the mortgage lender's job a lot easier. As a business man rather than an attorney, I will also offer a few suggestions as to additional services the title insurance industry might offer.

I will not attempt to change your policies, either as to coverage or limitations, or your underwriting philosophies. Nor, although many of

us in this room are lawyers, will I attempt to reword the language in your policies. All of this is being worked on nobly by the Mortgage Bankers Association/American Land Title Association Liaison Committee.

I think most of you know the company I am with, Frederick W. Berens, Inc., and its parent, Associated Mortgage Companies, Inc. Berens is registered in 12 states, operating most heavily in eight of them, the District of Columbia, and through one of its wholly owned subsidiaries, in both Puerto Rico and the Virgin Islands. Associated Mortgage Companies, Inc., has a servicing portfolio of \$1.7 billion, making it the third largest in the country. Operating in 18 states through 48 offices, Associated Mortgage Companies, Inc., represents or deals with over 300 institutional investors.

Just as a mortgage banker is required to abide by the laws of the various jurisdictions where he operates, I well realize that title companies too must tailor their activities and operations to conform to the pertinent laws of their respective jurisdictions. Despite the need for these various conformities, I feel your industry could achieve a far greater degree of uniformity nationwide. As

mortgage bankers, we are involved with you in thousands of cases each year, and a regular method of handling recurring items would be of inestimable benefit to us, and I would think to other large volume lenders. Your industry took enormous strides in this direction many years ago with the adoption of the ALTA standard policy forms. While your Standard Forms Committee has done a really fine job in updating your policies to reflect changing conditions, I regret to say that I do not find the same situation existing as to your binders. Almost every one of you has a somewhat different style or form of binder containing varying language. Some provide one time for issuance of the policy, some call for another. Some binders are printed to be good for 90 days, some six months, some 12 months, and some 24 months. In point of fact, there are variations within individual companies even in the same jurisdiction. Just think how much easier it would be for all of us if ALTA had standard binder forms used by all members.

On the subject of uniformity, I think we should look at the insured closing service letters. While there is a certain similarity of style and even of language among the letters issued by the various members of the

Association, there are many differences in coverage from company to company. Differences in when a loss must be reported; differences as to what is covered by the insured closing service. Again, uniformity would be of much assistance here. The insured would know that if it had received an insured closing service letter, the same service would be offered industry-wide, no matter which company issued the letter.

We frequently have particularly long closings where we are required to do almost all of the work of one of your approved attorneys, including on some occasions contacting his home office on his behalf to get answers regarding coverage, etc. We find on some occasions that while an approved attorney might be able to close a \$30,000 single family residence mortgage or a simple purchase and sale, this same man is completely at a loss if the transaction is a multi-million-dollar construction loan, a shopping center loan, or a high rise apartment closing, a sale-leaseback, or some other transaction a bit more sophisticated. I don't know what the answer is here. Perhaps there should be two classes of approved attorneys. Or perhaps a little more care might go into their selection.

The greatest cause of dissatisfaction in connection with settlements is something that, in my opinion, should never arise. With relatively few exceptions, our loans, both residential and commercial, are settled on a letter of instructions. Some of your agents and approved attorneys are great with letters of instructions. As a matter of fact, they follow them as if they were letters of instructions! So many others, however, seem to have the idea that the lender is interfering with their work and the manner in which they decide to close the loan, and our letters of instructions are, for the most part, ignored. True, we are protected under our insured closing service letters with you. But think of the tremendous loss in time, effort and energy for both you and us, when we must go back and arrange for en-

dorsements to the binder or to the policy; when we must go back and arrange for guarantees to be executed, for notes to be endorsed, for mortgages, deeds of trust or security deeds to be amended, et cetera, et cetera. All because our instructions were not followed by the approved attorney. In the meantime, of course, your approved attorney and/or agent has disbursed 50 or 100 thousand dollars, or half a million, or a million and a half dollars of the lender's money. We are understandably concerned; and, after expressing this concern, there is a mad scramble to put things right. Please suggest to your approved attorneys that they follow our letters of instructions.

We also find that so many of your approved attorneys and agents fail to understand the various FHA multifamily regulations surrounding the procedures for establishing escrows for incomplete items of construction, both on-site and off-site. Or at least they fail to apply the rules uniformly and reasonably. In several instances we have had title companies insisting that amounts of five and six times the well established and agreed upon cost of the work be deposited with them. In the case of residential construction, in dealing with one or two houses, this might not be a large amount of money compared to those usually required by FHA multifamily projects, or large commercial projects. However, no matter what the size of the deposit, the problem is still the same. Such unrealistic approaches cause the mortgage banker to look bad to his client because he could not arrange for a reasonable amount to be escrowed. Naturally, the title company looks bad to both the builder and the mortgage banker for its part in any transaction where it requires that unreasonable amounts be escrowed.

Returning to uniformity, let us consider for a brief moment the pending disbursements clause. Although most are similar, they are not the same. Some stop after advising the insured that the company is responsible only to the extent of the amount actually disbursed and

that the insurer's liability will increase with each disbursement. Others provide that the lender must make disbursements in good faith and without any knowledge of any liens. Others provide that we must make disbursements in good faith and without any knowledge of defects or objections to the title. Others provide that the title *must* be brought to date prior to each subsequent advance. Others say that the title *should* be brought to date before each subsequent advance. This lack of uniformity exists, even among the agents and approved attorneys of individual companies in the same jurisdiction.

In several of our states, by law, the recording of the security instrument, be it mortgage, deed of trust or security deed, "primes" all subsequent recorded claims in the nature of mechanics' and materialmen's liens, etc., and the lender is fully protected against intervening liens. Even in such jurisdictions, some of your agents and approved attorneys are insistent that we must have a rundown and have title brought current to the time of each advance. It is our general practice to require such a rundown, since we feel it is a good way to keep our fingers on the financial pulse of the builder. However, if the law provides that the lender has priority, why does the title insurer take it upon itself to insist on the rundown? I well recognize that in some jurisdictions such rundowns should be required since an intervening lien could attain priority over subsequent disbursements, but I do not think the title company should insist on this in jurisdictions where the priority of the lien cannot be primed. In those states, rundowns should be discretionary with the lender.

We also find many different interpretations as to what the title company is insuring against when it insures against mechanics' and materialmen's liens. Again, there is a wide divergence among company

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# Can You Justify A Microfilm Abstract Plant?

Walter A. Bowers  
Street Abstract  
Company, Inc.  
Yates Center, Kansas

(Editor's note: In the past, Author Bowers has written *Title News* articles on plant modernization (March, 1971, issue), and on the redesign of abstract tabulating cards (September, 1971). The following article, his latest, is based on a time and cost study made in his office.)

\* \* \*

Kansas land title abstracters at intervals make surveys of prices charged by members of the Kansas Land Title Association. The average charge seems to be about \$20 for the certificate, \$2 per entry and \$2 per court page. A study of more than 1,000 land title abstracts prepared in this office shows the average for all abstracts — including both base and supplementals — to be about 10 entries and 5 court pages per abstract.

Therefore including \$20 for the certificate and \$20 for entries and \$10 for court pages the average abstract would cost the client \$50. For preparation of 1,000 abstracts the gross income of the Kansas land title abstractor would be 1,000 times \$50 or \$50,000.

Breaking down the \$50,000 into major cost classification, 60 per cent or \$30,000 goes for wages and salaries and 40 per cent or \$20,000 for administrative and operating overhead. Two types of workers are employed at two different wage and salary scales. One whose work is mostly typing and copying will be figured for cost purposes at \$1.80 per hour. The other whose work requires ability at checking records,

Continued on page 15

Step	Operation	Multiply "X"	Time per step	\$1.80 per hour	\$3.60 per hour	"Save"
1	Receive abstract		5 min	.15	.30	
2	Fill out slip		2 min	.06	.12	
3	Post in day book		3 min	.09	.18	
4	Pull old slips		5 min	.15	.30	
5	Pull old abstract		5 min	.15	.30	
6	Walk to courthouse		5 min	.15	.30	save
7	From indices head work slips	X	3 min	.09	.18	
8	Pull out record books		4 min	.12	.24	save
9	Complete work slip data	X	5 min	.15	.30	
10	Copy releases of mortgages, etc.	X	12 min	.36	.72	save
11	Copy leases, affidavits, etc.	X	15 min	.45	.90	save
12	Check probate index head workslips		10 min	.30	.60	
13	Pull probate files complete slips		10 min	.30	.60	save
14	Check Dist court index head workslips		10 min	.30	.60	
15	Pull court cases complete slips		10 min	.30	.60	save
16	Check tax files		5 min	.15	.30	
17	Return abstract office		5 min	.15	.30	
18	Sort work slips chronological order		15 min	.45	.90	
19	Type entries from work slips	X	6 min	.18	.36	
20	Copy or abstract cases per page	X	20 min	.60	1.20	
21	Final courthouse check		20 min	.60	1.20	
22	Fill out and type abstracters certificate		10 min	.30	.60	
23	Review typing and correct errors		10 min	.30	.60	
24	Examine abstract missing items		15 min	.45	.90	
25	Assemble abstract pages and staple		15 min	.45	.90	
26	Final administrative review		30 min	.90	1.80	
27	Count pages and entries and cases		10 min	.30	.60	
28	Prepare statement for client		10 min	.30	.60	
29	Sign certificate and impress seal		5 min	.15	.30	
30	Check off day book-post in journal		5 min	.15	.30	
31	Post in ledger		2 min	.06	.12	
32	Mail or deliver		8 min	.24	.48	
33	Study attorney's "requirements"		5 min	.15	.30	
34	Doublecheck courthouse records	X	15 min	.45	.90	
35	Type new entries or additional	X	15 min	.45	.90	
36	Prepare revised statements		10 min	.30	.60	
37	Revise journals—update ledgers		10 min	.30	.60	
38	Confer attorneys requirements		30 min	.90	1.80	
39	Confer clients additional data		30 min	.90	1.80	
40	Obtaining difficult affidavits, certificates		30 min	.90	1.80	
Totals			8 hrs +	\$14.50	\$29.00	

# Part V: 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 82 cases have been chosen for the report. Other installments may be found in the February, March, April, and May, 1972 issues of *Title News*.)

\* \* \*

### RESTRICTIONS

*Johnson, et al, vs Campbell, et al*, 92 Oregon Advance Sheets 1858 (Ore. 1971)

A restriction "for residential use only" without more does not limit the use of the property to single family residential purposes, and, consequently does not prohibit the use of the property for apartment purposes.

*Johnson vs Pattison*, 185 N. W. 2d 790 (Iowa 1971)

Action to enjoin the use of real estate in violation of restrictive covenant. The supreme court held that

where plaintiff's predecessor in title, who had purchased land from a corporation entered into a covenant with the sole owners of the corporation restricting the use of the land conveyed to plaintiff's predecessor, and other land retained by the corporation to residential use, and instrument was recorded and was shown in title abstract of defendant, purchasers of land which had been retained by the corporation, covenant was binding on the corporation and defendants had notice of restriction, and defendants who disregarded warnings that the use of land for grain elevator was prohibited were estopped under promise made by the corporation that real estate would always be used for residential purposes, and, the equities being with plaintiff, operation of elevator would be enjoined.

*Parker v. Delcours*, 455 S. W. 2d 339 (Tex. 1970)

Class action was brought by owner of certain lots in a platted addition against five other owners of lots in said addition, for all other persons owning lots in said addition. The plaintiff sought a declaratory judgment declaring that one of his lots

was restricted for residential purposes only, and that they could be used for commercial buildings not restricted to 1,600 square feet minimum. Defendants sought to restrict the lots to residential uses with buildings of no less than 1,600 square feet thereon.

Held: Since all the owners of the said lots placed the original restrictions thereon and since all the then owners of the said lots filed an amendment to the original restrictions—before the lots were sold to the general public—the restrictions, as amended, would be honored. The original restrictions stated that "No lot shall be used except for residential purposes." The amended restrictions stated that those affecting Lots 11 to 15 in Block 4 "shall now be amended to permit the erection of commercial buildings thereon, if desired." A court must construe restrictions in the light of the obvious intent of the plan for development of the addition. The specific language of an instrument will control its general terms.

### TAXATION

*Kaylor v. Wilson*, 273 Atl. 2d 185, 260 Md. 707 (1971)

Action in trespass quare clausum fregit to set aside the title of the defendant acquired as a result of a 1938 tax sale.

Article 81, Section 99A of the Code provides:

"When any tax sale made prior to January 1, 1944, has been finally ratified, then no count of equity or law in this state shall on and after June 1, 1966 entertain any proceedings to set aside or modify any title to any interest obtained in such sale."

The lower court ruled that in spite of the broad bar in the above statute against challenges to ancient tax sales, an attack based on fraud or lack of jurisdiction was still permissible. The plaintiff contended that the court lacked jurisdiction to sell the property at tax sale since the alleged delinquent taxes had been paid. The defendant contended that Article 81, Section 99A, was a complete bar to the action, regardless of the fact that a tax sale might have been tainted by fraud or lack of jurisdiction. The lower court found for the plaintiff. Reversed on appeal on the grounds that the plaintiff did not meet the burden of proof necessary to show that the tax sale was void for lack of jurisdiction, since they did not prove that the taxes were paid. "When the legislature has given an order of ratification the degree of permanence expressed in Section 99A, we think that the strictest proof is necessary to impeach it, assuming impeachment is permissible."

*Dade County v. Certain Lands*, 247 So. 2d 787 (Fla. 1971)

The county was entitled to foreclose special assessment liens for charges for waste collection, although such liens were not recorded, since enabling statute made delinquent charges a lien against the property to which service was rendered, similar to ad valorem tax lien. A subsequent purchaser takes the property burdened with the lien which is enforceable in rem against the property.

## TITLE INSURANCE

*Stearns v. Title Insurance and Trust Company*, App., 95 Cal. Rptr 682 (1971)

An adjoining landowner of Lot 12 brought an action against the owner of Lot 11, insured under a standard coverage policy, alleging that the latter had encroached on Lot 12. The insured filed a cross complaint against his title insurer for indemnification and for defense costs, including attorney fees, after the insurer had declined the insured's demand for defense. At some point it became apparent that the conflicting claims of the landowner of Lot 12 and the insured resulted from a boundary dispute, antedating the insured's purchase of the policy, founded on interpretations of recorded private and official government surveys. The trial court resolved the boundary dispute in the insured's favor but found that the insurer was not required to defend the insured and the insured appealed.

In affirming the judgment that the insurer had no duty to defend, the appellate court first held that since the landowner's complaint did not impugn the insured's title to Lot 11, nor even mention Lot 11, but, rather, asserted its title to Lot 12 and charged the insured with encroachment thereon, that no potential liability under the policy, insuring against defects in the title to the land described or excluding from coverage loss or damage by reason of title to any property beyond the lines of the land expressly described, appeared from the landowner's complaint.

As the duty to defend is not to be determined exclusively from the third party complaint or even all of the pleadings the court then looked to the facts. Coverage, the court found, was excluded by reason of the insured's knowledge of the boundary dispute at the date of the policy which defect was not shown by the public records. Further, the court held that the recorded surveys, in the absence of a statute making the effect of such recording constructive notice, were not such public records, defined in the policy, as impart con-

structive notice. The landowner's action, based on surveys which were not shown by the public records, any loss or damage to the insured resulting therefrom would be excluded from coverage and the insurer which was only obligated to defend litigation founded upon an alleged defect insured against could properly decline to undertake the defense of such action.

The court also rejected resort to the principles relating to adhesion contracts on the basis there was no evidence that the standard coverage policy was offered the insured on a take it or leave it basis. At additional cost the insured could have purchased an extended owner's policy which would have necessitated his obtaining a correct survey, however, and the boundary dispute would in all likelihood have become known to the insurer.

*Aja v. Appleton*, 472 P. 2d 524 (Nev. 1970)

Where the purchasers conceded that they never intended to purchase the parcel of land inadvertently described in the deed and suffered no loss because of an order reforming the deed to describe the parcel intended to be conveyed, compensable damages were non-existent and the purchasers were not entitled to recover from the title company.

*Allen v. Webb*, 485 P. 2d 677 (Nev. 1971)

Where title insurance company, acting as escrow agent, did not record the deed of trust, it is liable to the beneficiary. It owed a duty to its client to do such things as recording documents or to advise them when it did not.

*Bradford vs Thompson*, 400 S. W. 2d 932 (Texas 1970)

Even if the vendor represented that there would be a single mortgage and purchasers were induced to accept a deed whereby they assumed two mortgages, the purchasers were not entitled to recover for damage suffered by reason of foreclosure on

Continued on page 15

names  
names  
names  
names in the news

**Norma J. Eyer**, and **Tom Miller**, both assistant secretaries of Peninsular Title Insurance Company, have been named manager and assistant, respectively, of Peninsular's newly-opened office in Fort Pierce, Fla.

\* \* \*

**Calvin H. Flynn**, First American Title Insurance Company vice president and former San Diego office manager, has been appointed director of lender relations at the Santa Ana (Calif.) home office.

\* \* \*

The Title Guarantee Company has made several management changes: **Edward L. Bowen**, vice president and former treasurer, to chief financial officer; **Joseph S. Knapp, III**, assistant vice president and title officer, to vice president and title officer; **Robert G. Smith**, assistant treasurer, to treasurer; and **Harwood D. Jackson**, title examiner, to assistant secretary.

\* \* \*

**Alvin G. Behnke**, president, Republic Realty Mortgage Corp., and **C. R. Mitchell**, president and director, First Federal Savings and Loan Association, Kansas City, Mo., have been elected to the board of directors of Chicago Title and Trust Company.

\* \* \*

**William H. Perry, Jr.**, former personnel manager and title officer, has been named vice president and manager of Stewart Title Guaranty Company, Dallas.

\* \* \*

**Richard A. Checchettini**, former Title Insurance and Trust Company vice president, has been elected executive vice president and chief oper-



EYLER



MILLER



FLYNN



MITCHELL



PERRY



CHECCHETTINI



REYES



SIEGEL

ating officer of the Title Guarantee Company.

\* \* \*

**Nicholas V. Reyes**, title officer, has been named assistant vice president of American Title Insurance Company's New York Guaranteed Title Division.

\* \* \*

**John B. Siegel, Jr.**, senior vice president and investment committee chairman for The Life Insurance Company of Virginia, has been elected a director of Lawyers Title Insurance Corporation.

\* \* \*

Commonwealth Land Title Insurance Company has elected two directors: **John F. Kling**, senior vice president and treasurer of Provident National Corporation and senior vice president of Provident National Bank, Philadelphia; and **Ronald K. Porter**, president, chairman and chief executive officer of Jackson-Cross Company, a Philadelphia real estate firm.

\* \* \*

**Harold J. O'Brien**, former title clearance officer for USLife Title Insurance Company of New York, has been appointed an assistant vice president and assistant office manager of the Floral Park office.

A new USLife staff member, **Robert Carey**, has been assigned to the sales division in the Bronx office.

\* \* \*

Lawyers Title Insurance Corporation has elected four new managers. **Robert V. Jones, Jr.**, former Atlanta National Division office manager, takes charge of the Atlanta branch. **Charles C. Gregorie, Jr.**, formerly in private law practice, manages the Albany, Ga., branch. **Stanley A. Blush**, president of Lawyers Title

Guaranty Co., Los Angeles, owned by Lawyers, manages the Santa Barbara, Calif., branch. **John R. Hudson**, former manager of the Los Angeles office's title department, is in charge of the newly opened Santa Ana, Calif. branch.

DECADE—Continued from page 4



KLING



PORTER



O'BRIEN



CAREY



JONES



GREGORIE



BLUSH



HUDSON

meant rising demand for money to finance real estate. The gross flow of long-term mortgage funds for all types of residential housing has risen sharply. In 1969 and 70 the gross flows of mortgage funds into residential housing was about \$42 billion in each year. In 1971, this figure jumped by \$25 billion — to \$67 billion. Of this, the mortgage banking industry handled about \$15 billion or 23 per cent of the total. This makes the mortgage banking industry number two in size in mortgage finance, but the mortgage banking industry tries even harder. For 1972, the gross flows of mortgage funds will reach a new record of \$75 billion. Love may make the world go 'round, but — obviously — it takes a lot of money to make the real estate business go 'round.

What a contrast to the credit crunch of 1966. But don't just heave a sigh of relief. We can profit by reviewing a bit. The basic question is: how does the real estate market get funds? Three concepts deserve special treatment: basic demand for real estate, relative yield of real estate investments and the change in the economic environment.

The demand for real estate financing, as I said, is a derived demand. Only after the decision has been made to acquire or develop real estate is there a need for financing. If no one wants to purchase or develop real estate, then availability of funds and willingness of investors to acquire mortgage loans makes little difference.

In projecting developments of the 70s, it is important to remember this basic factor in the demand side of the real estate equation. While activity in 1972 will set a new record, some real estate activities will be far short of the peaks they reached in the 50s. Understanding these changing components of basic real estate demand is a key to understanding

changes in the derived demand for real estate financing.

The decade of the fifties saw strong demand for single-family housing. Housing starts peaked in 1950. Including single-family housing units, starts totaled 1.7 million. We have yet to see a second such year. For the rest of the decade, single-family starts exceeded 1.4-million in three years and dropped below 1.1 million units in only two years. Contrast this with the sixties. During that decade single-family starts reached 1 million units in only one year. And in three years starts fell below 800,000. Clearly, the sixties were not a growth period for single-family housing.

Let's look at the apartment market. During the fifties, multifamily starts never exceeded 300,000 units and were below 200,000 units in seven years. But what a contrast in the sixties. In that decade apartment units in the housing starts figures exceeded 500,000 in six years. And, in 1971, apartment starts reached 700,000 units. Clearly, the sixties were a great growth period for multifamily housing.

The mortgage market reflects these shifts in demand for housing. During the fifties the yield spread for single-family mortgages was very favorable. It was consistently 125 to 150 basis points above high-grade corporate bonds.

In the first half of the sixties this advantage shrank to 100 basis points. And last year the spread between single-family home mortgages and high-grade corporate bonds was actually negative in several months. Home buyers had the biggest financial bargain anywhere in the financial market last year.

For apartment and income property loans, it was quite a different story. The basic demand for this type of real estate grew during the sixties, and the favorable yield spread was fully maintained. More people wanted to rent apartments and to lease shopping centers — hence developers were ready, willing and able to offer attractive yields. And so enough funds were attracted

to support record apartment and income property activity. This shows the direct relation between demand for a particular type of real estate and developments this produces in the mortgage market.

What are the implications for institutions with funds to invest in real estate financing? First, and most important, the yield will reflect basic demand. If the demand for single-family housing slips then the yield on single-family mortgages also slips, as it did during the sixties. Investors with broad powers to choose will divert their funds, as they did during the sixties. If this diversion had not taken place, there would not have been as much financing available for the growth areas in real estate — apartment projects and commercial developments. As for the future, during the seventies single-family activity will again become a strong

growth area of real estate activity. Income property will continue its long-term growth trend, though at a slower pace than did apartments during the sixties. In turn, the yield spread for single-family mortgages should again return to more normal levels, and thus be able to attract ample funds. Income property yield spreads will be maintained since demand in this area will continue on an upward trend during the decade.

The point of this story is: If there is enough basic demand for a particular type of real estate, then the demand for financing will produce a competitive yield.

If this were 1965, my story could end here. In 1972, however, it is essential to add another complication: Inflation! Inflation has changed the concept of what is or is not an attractive yield. Yield today is not the simple calculation of the interest

rate on a fixed dollar security. To calculate yield today we are forced to make allowances for current and anticipated loss of purchasing power. A decade ago, institutional investors generally shunned the equity position in a real estate development. As inflation has become an increasingly important factor in our economy, the equity position has become very attractive to many institutions.

Who benefits from the "equity kicker" and the "mortgage participation"? Incidentally, perhaps these terms should be "equity participation" and "mortgage kicker". In the real estate business, negotiation of a deal requires a delicate balancing of the interests of both buyer and seller. In this sense, the "equity kicker" is a two-way street — with advantages to both borrower and lender. The lender's advantage is obvious — a hedge against inflation. The borrower's advantages are a bit more subtle and harder to pinpoint. But they are identifiable and very real. First, most real estate developers want to leverage as much as possible. If additional funds are available in return for giving up an equity position, the developer can increase his leverage. This permits him to take on additional projects. Thus, "equity kicker" aids the developer; it is how he gets additional funds and expands his activity.

Second, the mortgage constant and the cash flow of the project are crucial elements in determining the feasibility of a project. In many instances, the mortgage constant — which determines the fixed out-of-pocket cost of carrying a project — has been held down by a combination of trade-offs against the granting of an "equity kicker." One of these may be a lower contract interest rate — which would reduce the cost pressure on the developer during the crucial renting-up period. Another might be a longer loan maturity — which reduces the required authorization or — balloon note at the end of the amortization period — which would further reduce the developer's payment, or, postpone-ment of the initial amortization payment, which would ease cost pres-

## PR Committee Reviews TV Film Clips



ALTA Public Relations Committee members recently met in Washington, D.C. to review public service film clips before national distribution. One of the live action 60-second messages explains the importance of home buyers understanding settlement charges—including those for land title services—before closing. The other clip calls attention to land title hazards that may exist because of problems created by the seller of a home, dramatized in the film by an irresponsible character named "Fast Talking Freddie." Other home buyer education film clips of this type each have been telecast in at least 36 states. The clips are part of the ALTA Public Relations Program. Members of the Committee have recommended that ALTA-affiliated Associations develop their own individual public relations programs in the various states. Committee members, from left, are: William Thurman, vice president, Gracy Title Company; H. Randolph Farmer, director of public relations and advertising, Lawyers Title Insurance Corporation; Chairman Francis E. O'Connor, senior vice president, Chicago Title and Trust Company; Vice Chairman William L. Robinson, vice president, Burton Abstract and Title Company; Edward S. Schmidt, vice president and secretary, Commonwealth Land Title Insurance Company; and Marvin C. Diefendorf, manager, corporate public relations, Title Insurance and Trust Company. Committee member James W. Robinson, senior vice president, American Title Insurance Company, was unable to be present at the picture-taking.

asures during the initial renting-up period. There are a variety of such "trade offs", concessions that may be used to give the real estate developer an opportunity to go ahead with yet another project. Thus, the lender trades off a lower contract interest rate, a higher loan amount, and a longer maturity for the potential of high returns from the "equity kicker." The developer obtains a lower contract interest rate, more leverage, and a lower mortgage constant so that his cash flow can allow him to carry the project and go on to the next project.

As for the future of the "equity kicker", this depends on whether you think inflation is here to stay. If inflation continues, then the equity kicker will become a way of life. It will then do no good to look for panaceas for the single-family mortgage market such as the variable interest rate or interest rate "insurance" — both of which were recommended by the Hunt Commission. Instead, it will become essential to look for techniques of providing equity kickers for single-family mortgages. They will become a way of life in single-family finance, in just the same way as they have for income property mortgages. On the other hand, if inflation is brought under control, then the equity kicker will fade. It will become a footnote in U. S. financial history.

Much talk has been heard about the "variable rate" mortgage. Basically, this is a technique to help thrift institutions out of their box of "borrowing short" and "lending long." But we should remember that variable rates will not help thrift institutions manage the liability side of their books. Their liabilities will still be short-term passbook accounts and relatively short-term certificates. The variable rate is a technique which will only turn the asset — the mortgage — from long-term into short term. And this short-term nature is valid only for the interest rate, not the maturity. In this way the interest income can be changed or "varied" to match the interest expense.

This change may help thrift institutions that have been limited largely to mortgage investments. But what about the ability of mortgages to compete in the capital markets? The "variable rate" concept does not really help here. Indeed, the variable rate mortgage may hinder the ability of mortgages to compete with corporate bonds — which have guaranteed rates of return, call protection and other attractive features. Most important, adoption of the variable rate mortgage as a panacea for the ills of inflation, may hinder the ability of real estate finance to provide the hedges against inflation necessary to attract the funds for financing real estate.

To restate the theme of this argument: the economic problem is finding techniques to allocate capital to all sectors of the capital market, of which the mortgage is biggest and one of the most important. In absence of inflation, fixed interest rate mortgages are adequate for this allocation process. But if inflation becomes a permanent feature of the economy, then every form of real estate finance must have the freedom to develop hedges against inflation or else become non-competitive with the rest of the capital markets.

Is real estate a good inflation hedge? No simple yes-or-no will answer this question. But as many of you know to your satisfaction, real estate *can* provide an *excellent* inflation hedge. Every sophisticated real estate investor is aware of the importance of location, the changes in people's preferences, the impact of shifts in the economy even within an inflationary environment, and the fact that God only created only so much land, but that man has not stopped — or even slowed down — in procreating — womens lib to the contrary notwithstanding. The real estate industry and the mortgage banking industry will continue to offer inflation-conscious investors well located, imaginatively conceived, thoughtfully executed, and financially rewarding opportunities for investment. The message for the times is that the decade of the 1970s will be a golden age of real estate finance.

As investors you can look to real estate as both the oldest of investments and as a dynamic, growing segment of our economy.

If you wish a security, the new GNMA mortgage-backed securities with full guarantee on principal and interest pass-through provide an excellent new means of investment. With a full backing from the GNMA it has many advantages over direct investment in mortgages: less book-keeping, no need for examinations and safekeeping of literally hundreds of mortgage documents, all this with no fuss, no muss, and no bother.

For those who prefer the traditional mortgage, this is undergoing an overhaul as well. The new programs of FNMA and FHLMC for developing standardized mortgage forms promise to improve this technique of real estate financing.

As for more creative methods of real estate financing with inflation hedges and equity positions, the list of methods stretches as far as the imagination can carry. Joint ventures, equity participation, mortgage kickers, subordinated land purchase and lease back — all these and many more. Whatever your wish and preference may be, you will find a technique for handling an investment in real estate finance.

During the decade of the 1970s—the golden age of real estate finance—look at this market. It is large, it is growing, it is competitive, it is varied, and it can provide every conceivable kind of outlet for investment funds. Do not let recent relationships of yields deter you from examining the potential for real estate finance during this decade. These yield relationships have changed during past cycles of real estate activity and they will again. Be prepared when they do change in your favor.

One warning must be emphasized, however, and that is: successful real estate financing requires a specialized expert. Underwriting, market analysis, a determination of the basic demand and potential for success for each type of project and for each

location are essential to make real estate financing both a pleasant and rewarding enterprise.

The message for the time is that the opportunities are available in real estate. Do not overlook them. At the same time do not overlook the fundamentals of real estate economics. As professionals in this field, mortgage bankers have the responsibility of sorting out the good from the bad so that our investors will be pleased with their investments in real estate financing. For the long-run effectiveness of investments in real estate financing, be certain to use professionals. Mortgage bankers are professionals. We offer you our services.

CRITIQUE—Continued from page 6

agents and approved attorneys operating in the same jurisdictions. Some feel they are insuring only that there are no mechanics' liens of record at the time our loan is recorded. Others feel that they are in addition insuring against all mechanics' and materialmen's liens right down to the completion of construction. Naturally, it is this last type of mechanics' and materialmen's coverage that my firm desires in every jurisdiction. While some of you do furnish it on a case-by-case basis, in almost every state, some of you do not. I think it is an item we would like to see every title company undertake. In this connection, perhaps there should be a freer exchange of information between the interim lender and the title insurer as to the financial strength of a particular borrower.

I suppose that when you boil all of these things down, they refer back to a matter of time. And time, in our industry, just as in yours, is a matter of money. If the service is good, a minimal amount of time will be consumed, so that everyone may go about his business reasonably well satisfied, with time left for other business matters. If the service is not good, an inordinate amount of time, and an inordinate amount of atten-

tion, are required by the interim lender. A case in point is the situation we frequently face in our position as either the interim lender, or as the mortgage banker who has arranged a long term loan for an institutional lender. As part of our follow-through, we try to see that the closing involving our investor, the long term permanent mortgagee, goes as smoothly as possible. We frequently find, however, that although this lender has put up his funds and paid them into the hands of the approved attorney, or agent, or even the title company itself, a great delay and a great deal of difficulty is often experienced in obtaining the final title policy. Invariably, the title company, agent, or approved attorney waits, and nothing can budge him from his position until he has obtained a satisfaction from the old mortgagee and has that satisfaction in his possession. If the insurer is going to go by the record, and if he has the funds in his bank account with which to satisfy such an outstanding lien, we see no reason why he should not issue his policy immediately upon receipt of these funds, since he is the one who now has the power to satisfy in full the outstanding obligation.

There are several areas I want to touch on lightly, where services can be rendered by the title company to the interim lender. These are all connected with matters of record and, in my opinion, should be comparatively easy for an insurer to include in his coverage. The first is zoning. Any interim lender, of course, is vitally concerned that zoning is not being violated by the type of structures to be erected and the use that would normally flow from such improvements. Closely allied would be building ordinances, front, side and rear setbacks, and restrictions of like type. As lenders, we are, of course, interested in insurance against forfeiture of title in event of their violation. As *interim* lenders, we are more interested in insurance against the violation itself, since such a violation might cause the permanent lender to refuse purchase of the loan, the interim lender thus winding

up as a permanent lender. Another area is the matter of survey. An interim construction lender charged with passing along a mortgage to a long term investor, must furnish that long term investor with a satisfactory survey, in addition to the title policy, and the loan documents.

There is a wide divergence in the many types of surveys we receive. Some are acceptable to our investors, to FHA, VA, etc., and some are not. Again, think how much time, effort and energy might be put to better advantage if we knew each survey we received would contain certain agreed-upon basic information. Think of how much benefit it would be to the title insurer, knowing that what he has is a proper survey upon which to base his insurance. To this end, I would heartily recommend that this Association get together with its counterpart among the surveyors and engineers in an attempt to come up with what might be an acceptable survey to all concerned.

Throughout my remarks you can see that I have dwelt for the most part upon one area, and that is uniformity. With 48 different offices, and representing 300 institutional investors I mentioned earlier, Berens, and its parent, Associated Mortgage Companies, Inc., has a problem. Basically, that problem is to satisfy all of our borrowers, and all of our investors, and at least some of our own personnel. I am sure the balance of the mortgage banking industry is no different. The one way that we can do that, with your assistance, is to have you achieve among yourselves a high degree of uniformity in the area of forms, binders, coverage and interpretations.

Apart from the foregoing, permit me to devote a moment or two to another subject: the activity of the Congress regarding possible restrictions connected with settlements, attorneys, title companies, etc. I think we must all admit that for some time the title insurance industry has had a public relations problem. Our home office is in Washington. I reside in Washington. I read the Washington newspapers and I hear the Washing-



ton TV stations and the Washington radio stations. I hear the discussions on the street. The industry's public image leaves something to be desired. In the February ALTA *Capital Comment*, Bill McAuliffe put it nicely when he said that members of Congress on occasion interpret a local problem to be a national matter needing federal legislation. I am sure you are all aware that several bills have been introduced in the Congress to regulate one part or another of the title industry. One of these bills would require that the lenders pay for mortgagee title policies. One goes even further and provides, among other ramifications, that a lender must advise a borrower as to the prices the property in question sold for during the past five years. While these bills are aimed at regulating the title insurance industry, it would appear that the lenders are going to be the ones most seriously affected by this and allied legislation.

But I didn't come here today to criticize you any more than I already have. I did not come here today to tell you I have all the answers to all of your problems. I did not come here today to say you are not conducting your industry the way you should. However, I do hope I have pointed out a few areas where service might be improved. I also hope I have made some suggestions to you about additional services that would be very welcome.

I trust that some of my remarks may help you to sell title insurance policies that won't come back, to customers who will.

JUDICIARY REPORT—Continued from page 9

fraud theory where the total of the two mortgages was the same amount as the amount of deferred compensation which was provided for in the contract of sale and which was to be secured by some type of lien and foreclosure resulted after the purchasers failed to pay the full amount as agreed to in the contract of sale.

The purchaser had no claim against the title insurance company even though the title policy did not take exception to the second lien, since it was a "claim arising under an obligation of the assured" and was therefore expressly excepted from coverage.

## Title Insurance Section To Be Continued

MICROFILM—Continued from page 7

briefing and abstracting data, and experience in reviewing entries to discover errors and missing or incomplete details will be figured at \$3.60 an hour.

Accompanying are 40 steps in preparing a land title abstract with estimates of time and wage and salary cost on the average for each step. Those steps where the cost must be multiplied by the number of entries or number of cases, or number of pages are marked with an "X". Those where costs could be reduced or eliminated by microfilming courthouse records or mechanical devices for locating documents are marked with the word "save".

These totals suggest that if there is only one action taken at each of the 40 steps it takes a minimum of an eight hour day of one person in preparing an abstract. For the eight steps marked with an "X" totaling 1½ hours and costing \$2.70 to \$5.40, this cost per item must be multiplied by the number of items or pages. This would rapidly increase the cost of preparing an entirely new or "base" abstract. The steps or items that could be "saved" by a microfilm or mechanized plant would "save" only about one hour or \$1.80 to \$3.60 per minimum abstract except where there are many pages of court work or documents to be copied where the savings would be \$.45 to \$.90 per page of typing.

Assume the savings from a microfilm plant were \$2 in time and work per abstract and assume the average microfilm plant with a camera,

microfilm reader-filler, microfilm reader-printer, jackets, jacket files and film cost \$6,000—it would take savings on 3,000 abstracts to pay for installation of a micro-film plant. This would be about ten years of business for a small abstractor in a western county of 500 square miles and 5,000 population.

## Local Bar Group Honors J. McGuire



John C. McGuire, vice president and director, Monroe Abstract & Title Corporation, Syracuse, recently was honored with the first honorary membership in the local Onondago County Bar Association that ever has been presented. The Syracuse titleman also has been presented his American Legion post's Tip-Off Award.

The Tipperary Hill Post has presented the Tip-Off Award annually for the past 25 years to "honor an individual for outstanding achievement in his chosen profession and

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for service to his community." It's recipients include members of the judiciary, attorneys, business and labor representatives, sports figures, mayors and government officials.

## Past President John Binkley Dies



Memorial services were May 22 in La Jolla, Calif., for John D. Binkley, 65, 1956-57 ALTA president and 1969 ALTA Honorary Membership recipient, who died May 18 in La Jolla.

At the time of his retirement in 1968, he was executive committee chairman for the board of directors of Chicago Title and Trust Company, where he spent his entire business career. While at Chicago Title, he advanced from a vice president in 1947, to a director in 1959, to senior vice president in 1962. In 1963, he became president of subsidiary Chicago Title Insurance Company while maintaining his two latter parent company positions. He was elected executive committee chairman in 1967.

Binkley held membership in the Chicago and Illinois bar associations, Chicago Real Estate Board, Chicago Association of Commerce and Industry, Illinois State Chamber of Commerce, Civic Federation, the Home Builders Association of Greater Chicago, and in local clubs.

A native Chicagoan with a law degree from Loyola, Binkley resided in California for the past two years. He is survived by his wife Lynore, two children and four grandchildren.

## L. Rex Kennedy Dies in California



L. Rex Kennedy, 84, an executive of First American Title Insurance Company, Santa Ana, Calif., for 50 years, died April 11 at his Santa Ana home.

He began his title career with Orange County Title Company, predecessor to First American, in 1921. Nine years later he became vice president and treasurer and a board of directors member. For many years he managed personnel and the company's operations.

Kennedy subsequently served as senior vice president until his retirement in 1965, continuing as a director until his resignation last year due to poor health. His son, Donald P. Kennedy, now is president of the company his father watched grow from a single Orange County, Calif., office to a 17 state operation with more than 250 issuing offices.

## New President



John Paul Rogers, senior vice president, The Security Title Guarantee Corporation of Baltimore, has been elected president of the Maryland State Title Insurance Association.

## Chelsea Title Participates in 'Career Day'

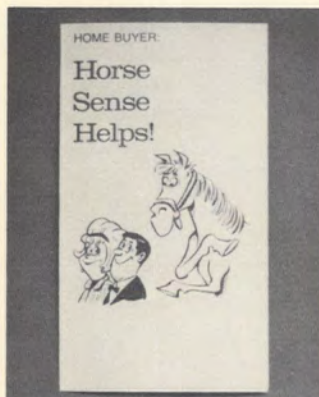


Several Chelsea Title and Guaranty Company employees recently went back to school. As participants in a Career Day sponsored by Moorestown (N.J.) High School, they attempted to both recruit future employees and educate the general public on the title industry. On the left, Chelsea Moorestown branch employees (from left) Jack Killpatrick, marketing representative; Marie Johnson, secretary; Rita Ann Grover, secretary; and Al Atkinson, manager, stand before a display emphasizing the three fields of opportunity at Chelsea—secretarial, title searching, and settlement. On the right, Rita Grover, and a student view the display, which employed ALTA recruiting folders, the *Seven Traps* pamphlet, a Chelsea history, and local maps and photos.

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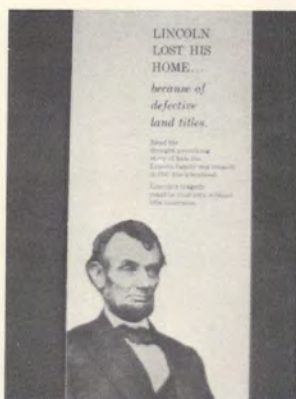
**CLOSING COSTS AND YOUR PURCHASE OF A HOME.** A guidebook for home buyer use in learning about local closing costs. Gives general pointers on purchasing a home and discusses typical settlement sheet items including land title services. 1-11 dozen, \$2.25 per dozen; 12 or more dozen, \$2.00 per dozen.



**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.



**LINCOLN LOST HIS HOME . . . BECAUSE OF DEFECTIVE LAND TITLES . . .** A memorable example of the need for land title protection is described in this folder. \$5.00 per 100 copies is the cost for this publication.



**THE IMPORTANCE OF THE ABSTRACT IN YOUR COMMUNITY.** An effectively illustrated booklet that uses art work from the award-winning ALTA film, "A Place Under The Sun", to tell about land title defects and the role of the abstract in land title protection. Room for imprinting on back cover. \$12.00 per 100 copies.

(RIGHT) **BLUEPRINT FOR HOME BUYING.** Illustrated booklet contains consumer guidelines on important aspects of home buying. Explains roles of various professionals including broker, attorney and titleman. \$18.00 per hundred copies, 20 cents each on 99 or fewer copies. (RIGHT) **ALTA FULL-LENGTH FILMS:** "BLUEPRINT FOR HOME BUYING." Colorful animated 16 mm. sound film, 14 minutes long, with guidance on home selection, financing, settlement. Basis for popular booklet mentioned above. \$95 per print. "A PLACE UNDER THE SUN." Award winning 21 minute animated 16 mm. color sound film tells the story of the land title industry and its services. \$135 per print.



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# American Land Title Association

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