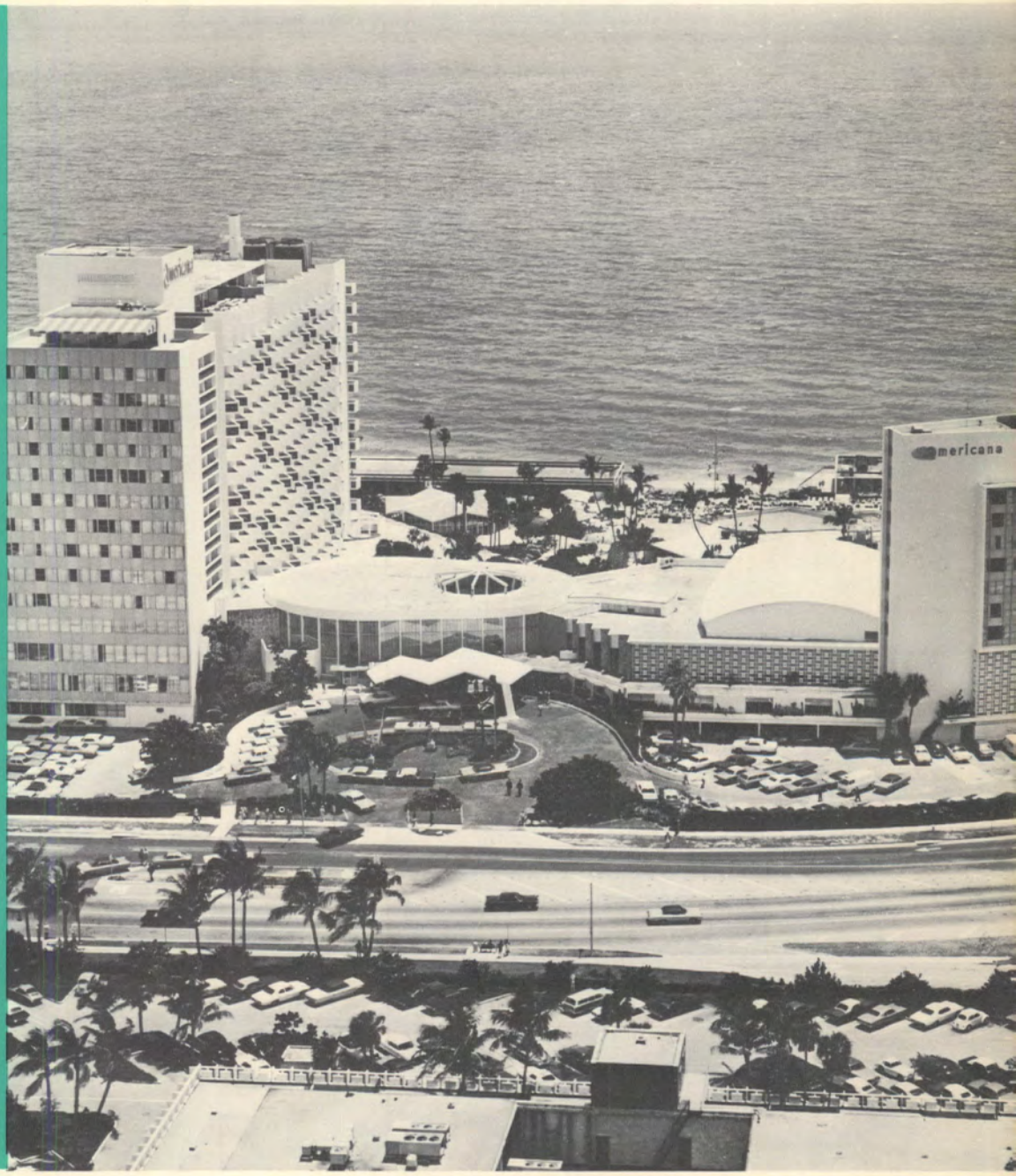
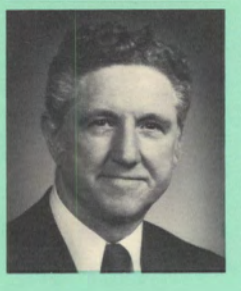
Title News

the official publication of the American Land Title Association



Bal Harbour: Site of ALTA Convention

June, 1974



A Message from the President-Elect

JUNE, 1974

One of the most effective tools of business is the ability to communicate with associates, co-workers, and customers. The people around you can only be motivated and know your thoughts and feelings if you take the time to carefully explain your positions and reasons. Your customers, at times, need proper explanations on technical problems, costs, and other matters.

Communication is a two-way street. You cannot just talk to or at a person. You must talk with him. This involves listening on your part. Listen not only to the words and inflections of a person, but also for the words that are not said and the significance of both in the context of your conversation. The unspoken word, voice inflection, gestures, and facial expressions, count a great deal in effective communication.

Because these factors definitely come into play, it is much better to talk face to face. If this is not possible, the telephone is more effective than the written word.

We all must understand and realize that we are working with human beings who have their own thoughts, ideas, and feelings.

Letters and memos are very necessary and vital as records and for future reference regarding talks or agreements arrived at through mutual discussion.

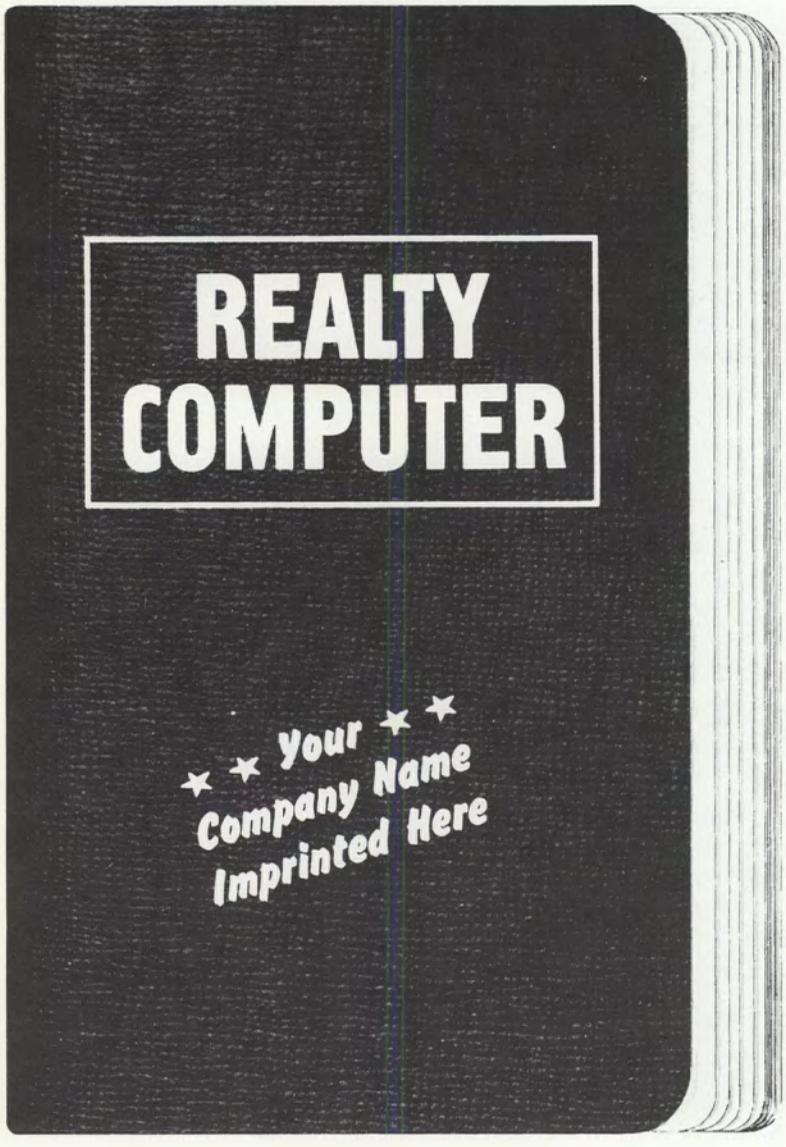
Effective communication is talking with another person and taking into account the thoughts or ideas expressed not only by the spoken word but through all the other audio and visual signs that signal what he is trying to tell you.

Sincerely,

Robert J. Jay

Robert J. Jay

FIRST MAJOR "BREAK-THROUGH" IN 25 YEARS IN REAL ESTATE TABLES!



Your NEW Hard-Working

GIFT FOR REALTORS!

Created by Realtors for Realtors

In addition to the conventional loan amortization payment tables, the New, 240-page ***Realty Computer*** provides, in shirt-pocket size, ***thirty-eight tables*** and checklists badly needed by real estate people in their daily transactions.

You owe yourself an appraisal of the ***REALTY COMPUTER***—one of the finest professional fact-finders you have ever seen. Your clientele will be asking for it.

Write today for your complimentary copy

(to Lending Institutions only)

PROFESSIONAL PUBLISHING CORPORATION

122 Paul Drive • San Rafael, California 94903

ALTA action

A full round of ALTA-affiliated association conventions is on the agenda for June. Representatives of ALTA who will be attending include President-Elect Robert J. Jay, journeying to the New Jersey Land Title Insurance Association convention, Absecon, N.J., June 2-4. Jay and ALTA Executive Vice President William J. McAuliffe, Jr., will be at the Michigan Land Title Association convention, Harbor Springs, Mich., June 20-22.

ALTA Director of Public Affairs Gary L. Garrity will attend the New England Land Title Association convention June 6-8 at North Falmouth, Mass. ALTA President Robert C. Dawson and McAuliffe will be at the Pennsylvania Land Title Association convention June 9-11 in Absecon, and at the Illinois Land Title Association convention June 14-16 in St. Louis. Dawson also will attend the Land Title Association of Colorado convention June 20-22 at Vail, Colo., and the Utah Land Title Association convention June 27-29 at Park City, Utah.

ALTA Title Insurance and Underwriters Section Chairman Richard H. Howlett will attend the Wyoming Land Title Association convention June 14-16 at Douglas, Wyo., and the Oregon Land Title Association convention June 20-22 at Otter Creek, Ore. Philip D. McCulloch, chairman of the ALTA Abstracters and Title Insurance Agents Section, will be in McCall, Idaho, June 27-29 for the Idaho Land Title Association convention.

* * *

Appointment of eight Title Industry Political Action Committee (TIPAC) advisory trustees has been announced by Francis E. O'Connor, TIPAC Trustees chairman. TIPAC is the recently-formed organization, made up of individuals in the land title industry, which supports Congressional candidates with views compatible to those of the industry. The advisory trustees will recommend to the TIPAC board of trustees the Congressional candidates over the nation—Democrats, Republicans, or independents—whose political views warrant the support of the political action group.

Named as advisory trustees are Mel Kensinger, Colorado Springs (Idaho, Montana, Wyoming, Colorado, Utah); Victor W. Gillett, Phoenix (Arizona, New Mexico, Texas, Oklahoma, Nevada); Joe F. Jenkins, Kansas City, Kans. (Kansas, Nebraska, South Dakota, North Dakota, Minnesota); Montgomery Shepard, St. Joseph, Mich. (Iowa, Missouri, Illinois, Wisconsin, Indiana, Michigan, Ohio); James W. Robinson, Miami, Fla. (Louisiana, Mississippi, Alabama, Georgia, Florida, Arkansas); William Dunlop White, Jr., Winston-Salem, N.C. (South Carolina, North Carolina, Tennessee, Kentucky, Virginia, West Virginia); Frank J. McDonough, Camden, N.J. (Pennsylvania, Maryland, Delaware, New Jersey, New York, District of Columbia); and Bruce H. Zeiser, Boston (Connecticut, Rhode Island, Massachusetts, New Hampshire, Vermont, Maine).

A ninth advisory trustee—for Washington, Oregon, California, Alaska and Hawaii—is expected to be named in the near future.

* * *

ALTA Director of Public Affairs Gary L. Garrity was in New York City during May to visit with key editorial personnel of the real estate and financial press regarding developments in the land title industry. Among media he visited are United Press International, *Barron's, Fortune, Better Homes and Gardens, National Real Estate Investor,* and *Real Estate Weekly.*

* * *

Proposed amendments to the ALTA bylaws—primarily housekeeping in nature—are being circulated to the Association Board of Governors before publication in the July *Title News* and voting thereon by the ALTA membership at the 1974 Annual Convention of the Association. The proposed amendments are to delete language of a temporary and transitional nature when converting from the office of vice president to the office of president-elect in 1973, and to delete language referring to the Liaison and Young Titlemen's Committees recently abolished by Board action. Sam D. Mansfield, Ocala, Fla., is committee chairman.

Title News

the official publication of the American Land Title Association

Features

Departments

ON THE COVER: This photograph of the Americana Hotel in Bal Harbour, Fla., reminds that the time has arrived for planning to attend the 1974 ALTA Annual Convention there September 29-October 3. An outstanding program is being developed; ALTA members are advised to register as soon as possible.

VOLUME 53, NUMBER 6, 1974

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 *RICHARD W. RONDER, Managing Editor*

Dr. Irving H. Plotkin and Dr. Nelson R. Lipshutz
Arthur D. Little, Inc.

Measuring And Justifying Title Company Profitability

(Editor's Note: The following is adapted from a presentation at the 1974 ALTA Mid-Winter Conference.)

* * *

Dr. Plotkin

ALTA has reproduced our report, *Economic Consideration in the Establishment of Title Insurance Rates in Pennsylvania.* The report itself was put into evidence in the recently-concluded rate hearing in the state of Pennsylvania. That hearing may represent a landmark rate case for the title insurance industry, because for the first time the details of the number of policies written in each class of insurance were combined with the usual Form 9 financial income and expense information. The presentation allowed the insurance commissioner to review the totality of the insurance operations in the state on a basis which the industry agreed would be a fair way to judge whether or not the rates were reasonable, both the rates that had been in effect, and, more importantly, the rates that were proposed.

As the title of our talk indicates, a key to making that determination is the rate of return basis. We feel from our experience, both in title insurance—which despite the kind words of your chairman, we believe has really been somewhat limited—and our experience in other regulated industries, especially in other insurance industries regulated by these same regulators, we believe has shown that the rate of return provides a fair and impartial way for the title industry to tell its story (what its rates are, whether or not these rates are fair and meet the standards set up in the various laws) and gives the insurance commissioner a fair and impartial way to judge the adequacy of rates proposed or in effect.

Before discussing the specific work in detail, I will indicate what topics we are going to touch on. We will try to limit our remarks, to raise certain issues, to make you aware of the material that does exist, and to leave a bit of the time open for your questions. We are not sure which of the many areas that we have touched on in our work for the industry are most interesting to you, nor where you have the greatest problems with the approaches we are taking. So, I really do hope that you will have some questions. I will speak for a while and Nelson will address certain issues and I will come back to ask you for any questions or comments or concerns that our work or talk may have raised in your minds. I feel that it is only through two-way communication you can get the best value out of the consultants you engage.

The ADL work for the title insurance industry started with our evaluation of the HUD study, which was a study done by the people at HUD and VA in an attempt to say, "this is the way the federal government ought to regulate the title industry." We found it tremendously deficient both from the regula-

Dr. Plotkin

Dr. Lipshutz

tory and technical standpoints. The proposal did not make good regulatory sense in terms of the way regulation has been applied to industries whose prices are regulated; nor was the data it used an adequate data base from which to draw the conclusions it drew. We found that while it was, of course, not a job done by people out to destroy the industry with malice aforethought, it was a job that just could not live up to what it pronounced itself to be. It was not on a solid basis either in theory or, more importantly, in terms of observable facts. We had a number of conversations with HUD, and wrote up a critique of their report. I was happy to learn from conversations that the people who had actually worked on it, including Dale Whitman and their statisticians, agreed with us that there were grave philosophical problems and tremendous technical problems with their approach. Our breath was held for about a year, until the new Asistant Secretary, Assistant Secretary Lubar, responded. Before Congress he stated that the federal government was not the proper regulatory authority for title insurance. We were really happy because what HUD now also admitted was that, to regulate, you cannot determine whether or not a price is reasonable merely by looking at the price charged in one area and comparing it to the price charged in another area (adjusted by the local wage level).

Any regulation, whether it be of the title insurance industry, property liability insurance, marine transportation, air transport, or other types of regulated industry or even the quasi-regulation of the pharmaceutical industry, must be in terms of the return that industry is earning on the capital invested in it. There is no other bottom line standard that would allow a fair picture of a given industry, or more importantly, a basis of comparison of the performance of that industry with other industries. This was recognized by the Supreme Court in the early 1900's, ratified again in the 1940's, and has been the standard of every form of regulation in this country, and also in other countries which engage in the same type of industrial regulation. The HUD people now realize (and take to heart) that since the fundamental method of their study was merely to look at the price and not the cost of producing the services rendered, their proposed basis of regulation was insufficient. They further recognize that the numbers of significant differences that give rise to different title policies and prices across states and even within states, could not be well appreciated, measured, or compared from a national perspective; rather, this is a case where the old English philosophy of letting the town council take care of the town pump is highly applicable—this is a situation which needs regulation by the states.

However, to make the maxim effective, as the regulators have come to say, and I think as the people in the title industry have also come to realize, state regulation must itself become a more effective instrument. You have not only to worry about federal government encroachment, but, as many of you are painfully aware, you also have to worry about the activities within states both on the private level (for instance, antitrust activity) and the public level (for instance, legislative and executive action), which are based on attacking the insurance departments for their lack of regulation.

I also do not feel that HUD's current position is necessarily a complete, long-term moratorium on federal intervention; it only gives you time to get the state house in order. There is always the Justice Department looking very hard at whether the states do in fact regulate. Many activities on the state level indicate that this is not a time to breathe easy, but a time to shore up the conditions of state regulation. In a sense, and it makes it very difficult for your industry, you are going through, in a compact amount of time, a history of development that the property-liability industry went through over a history of about 70 years. Where I can, I have tried to glean what information from their experience that would be useful to you and transmitted it to the various ALTA committees and to the various state associations.

ADL's work at the state level has been primarily in Ohio and Pennsylvania and also now, and I say this with the permission of the people involved there, in working with individual companies in the District of Columbia gathered together in a rather unique form, to petition Congress to nave the D.C. Committee review the rates and reasonableness of prices in the D.C. area. That is another case of federal regulation and federal standard setting. I think the work we are doing in D.C. may be more important nationally than the work we are doing in any other single state.

In Ohio, our first assignment was accomplished in the first phone call we made to the commissioner. After it, he said that the industry did not have to cease business three days hence, nor do the impossible task of creating a rate justification using historic data that did not exist (Nelson will be talking to some extent about this problem). Rather, on a go forward basis, the industry was allowed to design a method of capturing the necessary data and putting it together to make rate justification, giving us almost a three-year period to develop a statistically credible data base.

In Pennsylvania, where a good bit of data had been collected including some numbers as well as dollars for types of policies, we were the beneficiary of one of the best drafted laws that I have ever come across in any regulated industry. I again urge, as I have done informally before, that the Model Code should rely very heavily on the language of the Pennsylvania law dealing with the standard for reasonability of rate of return. (It requires that comparisons be made over the years and with respect to other industries.) We had a good law, we had some data, and in essence we did the tail of Ohio in Pennsylvania before Ohio had quite reached that point. We put together the data on activity and on income and expenses in the form of a rate filing. Our report, *Considerations in the Establishment of Title Insurance Rates in Pennsylvania,* could be viewed with a period before you get to the words "in Pennsylvania." We feel that aside from the specific numbers used, the theory in this report applies to any state. We hope that you will look at this report carefully and critically and see where and whether you have any problems with the logic and the approaches embodied therein. We would like to know this before going on with suggesting the use of this analysis in any other state. You are building

towards precedent and it should be recognized.

The first key issue in our study from an economic point of view was the use of an industry-wide approach. This is a very important point, especially in the states which have the open competition philosophy; that is, where individual companies are responsible for keeping their own records and where those records are reviewable by the insurance commissioner, as the basis for evaluating rates. The only realistic way of determining whether or not the rates are in fact adequate, and not excessive, is not on a company-by-company basis, but on an industry-wide basis within that state. The regulator must check to see that the rate of return earned by the industry as a whole is reasonable, some companies earning higher returns, some companies earning lower returns. Unfortunately, there has been much advocacy in the property-liability industry (and traces of it in the title industry) of the proposition that if you can find one company in a given state that has a high rate of return, that in fact invalidates the entire rate structure for all companies. We do not subscribe to that approach; it is not responsible regulation. Yet this is a battle that we have to fight as we enter each state's jurisdiction. What will happen in California along these lines is to me perhaps one of the most challenging problems you are currently up against.

The next key issue is the rate of return issue. The way to understand and make sense out of the multifarious number of rates charged, for example, for different removals of exemptions, for commitments, for different policy values, reissue versus original, mortgage versus owner's policy, is not by trying to look at them and make some intuitive sense out of each rate on its own feet, because that sense cannot be found; rather, the only thing that makes sense is relating the bottom line—the total income the company earns including also its investment income, to the capital at risk in the business. This is the capital market's view and the standard used in the *Hope Natural Gas* and *Bluefield Water Works* cases, the two main Supreme Court decisions determining what is due process of law and what is non-confiscation of profit in terms of regulation.

The third key issue is that of cross-subsidy. Cross-subsidy is a technical economic term, but what it basically means is that through evolution, through design in Pennsylvania because the law invites it, and for a number of other reasons, the out-of-pocket costs of total production of the policy, *are not met by the total premium* and a fair allocation of the investment income that might flow from that premium *at the small liability end,* the less than $30,000 policy, and that these *costs are more than met at the very large liability end,* the $100,000 plus policy. In Pennsylvania, the law invites this pricing structure by explicitly stating that it should not be considered unfairly discriminatory to charge the little man less than his fair share of fully advocated or even marginal costs and make this up by charging more at the higher end. The effect on title insurance income is well illustrated on page 15 of our study which shows that, in terms of the 1972 experience (the best year ever in Pennsylvania), the industry was out-of-pocket on all policies up to $30,000. And it was only the last 190 very large policies of the 60-odd thousand policies written, which put the industry as a whole over the top. That is, of course, not considering the special premiums and other title income, but even if one would consider that there would still be negative accumulation for about 80 per cent of the policies by number. We have tried to convince the insurance commissioner that this is in the social interest. It brings the cost to a reasonable level for searching and examination for the small person; it also means that the system exists in its entirety for the large developer, so that although he is bearing the greater part of the burden that is not unfair. What this fact of life says is that you cannot evaluate and justify the price for any specific liability category; rather, the price structure must be considered on the whole. I noticed that Tom Finley has now been putting this point across in his legislative activities, that title insurance is unique in that it brings with it a great subsidy to the smaller home buyer. When I first told this to some of the regulators, they were incredulous. They really did not believe it—it is certainly not the way property-liability and life insurance work. The cross-subsidy also explains the great sensitivity that the title business has to the mortgage and real estate market because most of the profit comes from commercial-industrial activity.

The table on page 17 of our report shows that in 1970 when there were slightly fewer—131 rather than 190—large policies written and the whole distribution of business was shifted to the small rather than the large end of the policy size scale, there was a net loss over the whole business of underwriting, including the other title income and the special premiums. The difference between 1970 and 1972, as the report makes clear, was not a vast change in volume, but a minute shift in terms of numbers of policies and in the distribution of that volume, and that created a difference between a 3 per cent rate of return and a 15 or 16 per cent rate of return. So, we illustrate simultaneously the cross-subsidy, the volatility of this business, and the need, as we said, in Pennsylvania, to have an average rate of return of at least 12½ per cent on net worth investment.

I have already taken more time than I had planned and I will ask Dr. Lipshutz to talk about the implications of this work for the type of data that you want to capture.

Dr. Lipshutz

It's a very great pleasure to be here. Before beginning to talk about what we think the detailed regulation of rates means concerning the workload the industry will have to get involved in, perhaps I should say something about what I am not going to say. When I spoke here last year about the Ohio statistical plan, there was a certain amount of fear and reservation, and various people voiced the opinion that we were being buried in lots and lots of detail and were going to be strangled by magnetic tape. I think at the time, that was a very justified fear, but I have a certain amount of pride about the Ohio plan and I think our experience over the last year indicates that, fortunately, those fears really were unfounded.

However, I don't want to talk about the kind of technical details, instructions, and plans I spoke of last time, but rather to talk about the general concepts

Continued on page 14

Title Insurance Essential in New FNMA Condominium, PUD Mortgage Program

The recently-announced Federal National Mortgage Association program to purchase condominium and planned unit development (PUD) mortgages is designed to stimulate construction of such housing. In doing so, the program places substantial responsibility on lenders who sell related loans to FNMA. And, the program is open only to those lenders with sufficient expertise in condos and PUDs.

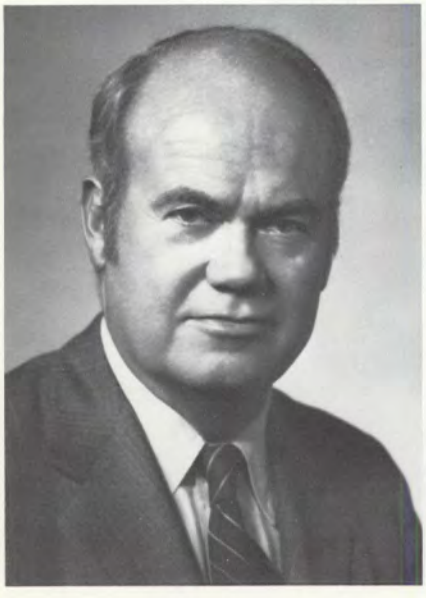
Three FNMA officials who announced the new program April 22 during the Mortgage Bankers Association of America National Morgage Banking Conference in Washington, D.C., made it clear that this endeavor is considerably more complicated than Fannie Mae's previously-existing program to purchase conventional home mortgages. In purchasing mortgage units for condos and PUDs, FNMA will emphasize quality legal documentation and a good deal of responsibility for this will fall on the seller.

While FNMA will require an opinion of seller's attorney with documentation requesting approval of a project or delivering a unit loan for purchase, that opinion will not be intended to replace the usual requirement for title insurance.

Describing the new program on announcement day were Fannie Mae's Oakley Hunter, chairman of the board and president; James E. Murray, senior vice president and general counsel; and Russell B. Clifton, vice president.

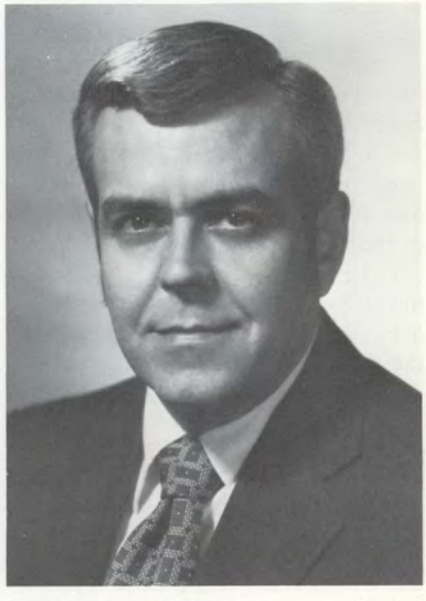
Hunter cited the growing importance of condos and PUDs in the housing market, and said the new program provides a better outlet for secondary market sale of related mortgages. He pointed to a recent HUD survey of 25 selected metropolitan areas where condos made up about 40 per cent of new for-sale housing units completed in 1972—and where it was noted that about half of all housing units under construction in 1973 were condos. In addition, Hunter mentioned a National Association of Home Builders survey indicating that condos will make up approximately 23 per cent of all for-sale housing units in 1974.

"There are several aspects of the program that should be attractive to consumers," Hunter added. "FNMA will require in projects it finances that the home owners associations be set up so that owners shall have equitable treat-



Hunter

Murray



Clifton

ment from the developer and that many of the amenities that normally come with the developments are installed at the beginning of the project. We will usually require professional management of projects to give them the best possible chance of success in the first year or so."

Under the new program, FNMA will buy up to 95 per cent loans in planned unit developments and 90 per cent loans on condominium units. Private mortgage insurance will be required on the portion of a loan in excess of 75 per cent loan-to-value ratio. The term of the loan must be 10 years or more and the original term of the loan may not exceed 30 years. At time of the announcement, the unpaid principal balance of the mortgage at time of delivery to FNMA could not be less than $10,000 or more than $35,000—except in Alaska and Hawaii, where the maximum was set at $52,000. It was indicated by the FNMA officers that federal legislation could increase these limits.

In his comments on the new program, Murray said possibilities for condominium development have since 1961 outgrown the original legal framework of condominium enabling statutes.

"A preliminary review of existing condominium documentation indicates that the long-run perspective of the lender holding the unit loan, and, by extension, the purchaser of the unit, has not been taken into consideration to the extent necessary," Murray said. "Many of the requirements contemplated by FNMA in its condominium and PUD programs may appear burdensome now but such requirements are necessary, in our opinion, for the viability of any project in which FNMA invests over the long term. While quality documentation does not in itself make an unsound project sound, it is essential to the ultimate marketability of a project and, indeed, the development of a secondary market in condominium and PUD loans."

Murray said the attorney preparing project documents has an important role in the new program. The opinion of this counsel retained by the seller of mortgage units to FNMA generally will include a representation that the attorney has reviewed the condominium documents which conform to the condominium enabling statute—along with FNMA's prior approval or purchase requirements, as appropriate. The attorney, according to Murray, will further state that applicable local jurisdictional requirements other than the condominium statute have been met. And, the attorney's opinion will be addressed to various other appropriate items such as representations that the documents properly provide for notice to the lender of certain significant events related to the lender's security interest, priority of the mortgage lien in appropriate circumstances, and disposition of insurance proceeds and condemnation awards or damages. Counsel's opinion also will reflect matters designed to promote the sound long-term operation of a project, such as representation that the documents provide that any lease entered into by a unit owner will bind the tenant to the rules applicable to unit owners restricting the use or enjoyment of the unit or common elements.

Also in counsel's opinion in the case of prior approval will be a statement that, with respect to the form of purchase agreement, certain precautions are contemplated—such as the escrow of the purchaser's deposit—and that the control of any amenity facilities by the developer will be restricted.

"We will rely heavily on the quality of selling institution's counsel review of the documents," Murray declared. "There will be a legal review by our regional counsel's office, but this review will be limited. That is, it will be merely a review, rather than the preparation or revision of legal documents. A further function to be performed by FNMA's legal review is to monitor the performance of seller's counsel."

Murray said the attorney's opinion "is not intended to supplant the usual requirement for title insurance."

"The responsibility for selection of counsel will, of course, rest with the FNMA seller," he added. "FNMA will exercise the right to decline to accept opinion from those counsel who, through our experience with their work product, do not meet FNMA's standards. The opinion will specifically and accurately recite that FNMA is relying on the opinions expressed therein."

Regarding seller's selection of counsel, Murray said, "FNMA will not dictate this choice or maintain an approved list of attorneys. Opinions rendered by counsel who may have prepared the documents acting as counsel to the developer will be acceptable, or other practical arrangements may be undertaken to meet this requirement. The seller will be held responsible for submissions of the attorney, such that a breach of an obligation to FNMA will trigger a repurchase warranty or other appropriate sanctions. Further, the attorney will be subject to potential liability to FNMA."

Clifton, who is vice president, mortgage programs, for FNMA, itemized major benefits of the new program.

"One of the major benefits of the program," he said, "will be the ability of the mortgage lenders to obtain prior approval on both proposed or existing projects which will give them firm assurance that the property is acceptable to FNMA in advance of their originating the loan."

Clifton added, "They may also request prior approval of the unit purchaser's credit. We also believe that our permanent commitment to purchase these mortgages will benefit them in arranging interim construction financing. Also because our project approval will be non-exclusive, it will allow several mortgage lending firms to work together in a given project with relative ease."

In his remarks, Clifton pointed out that lenders participating in the new program must first be approved.

"In our opinion, the origination and recommendation of these mortgages to FNMA for purchase requires an expertise different from that needed to participate in single family conventional mortgage program previously operative up to this time," Clifton remarked. "We require, therefore, our lenders to have personnel that are experienced in originating, underwriting and servicing in income and commercial mortgages. In addition, the appraisers the sellers will be using must also receive FNMA's prior acceptance and sellers will designate to us the attorneys that they intend to use to examine the legal documentation.

"Under this new program, we will consider requests for prior approval of projects that are existing, proposed or under construction, including conver-

Continued on page 15

You don't need more space. You need to use it better.

With microfilm an abstractor can reduce titles and other documents to a fraction of their original size, which makes microfilming an attractive alternative to paying more rent.

For only a quarter you can actually make records of 70 different documents.

What's more, you can mail most microfilm records in regular envelopes with 10¢ postage.

With Canon's Processor-Camera 161G, the job is not only easier but also faster, because it's the only machine that both shoots and processes 16mm microfilm in one continuous operation.

It does it at the rate of 40 documents a minute. And the first frame is ready in just 8 minutes. Three thousand frames can be stored on a 100-foot roll, which is smaller than an 8-track tape cartridge.

It even handles oversize documents up to 10¾" by 14⅛".

And because it needs no darkroom, outside plumbing or ventilation, this compact unit can be located anywhere. Perhaps in the courthouse, eliminating the need to take titles to your office and back.

As Donna Allen of Gilbert Green Abstracting Company in Salisaw, Oklahoma says, the Canon Processor-Camera 161G "...has made the work in abstracting much simpler..."

Find out for yourself. Call us or write for more information.

Canon®

Micrographics

Canon USA, Inc., 10 Nevada Drive, Lake Success, NY 11040
Tel. (516) 488-6700

Part III: ALTA Judiciary Committee Report

(Editor's note: Members of the ALTA Judiciary Committee have submitted over 450 cases to Chairman John S. Osborn, Jr., of the Louisville law firm of Tarrant, Combs, Blackwell & Bullitt, for consideration in the preparation of the 1974 Committee report. Chairman Osborn reports that 98 cases have been selected for publication in this year's report. For previous installments, please see the February and April, 1974 issues of *Title News.*)

* * *

ECOLOGY *(continued)*

New Jersey Sports and Exposition Auth. v. McCrane, 292 A. 2d 545 (N.J. 1972)

Action for a judicial declaration of the constitutionality of the New Jersey Sports and Exposition Authority Law. This act was adopted to bring about the construction, operation and maintenance of a sports complex on a site of 750 acres. The act further granted permission to the authority to acquire for the state some tide flowed meadowland for purposes connected with the construction. It was alleged that this was a violation of the public trust doctrine imposing certain limitations on the alienation of such land. Another question was whether the statute requires a consultation with the Meadowlands Commission and the Department of Environmental Protection and with respect to the ecological factors constituting the environment of the Hackensack Meadowlands to the end that the delicate environmental balance of Hackensack Meadowlands may be maintained and preserved.

Held: The act is constitutional. However, an obligation has been imposed upon the Authority to present its proposal for site location to the Meadowlands Commission under the Department of Environmental Protection to determine the delicate environmental balance. Such presentation should be made after public notice of the time and place, and a full record made.

This case requires a public hearing on ecological factors on land devoted to a public purpose giving all public bodies and persons an opportunity to present their views.

Sierra Club v. Morton, 405 U.S. 727 (1972)

The issue was the standing of the Sierra Club to sue to prevent the Forest Service from issuing a permit for the development of Mineral King Valley in California as a ski resort. There was no allegation by the Sierra Club that it or its members "would be affected in any of their activities or pastimes by the Disney Development." The District Court granted an injunction which was reversed by the Ninth Circuit Court of Appeals.

Held: Complaint dismissed without prejudice to the Sierra Club seeking to amend by motion under Rule 15. Since the pleadings do not claim that the Sierra Club itself or its members would be injured or affected by the proposed development, it had no standing to file this suit to halt this project. While a "noneconomic injury" - "injury in fact" - may be sufficient to lay the basis for standing, nevertheless, it is essential that the party seeking relief must himself be among the injured. The requirement that a party seeking review must allege facts showing that he is himself adversely affected "serves as at least a rough attempt to put the decision as to whether review will be sought in the hands of those who have a direct stake in the outcome."

EMINENT DOMAIN

Klopping v. City of Whittier, 8 Cal. 3d 39 (1972)

Held: The city was liable for damages resulting from an announcement of an intent to condemn the plaintiff's property if the city acted improperly, either by unreasonably delaying the condemnation action or by other unreasonable conduct prior to condemnation.

Milstein v. Security Pacific National Bank, App., 103 Cal. Rptr. 16 (1972)

This was an action to determine the right, as between the trustor-property owners and beneficiary of the deed of trust, to a condemnation award for a partial taking of the improved property securing the loan. The deed of trust provided that the beneficiary had the discretion to either release the proceeds of condemnation or apply them on the indebtedness. By a separate paragraph of the deed of trust, the trustor was obligated to preserve the property and maintain it in good repair, including the duty to complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed.

The Court held that the deed of trust did not confer an absolute discretion in the beneficiary to dispose of the condemnation award in view of the obligation of the trustors to repair the damage caused by the taking. The intended limitations on that discretion was to be found in the implied in law covenant of good faith and fair dealing. This required the beneficiary to exercise his discretion with respect to the condemnation fund in such fashion that it distribute to the trustors all proceeds in excess of those necessary to recoup any impairment in security caused by the eminent domain proceeding, and where the beneficiary's security was not impaired, the trustors were entitled to all of the proceeds of the eminent domain action.

Darman v. Dunderdale, Mass. Adv. Sh. 1773 (1972)

Petition in the Land Court to register title. On exceptions to the Supreme Judicial Court.

The Wilbur Company subdivided a tract into 339 lots and laid out streets on two separate plans on which the lots in the two plans were numbered consecutively. Part of the land on Plan No. 1 was conveyed to petitioner's predecessor in title by deed referring to Plan No. 1 and lot numbers, granting the fee in the street and "subject to the right of all said lot owners to make any customary use of said streets." The only reference to Plan No. 2 was a note in the corner of Plan No. 1. The Wilbur Company conveyed to respondents' predecessor 20 acres, being all the land on Plan No. 2, referring to Plan No. 2 with similar language relating to streets. The only reference to Plan No. 1 was in a corner of Plan No. 2.

Part of respondents' land was taken by eminent domain so as to cut off access to a public way.

The Court held that the Wilbur deeds did not grant easements for owner of land on Plan No. 2 over land on Plan No. 1; that damages for eminent domain taking included

compensation for lack of access; and, therefore, that the respondents had no easement over petitioner's land.

Exceptions were overruled and appeal dismissed.

ESTATES

Coolidge v. Coolidge, 130 Vt. 132, 287 A. 2d 567 (1972)

Held: Property held in joint tenancy is subject to being partitioned, notwithstanding that when the parties took title they recognized and intended that the survivor of them should ultimately be the owner of the entire parcel.

In a dictum the Court said that partition of land held in co-tenancy may be barred if at the time of the conveyance the parties agreed expressly or impliedly that the property should not be partitioned.

FORECLOSURE

National Council of the Junior Order of United American Mechanics of the United States of North America v. Zytnick, 221 Pa. Superior Ct. 391, 293 A. 2d 112 (June 15, 1972)

In a mortgage foreclosure action, the Court held that although a deficiency judgment may not be obtained in a foreclosure proceeding, a mortgagee who proceeds to recover under a foreclosure proceeding and who has bought the property would be able to recover a deficiency only if he obtained a personal judgment and petitioned in that proceeding to fix a fair value within six months after the sale of the property. Under the holding, a mortgagee is not denied the benefit of the Deficiency Judgment Act.

Quincy Mutual Fire Insurance Company v. Jones, 486 S.W. 2d 126 (CCA Dallas 1972)

This was a suit by the trustee under a deed of trust interpleading a surplus of funds into the registry of a District Court after foreclosure.

Conflicting claims were made by assuming purchasers of the property and by the company issuing the fire insurance policy on the property.

In August, 1964, the insurance company issued its standard fire insurance policy to one Boyd, as insured, with the provision that the loss on the building item should be payable to Farm and Home Savings Association as mortgagee or trustee as its interest might appear. Boyd sold to White and by endorsement attached to the policy, White was shown as the named insured. Thereafter, White conveyed to Taylor and there was no endorsement included to show this change of ownership. The fire insurance policy contained a standard provision providing that the insurance company would not be liable for loss following the change of ownership which was not shown by endorsement placed on the policy.

In November, 1966, the property was damaged by fire. The insurance company denied liability to White and also to Taylor. Neither filed proof of loss or instituted suit. Farm and Home did file proof of loss and the insurance company paid Farm and Home $3,494.76.

The policy contained a standard clause to the effect "if this company shall claim that no liability existed as to the mortgagor or owner, it shall, to the extent of payment of loss to the mortgagee, be subrogated to all the mortgagee's rights of recovery, but without impairing mortgagee's right to sue; or it may pay off the mortgage debt and require the assignment thereof and of the mortgage." Default was made in the payment of the note and foreclosure was held and a surplus of $2,857.34 resulted from the foreclosure which the trustee deposited in the registry of the Court.

The Court held that the subrogation rights acquired by the insurance company through its payment of the fire loss constituted the same rights in the collateral as had been owned by the mortgagee prior to the payment and that the insurance company, rather than the person who purchased the property from the mortgagor and assumed the mortgage debt which was discharged by the trustee, was entitled to receive the surplus funds.

Strutt v. Ontario Savings & Loan Assn., 28 Cal. App. 3d 866 (1972)

Plaintiff brought an action for damages against the trustee and beneficiary of a trust deed on real property purchased by plaintiff consisting of several rental units, for the wrongful exercise of a private power of sale alleging that the sale was invalid in that Civil Code §2924 was unconstitutional as allowing foreclosure without a hearing and that the foreclosure was made while plaintiff was confined in a mental institution and without the appointment of a guardian, thus denying him due process of law. The Court held in favor of the defendants inasmuch as plaintiff had no equity in the property at the time of the sale and, thus, suffered no damages as a result thereof.

The Court also stated that Civil Code §2924 did not deny a trustor due process inasmuch as there was no immediate seizure of the property nor any immediate impairment of the trustor's rights in respect to the property. The statute gives the trustor a minimum of three months in which he can refinance or sell the property or bring an action to enjoin the sale and obtain the judicial hearing contemplated by the Constitution. Further, this statute is not an enabling or authorizing statute, but rather a statute restricting and limiting the exercise of private powers of sale for the benefit of trustors.

The Court also found that the trustee complied with the notice provisions of the statute when it mailed notice of the default and notice of the trustee's sale to plaintiff at his last known address, even though plaintiff had no actual knowledge of the pending trustee's sale since he had left the state after his initial default in payment without in any way communicating with the defendants.

The Court acknowledged that the supervening incompetency of a trustor does not deprive a trustee under a deed of trust containing a private power of sale of the power to convey title to the property to a bona fide purchaser without notice at a trustee's sale. However, the Court said that a rule that a trustee with actual knowledge of the incompetency of the trustor may not, as between the trustee and the trustor, rightfully proceed with a trustee's sale without first causing a guardian of the trustor's estate to be appointed would, on first impression, appeal to its sense of justice. However, under the facts of the case, plaintiff was under no legal incapacity. The Court also stated that a beneficiary or trustee who, after a default, does no more than collect rents by means of a letter request to the tenants and who does not undertake management of the property was not a mortgagee in possession.

Johnson v. Gartland, 470 F. 2d 1104 (Va. 1973)

In this case, the Fourth Circuit held that while strict compliance with statutory provisions is usually essential to validate a tax sale, the taxpayer will be deemed to have ratified the sale if he accepts and cashes a check from the IRS for the proceeds.

LANDLORD & TENANT

Baker v. Snyder, 494 P. 2d 1238 (Okla. 1972)

During the course of administration of the estate of a deceased person, one of three lessees of a movie theatre building, the lessor filed a creditor's claim for all of the unoccupied and unearned rent provided in his lease and the lessor further objected to distribution of the assets of the decedent to the deceased lessee's heirs. Question presented was whether a lessor of a long term lease of business property is entitled upon the death of co-lessees to have property of the deceased held up and not distributed to his heirs so that property will be available to satisfy any breach of the lease agreement which might result in loss to the lessor. Surviving co-lessees of decedent had continued paying rental called for in the agreement and the lease was in no way in default upon either the death of the deceased co-lessee or at any time subsequent thereto.

Held: Claim not due, or any contingent or disputed claim against the estate as mentioned in 58 O.S. 1971 §596 does not include not due, unearned and unoccupied rent provided for in a lease agreement.

Case of first impression.

Next:

Landlord & Tenant (Continued)

names in the news

FROMHOLD

LANGLEY

OGLESBY

SCHAEFER

NEGRELLI

KEIDEL

The Title Insurance Corporation of Pennsylvania announces the promotions of **Sharon E. Grace** and **Peter B. Cromwell** to assistant title officers.

* * *

Fred B. Fromhold, president and chief executive officer, Commonwealth Land Title Insurance Company, has been elected to the board of directors of Provident National Bank, Philadelphia.

Commonwealth also announces the following appointments:

Hubert A. Mitchell, company vice president and president of the Metropolitan Washington Division; **Susan M. Miller** has been appointed as an assistant secretary in that division;

Joseph B. Langley, president of the company's California subsidiary, Commonwealth Land Title Company;

John T. Oglesby, regional vice president, with offices in Atlanta;

Alfred F. Schaefer, vice president; **Alvin M. Greenberg, Jr.,** and **William E. Negrelli,** both assistant vice presidents; **John G. Keidel,** assistant vice president;

Rattikins, Thurman Honored By Texas Land Title Association

Jack Rattikin, Jr., president of Rattikin Title Company, Fort Worth, was elected president of the Texas Land Title Association during the 1974 annual convention of that organization April 24-28 in Houston.

His father, the late Jack Rattikin, Sr., served as president of the Texas Association for two consecutive terms from 1933 to 1935—and served as ALTA president in 1939-40.

The newly-elected TLTA president also is president of the Title Underwriters of Texas and vice president of the Independent Metropolitan Title Agents of Texas.

Also during the Texas Association convention, Bill Thurman, president of Gracy Title Company, Austin, was named 1974 TLTA Title Man of the Year. Thurman currently is chairman of both the TLTA and ALTA Public Relations Committees. His numerous contributions to the success of the TLTA Public Relations Program were cited in the presentation of his award; he has been active in both ALTA and TLTA public relations endeavor for several years.

Another honor bestowed at the convention was the naming of Mrs. Jack Rattikin, Sr., chairman of the board, Rattikin Title, as TLTA first lady of the year.

KORSCH

GIRARD

QUARTERMAN

DELANGIE

ELLIS

CRUM

BRILLHART

POTTS

HAYES

PLACK

SANDS

COATS

Alexander J. Korsch, Jr., assistant vice president and title officer; and **Richard A. Girard,** South Philadelphia office manager, all Philadelphia;

Joseph Fricia, assistant vice president in the Troy, Mich., office.

* * *

John C. Ellis, vice president of First American Title Company of Tulare County (Calif.), has been appointed manager of the Visalia (Calif.) office.

* * *

Alan S. Quarterman has joined the Lawyers Division of American Title Insurance Company as staff attorney.

* * *

Larry Feagans has been elected vice president and manager of First American Title Company of Spokane.

* * *

William Jennings, Jr., has been appointed manager of Rattikin Title Company's examination division.

* * *

Lawyers Title Insurance Corporation has elected the following as managers of their branch offices: **Robert S. DeLangie,** Denver; **John F. Ellis,** Boulder, Colo.; **Chester L. Crum,** Pinellas County, Fla.; **Richard E. Brillhart,** Tavares, Fla.; and **Paul E. Potts,** San Jose, Calif.

* * *

William O. Hayes, Jr. and **Paul L. Plack,** senior vice presidents, have been elected to the board of directors of The Title Guarantee Company (Baltimore). Plack, who is also general counsel, also serves on the executive committee.

* * *

William Benny Norris has been promoted to assistant manager of Mid-South Title Company's abstract department.

* * *

Peninsular Title Insurance Company announces the appointment of **George Sands** as vice president and associate counsel in its newly-created national accounts department, and **Robert B. Coats** as assistant vice president and assistant counsel, underwriting division.

* * *

The following promotions were announced by the Title Insurance Company of Minnesota: **Russell L. Gunn,** vice president; **Mary Moran, John A. McGreevey,** and **Juan A. Tolentino,** national division assistant vice presidents; **Robert A. Schmelzer,** assistant secre-

tary and assistant counsel; and **Filbert Munoz,** assistant secretary. Also promoted were **Gerald Chesney,** assistant treasurer; **Steve Warner,** escrow officer; and **Robert Garrett, Virginia Pond,** and **John Yurecko,** abstract officers.

PROFITABILITY — Continued from page 6

of data collection which detailed rate justification implies and what they say about the modifications to your operating procedures which you may want to consider implementing now given prospective regulatory requirements. There are two maxims that really dominate data capture problems. One is that you can't make bricks without straw, and you have to realize that you need something more than the basic accounting data which exist in standard financial and statutory accounting reports to make the most powerful economic arguments that are available to you. The second is that you can't unscramble an omelet, which means that a fair degree of detail has to be maintained when the initial data are compiled, even though it will not be necessary to present much of that detail in the context of the rate justification. The amount of detail will be dictated primarily by the requirements of the individual regulator.

In terms of capturing data, there are three basic things that one must consider. First is the source of the data, and there is rather a natural division of the data into two groups. The first group consists of the detailed data on the mix of business, the number of policies, the types of policies, perhaps the geographic source of business. This is data which really cannot be collected at a single point, but has to be picked up at the point of origin, say a regional or branch office. The second group of data consists of the income and expense items and balance sheet items, which really have to be picked up from composites at the national level because they must be keyed to the Form 9 for data credibility. There's always a need to make sure that any data which you use can be keyed back to an accepted source document.

The second thing which one has to worry about when considering data capture is the way in which the data are summarized, and here there are basically three documents. One is the business mix analysis, some summary of what the liability distribution is, which is key to making the cross-subsidy argument. This argument is almost unique to the title industry and is a very, very powerful argument because it speaks to the social good and the general problems of the small consumer. The second two items are income statements and balance sheets for individual states. But there is a very great problem here, which leads to the third and final data capture problem you must consider. Clearly some cost elements are well identified to the state. Certain liabilities such as loss reserves and statutory premium reserves are well identified to states. Unfortunately, a large number of the remaining items are not simply identifiable, but are joint to the total business of the corporation. This leads into the accounting problem of joint costs that is one which in theory is almost insoluble. Nevertheless, the third data capture problem you must face is the collection of data which can be used to construct allocation bases. The approach which we have taken on this is to say that the income statement items, the allocations of cost, are really not something to be mandated in a universal way for all companies, but really have to be developed company-by-company on bases which are consistent only within each company, because the details of the operations of individual companies vary so drastically. On the other hand, an analysis of the way in which the general asset structure of the title company varies with its volume is sufficiently regular that more aggregate allocation methods are possible for the balance sheet items.

Once you have collected this data, you must face the questions of why did you do it and what are you going to do with it now that you have got it. And there are really three uses which you can make of the data.

The first use is in the primary job of constructing a rate analysis and rate justification and it seems that there are really four major parts to constructing any such justification. *The first task in constructing a rate justification is the establishment of the economic framework.* This is really an educational job because title insurance regulation is carried out by the same group that is used to dealing with property, liability, or life regulation. It is important to make a good, sound set of descriptive arguments explaining what the economic framework is and what that framework means in terms of the way title insurance business is carried out, emphasizing the differences between title and other forms of insurance, and stressing the point that: first, the total level of revenues which the industry achieves through a rate schedule must be sufficient to provide an adequate rate of return; and second, the social implications in terms of cross-subsidy for any other aspect of the charge structure does conform to the social purposes enunciated by the legislature.

Once you have established the economic framework, the *second task in constructing a rate justification will probably be documentation that this discursive set of statements really has content,* constructing summary schedules that illustrate the ideas quickly, compactly, and cogently, based on the data which you have compiled during the data capture phase. If you will look at the Pennsylvania report, the tables we have produced there are good tables for indicating the small level of detail that you can use to illustrate particular points very strongly.

The third key task is to establish benchmarks for comparison, because one's always looking at statutes that say something like: rates shall be neither inadequate nor excessive, nor unfairly discriminatory. But what that means always has to be cast in terms of some quantitative measures.

The fourth and final thing you will have to do in constructing a rate justification is to predict the impact of changes in the rate structure from previously existing rates; and it is at this point that the detail over and above the financial and statutory accounting data become crucial. Because of the enormous sensitivity of industry revenues to the business mix, it is essential that you have a good description of the mix in order to predict what the impact of changes will be, unless they are simple across-the-board percentage increases or decreases in rates. Now, there is a credibility problem in making all projections — projections are always looked at very, very tightly by any regulatory authority. The better the base data, the more confident you can be in those projections and the more chance you

have of avoiding the need for doing special studies under great time pressure. A substantial part of our testimony in Pennsylvania spoke to the question of particular segments of the filing based on data collected on a sampling basis, and it was a very difficult job to explain the theory of statistical sampling in a regulatory hearing.

There is a second major use which you make of data within the regulatory framework and that is in the process of negotiation. You all recognize that regulation is a dynamic process, and it has always been your experience that one discusses various possible changes with the regulating authority, and the authority makes counter proposals or suggests changes. Having this detailed data gives you a way to respond very rapidly and very cogently to any suggestions by the regulator, because it enables you to calculate numerically what the dollar impact of any particular change is, and so it guarantees that the individual decisions which the regulator may make in protecting the consuming public will not have the impact of horribly degrading revenues. An example of this process occurred in the recent Pennsylvania filing which incorporated a massive change of rates in one geographic area. The commission very properly expressed some worry as to the impact of such a massive change and asked that the change be carried out over a longer period. Because we had detailed data, we could come up with a scheme in a period of an hour and a half that met those objectives with no revenue loss and be confident that we were right.

The third major use that you can make of the data is for internal management control, and here there are at least three things that you can do. In terms of the Ohio plan, one fallout from the statistical plan has been an *improvement in quality control.* The new manual introduced a highly complex rate structure, and by building the statistical plan the right way we could help to ensure that rates were charged properly by making a computer check of every transaction. This is perhaps an extreme case, but it is one possible application. The second use is to *improve cost control,* because the basic numbers that are included in the justification are very close indeed to standard costs. For a company which has not developed detailed managerial cost accounting, this is a base from which a cost accounting system can be developed. The third use is to *improve your marketing program.* Industry composite totals based on the kinds of numbers compiled for rate justification purposes also give a rather good picture of what the total market looks like and the way the total market is moving; they are a useful addition to the feel for the market which any practicing titleman has. They also give you a base for looking at your individual share of the market to see where growth has occurred, and to see in general how your own business is moving compared to the way the total business is changing.

The industry is in a very difficult period, and I know that everyone is concerned about the additional workload that these changes will produce. I hope that our remarks indicate that as the industry moves into this new era, even though there will indeed be some more work, significant benefits can accrue to the industry and to the consuming public. □

FNMA—Continued from page 8

sions from multifamily projects. Before we will purchase any individual units in such projects, approval of both the project's property and legal documentation is required. Our review of the exhibits submitted for project approval must reveal that FNMA's interest as a mortgagee and the borrower's interest as a mortgagor and home owner are adequately protected."

Clifton added that "FNMA's prior approval of a project gives a certificate evidencing acceptability of the overall legal documentation and specified unit valuations for mortgage purposes." He said such approval "does not involve a money commitment on the part of FNMA for the individual unit mortgage purchase." And he said that such money commitments "must be obtained through the normal Fee Market System auction or convertible standby commitment procedures, now available to our approved sellers."

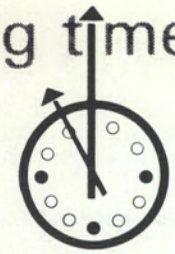
The FNMA officers said the new program is operative in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. □

Goodnight Honored

The Northeast Tarrant County (Tex.) Board of Realtors has named Jo An Goodnight, Rattikin Title Company, affiliate of the year.

Ms. Goodnight, now in her third year with Rattikin, is an active member of both the Northeast Tarrant County and Fort Worth Board of Realtors. She is a councilwoman in North Richland Hills.

meeting timetable



June 2-4, 1974
New Jersey Land Title Insurance Association
Seaview Country Club
Absecon, New Jersey

June 6-8, 1974
New England Land Title Association
Sea Crest Hotel and Motor Inn
North Falmouth, Massachusetts

June 9-11, 1974
Pennsylvania Land Title Association
Seaview Country Club
Absecon, New Jersey

June 14-16, 1974
Illinois Land Title Association
Stouffer's Riverfront
St. Louis, Missouri

June 14-16, 1974
Wyoming Land Title Association
Douglas, Wyoming

June 20-22, 1974
Michigan Land Title Association
Boyne Highlands
Harbor Springs, Michigan

June 20-22, 1974
Land Title Association of Colorado
The Lodge at Vail
Vail, Colorado

June 20-22, 1974
Oregon Land Title Association
The Inn at Otter Crest
Otter Rock, Oregon

June 27-29, 1974
Idaho Land Title Association
Shore Lodge
McCall, Idaho

June 27-29, 1974
Utah Land Title Association
Park City, Utah

July 21-24, 1974
New York Land Title Association
The Otesaga Hotel
Cooperstown, New York

August 16-17, 1974
Kansas Land Title Association
Salina, Kansas

August 15-17, 1974
Montana Land Title Association
Miles City, Montana

August 22-24, 1974
Minnesota Land Title Association
Holiday Inn
Anoka, Minnesota

September 12-13, 1974
Wisconsin Land Title Association
Pioneer Inn
Oshkosh, Wisconsin

September 13-15, 1974
Missouri Land Title Association
Marriott Hotel
St. Louis, Missouri

September 22-24, 1974
Ohio Land Title Association
Sawmill Creek Lodge
Huron, Ohio

September 29-October 3, 1974
ALTA Annual Convention
Americana Hotel
Bal Harbour, Florida

October 27-29, 1974
Indiana Land Title Association
Rodeway Inn
Indianapolis, Indiana

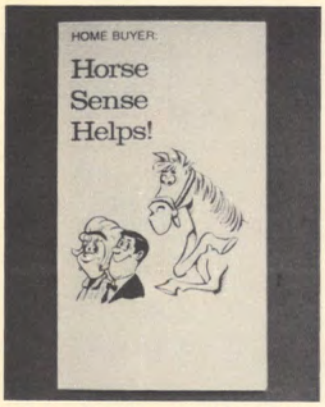
November 13-16, 1974
Florida Land Title Association
Host Airport Hotel
Tampa, Florida

December 4-6, 1974
Louisiana Land Title Association
Royal Orleans
New Orleans, Louisiana

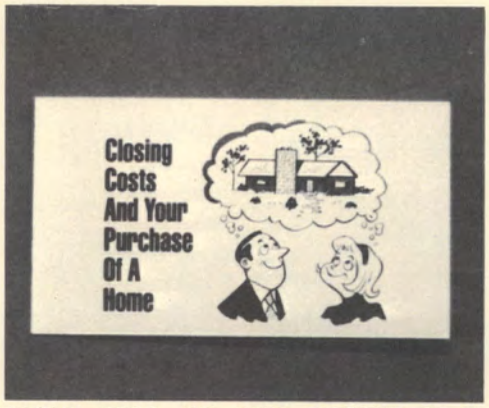
Tell Your Story More Effectively

. . . with these ALTA Educational Aids

(All orders plus postage; write Business Manager, ALTA, 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.

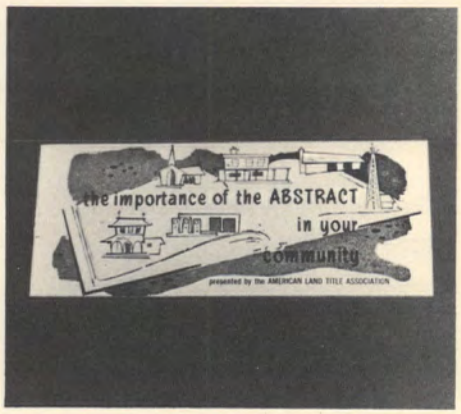


CLOSING COSTS AND YOUR PURCHASE OF A HOME. A guidebook for home buyer use in learning about local closing costs. Gives general pointers on purchasing a home and discusses typical settlement sheet items including land title services. 1-11 dozen, $2.25 per dozen; 12 or more dozen, $2.00 per dozen.

AMERICAN LAND TITLE ASSOCIATION ANSWERS SOME IMPORTANT QUESTIONS ABOUT THE TITLE TO YOUR HOME. Includes the story of the land title industry. $16.00 per 100 copies of the booklet.

THINGS YOU SHOULD KNOW ABOUT HOME BUYING AND LAND TITLE PROTECTION. Folder designed for No. 10 envelope includes a concise explanation of land title industry operational methods and why they are important to the public. Narration provides answers to misinformed criticism of the industry. $5.75 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.



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.

American Land Title Association