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TITLE NEWS

Title Executives Praise Computer Closing Systems

TITLE NEWS

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Contents

Front Cover

Title executives whose companies have invested in computer closing systems feel they are receiving a good return, according to findings of the first "Systems—Equipment Profile" survey conducted by the ALTA Abstracters and Title Insurance Agents Section Land Title Systems Committee. The survey results are analyzed by Committee Chairman John D. Haviland in an article beginning on page 10 of this issue.

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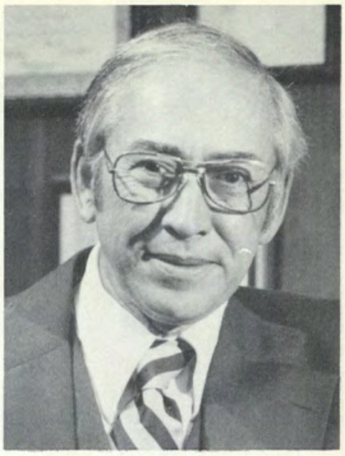

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A Message From The Chairman, Title Insurance & Underwriters Section

With the advent of the bar-related title insurance companies some 25 years ago, many members of this association began to question the historic relationship of the industry with the organized bar. Even though the majority of the members of the bar did not support the activities of the few who were involved in the bar funds, a certain suspicion developed within our industry.

This suspicion widened over the years to the point where cooperation between the two groups was almost non-existent. Needless to say, this was most unfortunate.

In many states where our industry seeks passage of legislation vital to the public interest, the cooperation of the organized bar is essential. And, the reverse is true when the bar is attempting passage of new legislation affecting real estate. They need our support, and we need theirs.

We sometimes forget that the genesis of our business is the legal profession. Many of our title records originated with a series of opinions generated by one or more law firms, which were later organized into title plants. Many of our companies were founded by lawyers. Many of us are lawyers and are active members in the state bar associations and the ABA. Lawyers are our customers, and lawyers represent our claimants. No one can doubt that the two professions are deeply intertwined.

Lawyers have assisted us in our discussions with the NAIC on the Model Title Insurance Code. They have given us their support in our lobbying efforts for Section 518 of HR 1 on controlled business, and looking for legislation to limit bank holding company activity. They have been extremely helpful in the finalizing of the language in the Dole amendment to neutralize the effect of the Durrett case.

This kind of help we need and welcome, and I, for one, have removed the plaque from my office wall which is a quotation from Shakespeare's Henry VI, Part II, Act IV, Scene II, which says, "The first thing we do, let's kill all the lawyers."

It is good to see a return to the more traditional merger of interests between the two groups. Let's try to keep it that way.

Gerald L. Ippel

Gerald L. Ippel

Politics, Housing and the Capital Markets

By Steven P. Doehler

Each new year presents a series of economic forecasts and most contain some political analysis. Like economic forecasting, one should not take political analysis lightly. It is a rigorous art of making wild guesses based upon spurious opinions.

Groucho Marx explained, "Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong remedies." Because the government typically plays a more dominant role in housing during recessions, you can bet your life housing is again ripe for a good dose of Marxian politics. (Groucho not Karl).

Two Major Problems

In order for housing to achieve the level of activity necessary to finance the mortgage needs of American families in the coming decade, two highly politicized problems must simultaneously be solved: (1) curtailing inflation and high interest rates and (2) finding ways to tap the capital markets for sources of new credit. Without solutions to these problems, the longrun housing outlook is bleak.

In recent months, there have been claims by some politicians (and some economists) that the problem of inflation has been solved. It hasn't. The battle against inflation may run hot and cold but the war is far from over.

Three things must occur in our economy for inflation to be broken. First, worker productivity must grow at least as fast as wage increases. For some industries, their productive mission may have to be replaced or revised. Steel, textiles and autos are obvious examples where this must occur. Second, those in control (or at least in charge) of the government must restrain new program appropriations and slice huge chunks from existing politically popular government spendings. Third, and possibly most important, the market system must regain an accurate analysis of the business and investment risk that will be faced in the changing environment. Without such analysis, money and capital market efficiency will be handicapped.

Since the responsibility for the analysis of risk logically falls more directly upon the insurance industry whose mission is to find ways to manage risks, this third objective presents a challenge to mortgage insurers operating within the parameters of the housing market. Its achievement also holds the key to tapping the capital markets for credit.

Steven P. Doehler is staff vice president of Mortgage Insurance Companies of America, the trade association representing the private mortgage insurance industry, with offices in Washington, D.C. His finance background in the nation's capital includes experience with the Senate Committee on Banking, Housing and Urban Affairs; the Federal Home Loan Bank Board as Congressional liaison; and the National Association of Home Builders and National Association of Realtors.

Intervention Impedes Analysis

Capital markets channel capital to investments that earn higher rates of return and penalize those investments with rates of return inadequate for their risk levels. The success story in housing's penetration into the capital markets has been the GNMA security, a security guaranteed against issuer default that is collateralized by pools of mortgages already carrying 100 per cent FHA insurance or a VA guarantee against loss. The capital markets have clearly accepted GNMA securities to the tune of some $140 billion. As investments free of credit risk, these "double" full faith guaranteed securities have had the ability to allocate credit at a lower cost to the housing market. The cost of this government insurer role is dispersed throughout our economic system.

The government's liability for the risk of potential direct credit losses from the federal mortgage insurance programs is thought to be in large part related to the potential for an economic disaster such as that experienced in the 1930s. The prevailing view has been that the government would never again let things deteriorate to a depression level. Thus, the massive government liabilities are viewed by top of the cycle thinkers as simply illusory bookkeeping entries. This reasoning has been applied to most government guarantee programs and explains why politicians have created so many of them. Political survival is dependent upon performance in the relative short-run and guarantees that shift the risk reduction to the government have offered effective short-run solutions.

However, we are now moving into the long run with some government guarantee programs. The unsubsidized FHA programs, for example, have been repeatedly swollen by opening eligibility to families clearly not in need of government assistance. The increased costs borne by the total credit system and the taxpayer, as the result of saying "yes" too many times, are hidden. Few realize that government mortgage guarantee programs do not reduce costs to the home buyer relative to conventional financing. Their benefits do promote housing production and sales but overlook the policy question: "Should we promote the sales of housing with government assistance for middle income families when we are cutting government assistance in such areas as education for lower income families?"

In establishing the quid pro quo for government assistance, politicians seem to have confused the needs of individuals with the welfare of some industry groups.

In the real world, the exchange by the capital markets of current savings for new financial assets only produces overall gain when the real assets behind the "claims" gravitate toward the best bidder. In a free market, the best bidder should be the one who can put these assets to the most productive use. If the government alters the free market process for social purposes, such as housing, the allocation efficiency of the market is altered and other productive sectors of the economy relative to housing must make higher bids for capital. As this bidding proceeds, some will be "crowded out" or pushed back in the line waiting at the so called "credit window." The net result of a government guarantee is increased capital costs for all private sectors accessing the capital markets. That is simple supply and demand economics.

Thus, although GNMA is effective in tapping the capital markets, its unconstrained use absorbs a large share of available savings and capital, thereby raising interest rates. The social benefits from GNMA are subsequently offset by social costs arising from slow economic growth and unemployment resulting from government efforts to moderate interest rates and constrain inflation.

"The outlook for housing unfortunately continues to be heavily influenced by politics. The capital markets will not thrive so long as uncontrollable inflation persists and pervasive inflationary forces expand in our economy, such as federal budget deficits and expansive credit programs outside the budget."

The logical rejoinder to those calling for limited government intervention is that, in today's marketplace, housing is not a frontrunner with all investors. In order to tap the capital markets and have non-traditional investors buy mortgage securities, thus providing new long term sources of housing credit, many of these non-traditional investors want to be able to analyze mortgage securities in the same way they analyze bonds or equities.

The Catch 22 that arises at this time is that only government sponsored mortgage securities have truly free access to the capital markets. Conventional mortgage securities must face a series of artificial impediments of a legal, tax or "blue sky" nature that handicap their acceptance by investors. It is a perfect example of unfair government competition.

If investors have to resolve a series of legal concerns such as the ERISA rules prior to addressing the customary investment performance and risk issues, one would expect these investors to purchase GNMA, FHLMC or FNMA securities, which have had most all of these restrictions lifted. Therefore, argue the proponents of government intervention, if you cut back on the volume of government sponsored mortgage securities, you cut back on the total volume of credit available for housing. Politicians are not likely to favor something perceived as hurting the vast constituency of home owners.

Nevertheless, government guarantees used indiscriminately interfere with the capital market analysis of business risk. So long as the government offers a high volume of no-risk securities, there is less incentive for conventional securities to be priced by risk costs set by the market.

Mortgage Market Changes

The strong possibility exists that the restrictions handicapping issuers of private mortgage securities will be lifted in the Ninety-Eighth Congress. The Administration has developed a tax code proposal for streamlining the issuance of private mortgage securities by a trust structure. If these trusts for investment in mortgages are made available only to securities free of any government sponsorship, it would not only help increase investor acceptability of private mortgage securities but, with expected lower issuance costs, enable private securities to have a more competitive yield compared with the federally sponsored securities. The White House policy staff has taken major steps in coordinating a reevaluation of the regulatory treatment of private mortgage securities within the various government agencies.

Another proposal which may surface is to downshift the government's insuring role in the primary mortgage market (i.e., insuring loans at origination). The FHA never seems able to effectively improve its delivery system. The recent backlog due to FHA refinancing request by borrowers illustrates the problem. Congress and the Administration may recognize that it may be possible to turn over the processing and underwriting functions to the private market and drastically reduce government program costs. Private mortgage originators and insurers operate under competitive pressures to perform their operations efficiently. There is no reason why private firms could not perform the necessary underwriting and processing functions for the FHA so long as the private firms would share in the risk as well as in-

"There is no reason why private firms could not perform the necessary underwriting and processing functions for the FHA so long as the private firms would share in the risk as well as increase volume of business revenues."

crease volume of business revenues.

By taking the top portion of risk on loans, the bottom line pressure would keep the performance level of private insurers high. Another likely result, as the shared-risk loans became commonplace, would be greater investor acceptance of private secondary market risk coverages. This could reduce the utilization of government sponsored programs such as GNMA within a relatively short time span. Government programs would be left to concentrate all resources solely upon the social problem areas in the delivery of housing credit.

Improved Risk Analysis

As we remove the degree of federal intervention in the secondary markets, we must recognize that a wide range of new factors may enter into the pricing of housing credit. The public policy that has nurtured the development of the housing market over the past several decades has clearly stressed the "social" role of housing in providing access to home ownership. Consumers, builders, and loan originators have typically been treated with an equalitarian brush when it comes to housing credit and the cost of funds for housing has been regulated within a narrow range.

For example, interest rate ceilings until their recent demise were subsidizing housing credit from the lower rate depository institutions paid to savers. Also, the government sponsored secondary market purchases have traditionally permitted free access to loan originators with relatively uniform auction pricing. The securities issued to fund secondary agency purchases rely upon federal agency credit status in the capital markets and this too provides uniformity to the ultimate costs of housing funds.

More diversity in cost of credit for the home buyer, however, may be politically unacceptable as some interest groups raise unnecessary fears about the social consequences of redistributing cost. The fact is, if improvements are made in the delivery system for credit, every potential borrower on the income spectrum can only benefit.

There are several trends occurring which may facilitate more diversity in the pricing of housing credit. First, a greater number of politicans are beginning to recognize that the two basic types of people seeking shelter are those who can gain access to housing credit through private means and those who need government assistance. Government policies and programs will begin to limit assistance to the latter. Terminating unnecessary subsidies will terminate inefficient building programs and loan origination processes. Since the consumer currently receives such a small financial benefit, if any, from these subsidies, they won't be missed.

The change in public policy should favor restricting the use of government sponsored securities to targeted social purposes. If the government agencies were confined to conduiting the mortgages of low income borrowers, borrowers in urban areas, or borrowers whose risk elements are beyond the capacity for acceptance by a private firm without some government support, it would force reliance upon private mortgage securities for the bulk of housing credit.

A second trend is toward a more precise pricing done on the risks inherent in the various mortgage instruments. Now that borrowers are no longer only offered a standard fixed rate mortgage, the task of accurately determining the risks of the variations of modern mortgage instruments has already begun. Private mortgage insurers (MICs) have had to aggressively undertake this task, primarily due to the effective level of competition among insurers.

In recent years, competition has encouraged MICs to greatly expand the selection of class rates and various levels of default coverage meeting lender needs. For example, MICs have created almost 200 different class rates for single premium plans alone. Insurers are just beginning to expand their coverage plans for various mortgage instrument types.

Evaluating the risk on modern instruments with wide selections of design features is not a simple task. The traditional insurance approach of evaluating risk based on experience is handicapped due to the time lag between initial underwriting and period of highest probable default of mortgages. With traditional fixed payment loans, default probabilities have been highest over about the first four years. If loans have special recasting features, dual rates, negative amortization, indexes for payment adjustment and such features are offered in a variety of combinations, there may simply not be enough time to generate meaningful experience curves.

The major risk of default for borrowers in most modern mortgages depends upon how much payment shock and collateral shock the mortgage instrument potentially contains. For example, if a payment rate was based upon a monetary index that changes with money market rate changes, the payment shock from the monthly increase may make the loan unaffordable. Features which reduce borrower equity could in soft housing markets reduce the collateral value of the property so to create an unsecured lending situation. The potential is for much higher levels of default on these untested mortgages.

The president of Mortgage Insurance Companies of America, the trade association representing the private mortgage insurance industry, recently proposed the idea of developing a type of independent "underwriters laboratory." This laboratory would pre-test various new mortgage instruments as to their level of repayment risks for home buyers. The independent modeling of expected loan performance under various economic scenarios would better inform prospective borrowers, help lenders set appropriate loan rates and help private mortgage insurers establish premiums for the default coverage. With meaningful risk analysis, competitive forces would operate more efficiently and bring more uniformity in its instrument choice.

The third trend permitting more diversity in the cost of housing credit involves the secondary market and the increasing ability of investors to get assurances as to loan servicer and mortgage security issuer quality. One of the

Continued on page 12

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SULCUS® **Computer Corporation**

AUTOMATION ANALYSIS

(Please complete and return one form for each office.)

412/836-2000 Greensburg, Pa. 15601 41 North Main Street Bank & Trust Building

1. ORGANIZATIONAL DATA

Company Name: ____________ Date: ________

Address: ____________ Phone: ( ) ________

City: ________ State: ________ Zip: ________

Type of Organization: ________ Number of Office Locations: ________

Contact Person: ________ Phone: ( ) ________

2. OPERATIONS

	No.	Clerical (Categorize):	No.
No. of Full-Time Personnel:			
Examiners:			
Closing Officers:			
Bookkeeping:			
Administrative:			
Client Servicing:			
Other (Categorize):			

No. of Lenders Serviced: ____ No. of Underwriters: ________

No. of Escrow Accounts: ____ No. of Escrow Checks Per Month: ____

Number of Different Forms Produced Per Transaction: ________

3. APPLICATIONS ANALYSIS

What portion of the real estate closing process do you perform (List the No. of Matters Per Office Per Month)?

No.	Function	No.	Function
____	Lender Packaging	____	Abstracting
____	Policy Preparation	____	Regulation Z
____	Escrow/Closing	____	________

What other functions do you perform?

(✓)	FUNCTION	IN HOUSE / OTHER SOURCE	AUTOMATED?	BY WHOM?/MO. CHARGE
____	General Accounting	/	____Yes/No____	/
____	Payroll	/	____Yes/No____	/
____	Word Processing	/	____Yes/No____	/
____	Client Time Accounting	/	____Yes/No____	/
____	Amortization Schedules	/	____Yes/No____	/
____	Law Library	/	____Yes/No____	/
____	Accounts Receivable	/	____Yes/No____	/
	No. of A/R's per office per month: ____			
____	Title Plant	/	____Yes/No____	/
	No. of postings per day per office: ____			
____	________	/	____Yes/No____	/
____	________	/	____Yes/No____	/
____	________	/	____Yes/No____	/
____	________	/	____Yes/No____	/

4. MISCELLANEOUS

Are you presently getting information from anyone else's computer via terminal? ________

List your company affiliations (e.g., ALTA, ABA, etc.): ________

How did you hear about our system? ________

On the back please describe any other automation you may use; also make a sketch of your office showing each member of your staff and his/her job function.

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If you have any questions, please do not hesitate to call us: (412) 836-2000.

(3/83)

Systems-Equipment Profile . . .

Computerized Closing Packages Reliable; Save Time, Money, Respondents Find

By John D. Haviland

Computerized closing packages save time and money; are user-friendly, reliable, low in cost; and don't take vacations or ask for raises. To sum it up, that's the response we received from the first Systems-Equipment Profile user questionnaire published in the November, 1982, *Title News*.

It seems those who have made an investment in a computer closing system have received a good return for their money. We received no horror stories for systems being offered in today's market. Only praise came from those who responded, like the writer from Atlanta, who said, "we have yet to find a single disadvantage in this system."

Not being able to find one "disadvantage" is a pretty strong statement to make about anything, but all of the responses generally showed this positive feeling on the "in use" operation experienced from their closing systems.

The author is chairman of the ALTA Abstracters and Title Insurance Agents Section Land Title Systems Committee and is president of South Ridge Abstract & Title Co., Sebring, Florida.

Reviewing answers to the question on advantages brought forth various reasons for the popularity of computer closing systems.

- From Arkansas: "This system (is) the most user-oriented that I could find. I installed my system in June, 1982; very reliable because I have not had any down time. Cost of complete system was considerably less."
- From Illinois: "Lots of flexibility, little need for programmers on a going basis. Very portable. Could be used virtually anywhere."
- From Arizona: "Advantages and disadvantages of system: There is a complete training program provided and ongoing support. The system utilizes 'conversational' input techniques for entry of information, thus allowing for little or no prior experience on the part of the operator. We have complete control over who has access to the information. The system standardized our operation throughout the company; creates easier auditing."
- From Texas: "Price, reliability, service and ongoing development, title programs developed by title people."
- From Wisconsin: "Very user-oriented; requires a minimum of training with little or no knowledge of the specific operation and function of computers; complete hardware and software services and backup support from the manufacturer/systems packager."
- From California: "The miscellaneous form development feature of this system makes it easy to develop the forms the end user desires. You do not have to do everything the 'computer's way.' Each of (the) escrow officers and secretaries are highly complimentary of the system."
- And, from Missouri, the only comment on disadvantages: "Advantages—low entry cost. Will run on Model III Radio Shack computer. Disadvantages—will not write checks for closing."

The comments given provide an idea of how the writers feel about the improvement in their closing operations. I was suprised to see so much positive reaction on the subject, but, then again, why not—if the systems are working.

Over 57 per cent of the respondents said their computerized closing systems saved 50 per cent or more in preparation time. A writer from Texas gave the most time he thought the system gained. He put it at a flat 63 per cent in actual preparation time saved. This saving obviously is a very important feature in having such a closing system, considering the time saved in the processing side relieves the closer to deal more effectively with the client, thus giving more time where it is needed most—for answering the client's questions in an unhurried way.

The time saving factor was brought out in just about every response received. A writer from Wisconsin said, "Existing savings in time of completion of a closing approximately 50 per cent in dollar amounts; we calculate a savings of $50.00 in hard time costs per closing on the average."

From Pennsylvania we heard, "We cut our closing preparation time in half.

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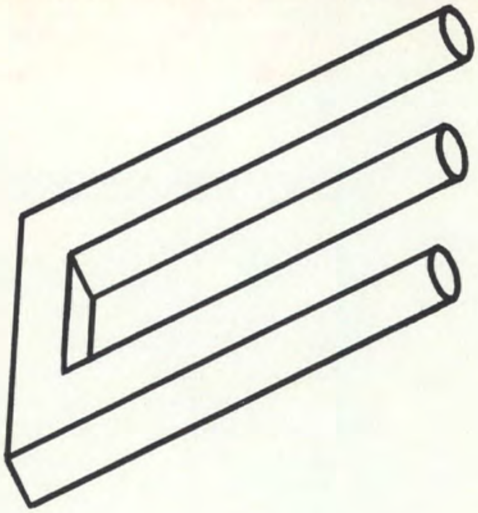


SULCUS

DOEHLER—continued from page 8

major marketing strengths of the securities of GNMA, FNMA and FHLMC has been the protection against cash flow problems by the issuers. Investors, such as pension funds, have resisted mortgage securities because of uncertain cash flow due to loan prepayments making cash management activities more complex than typical bond repayments. Private insurers have already matched the coverages on government mortgage securities that will insure investors against possible problems by issuers.

Rating agencies such as Standard and Poors can inform investors as to this performance aspect of a security. The financial strength determining the insurer's ability to pay claims will help get the desired rating for a security. The investor can be less concerned with the mortgage banker or other issuer of the security since the private mortgage insurer has already examined the issuer carefully in his underwriting. The private insurer as an independent third party charges a premium to the issuer as the security is being assembled and remains at risk with protection for the investor.

The concept of mortgage insurance relies upon a system for estimating the needed reserves to meet the risk of loss from default. MICs must evaluate credit and security risks based upon such things as borrower characteristics, the terms and conditions of the mortgage and upon the probable future level of value of the security property. By operating in many states, MICs disperse geographic concentration of risks and the coverage itself adds a level of uniformity to insured mortgages. In providing pool coverages on packages of loans and securities, the guaranty of private insurers allows investors to weigh default and delinquency risks based upon the level and strength of the coverage and less upon the underlying risks of the loans, the servicer or security issuer.

The cash flow and default guaranty improves the collateral and permits homogeneous pricing of a security backed by an amalgam of loans. The private insurer's role helps private entities duplicate the conduiting roles of the secondary market agencies. The only major difference in today's market is that private guarantees cannot effectively compete with the guarantees of the government-sponsored agencies.

"Terminating unnecessary subsidies will terminate inefficient building programs and loan origination processes."

Investors must be able to look at a series of ratings for mortgage securities comparable to that in the corporate bond market. A "AAA rating" would indicate a more credit worthy mortgage security product than a lower graded product but the lower grade product would be marketed as easily as a comparable lower grade corporate security. The result of increased "privatization" could cause rating agencies to provide credit rating equivalence for all types of securities. There is every reason to believe that mortgage securities will effectively compete on a level playing field in the capital markets just as housing will compete with other sectors for credit on the basis of its productive and sound investment returns.

A Better "Mousetrap" for Capital

There are many challenges ahead as the long awaited and full-scale "securitization" of the mortgage market takes place. Perhaps the most significant one is finding a mortgage instrument that equitably shares interest rate risk between borrower and lender. This is needed if we ever expect to truly assure the availability of funds in all economic cycles. Because feast and famine in the supply of mortgage credit have traditionally raised building and other housing costs, we must have a mortgage that protects lenders against market risk from volatile swings in interest rates so they can continue to lend during all economic cycles.

At the same time, it should be one that also meets the borrower's need for credit affordability. High mortgage interest rates lock borrowers out of the market for homes or can cause default as incomes become insufficient to manage the level of debt payments. The dual needs of lender and borower have posed a seemingly unsolvable problem, especially in light of our inability to control inflation. What lender can realistically make 30-year fixed rate mortgage when there exists the potential for high inflation that can quickly erode the principal value of his security interest in the mortgage below the break-even point? Even when a lender invests in a fixed rate loan originated at a near historical high in mortgage rates he is not protected.

"We need policies that let the mechanisms of the capital markets have the freedom to work."

Borrowers traditionally refinance when rates fall, keeping portfolio earnings well below the average mark between the highs and lows of the market. And what borrower can afford to obligate himself to a mortgage where a percentage annual payment increase equals the swings in, say, treasury bill rates?

Although requiring a separate article to describe, the only mortgage instrument yet to be created (and it has several versions) that this observer believes offers a long-range solution to mortgage financing while high inflation and volatile interest rates potentially continue, is a loan indexed to the Consumer Price Index. This inflation-indexed mortgage provides investor interest rate risk and call protection in that interest earnings are in inflation-adjusted terms. The borrower's costs drop when inflation drops, insuring affordability and obviating the need for refinancing.

Investors, such as pension funds, seeking longer maturities to match their longer-term liabilities, are guaranteed a fixed "real" rate of return in excess of inflation. Since many actuaries are now shifting pension objectives to achieve a 4 per cent real rate of return for their portfolio, an inflation indexed mortgage that guarantees a meaningful real return to the investor may be the mortgage instrument that in a security form can effectively tap the capital markets.

Many investors still have not recognized that mortgage securities consistently perform better than corporate bonds but there are other important considerations for investors seeking long-term assets. An example is that the risk of a deterioration of the borrower credit is remote with a mortgage security. Instead of a rating based upon the earning power and performance of a single corporate obligor, the rating of a mortgage security is based upon the pooled obligations of many borrowers and secured by the collateral of the home. When deemed as needed, mortgage securities carry additional credit insurance from contractually fixed guarantees.

The outlook for housing unfortunately continues to be heavily influenced by politics. The capital markets will not thrive so long as uncontrollable inflation persists and pervasive inflationary forces expand in our economy, such as federal budget deficits and expansive credit programs outside the budget. Unless steps are taken in the area of fiscal policy, the intolerable burdens will continue to be carried by monetary policy and there will be shortfalls in private credit and excessively high interest rates. Those who will suffer worst will be the housing industry and mortgage borrowers.

To the surprise of many, goring the government ox of federal programs brings out cries of foul, not only from the special interests with profit-related ties to the government programs, but from the entrenched bureaucracy empowered to administer the programs. Thus, much needed policy shifts toward fiscal moderation and promotion of noninflationary productive capital formation, stall. Perhaps many of our political leaders have been looking for trouble that isn't there and have been proposing too many political solutions when the best solution is simply to decrease the existing level of government intervention. We need policies that let the mechanisms of the capital markets have the freedom to work.

HAVILAND—continued from page 10

No retyping of RESPA information is required. The information need be entered only once as it is carried over from one function to the next.

Question five asked for the name and address of the vendor of the system the writer commented on. The Land Title Systems Committee feels its responsibility to the membership is to supply such information, together with copies of comments made by those who responded as users of the vendors' products. The responses, subject to writer's approval, will be provided upon request to those who contact me at South Ridge Abstract & Title Co., Box 1070, Sebring, Fl 33870. I would now like to list the vendors who had their products commented on by the respondents. They are as follows:

Compudoc-TSI System
Chicago Title Insurance Company
111 W. Washington St.
Chicago, IL 60602

Computer Associates, Inc.
Olde Townhouse Square, Suite 400-A
15 West Strong Street
Pensacola, FL 32501

Gladwin Land & Title Insurance Software, Inc.
2497 S. Guernsey Road
Beaverton, MI 48612

Northshore Systems, Inc.
111 Rooks Drive
Slidell, LA 70458

Real Property Information Management
921 Boonville
Springfield, MO 65802

Specialized Management Support
6107 North 7th Street
Phoenix, AZ 85014

Sulcus Computer Corporation
41 North Main Street
Greensburg, PA 15601

Titlewave, Inc.
311 N. Getty
Uvalde, TX 78801

The committee does not recommend any vendor, nor do we profess to say any more than what has been reported to the committee by the membership as to the product offered by any vendor.

To those who took the time to respond, the committee would like to say thanks. The information we have received will make possible an information source within ALTA from the user side of the systems being offered. In future questionnaires, your input as to the experience you have had will make this project a continuing success.

Let me remind, by the way, that deadline for return of the second questionnaire in the project—dealing with automated preparation of documents other than closing statements—is May 16, 1983. These should be sent to the committee member presenting this part of the project in the March, 1983, *Title News*—Dennis R. Johnson, Suite 225, Stewart Title Guaranty Company Building, 2200 W. Loop South, Houston, Tx 77027.

If there are any comments on how the committee can better achieve its goal of bringing title systems and equipment information to the Association membership, please send them to me.

NMLTA Schedules Second Title School

Plans are under way for the second annual New Mexico Land Title Association Title School in July following an enrollment that nearly doubled anticipated attendance at the NMLTA inaugural school last summer.

All 107 students at the 1982 school passed their final examination with four turning in perfect scores, according to Dave Lanier, NMLTA Education Committee chairman. Topics covered include abstracting, title insurance, escrow, closing, real estate law and communications.

The perfect examination scores were logged by Kelli Prine and Gerald Lloyd, both of Territorial Abstract & Title, Albuquerque; Deborah Ryan, Albuquerque Title Company, Albuquerque; and George Kayser, New Mexico Abstract Company, Estancia.

Lanier, state sales manager for Lawyers Title Insurance Corporation, Albuquerque, said the initial school lasting three days and two nights has led to the development of an advanced course in title, law and closing—which is being presented as a one-day offering throughout the state in February through April, 1983. The course—which is under consideration for accreditation and approval by the state real estate commission—deals with detailed aspects of the nature of title, conveyances, title policy protection, legal descriptions and escrow.

The school was taught by professionals from NMLTA member companies. Course material and examination were approved by the University of New Mexico Department of Continuing Education and continuing education credits were awarded to those completing the course.

Names In The News . . .

David R. Porter has been named president and chief executive officer of Transamerica Title Insurance Company. **Porter** joined Transamerica as executive vice president in August, 1981, and became president and chief operating officer in December, 1981. A 30-year veteran of the title industry, **Porter** has served on the boards of the American Land Title Association and the California Land Title Association.

Transamerica also announced the following appointments to chief title officer for their respective offices: **Jim Geiman**, Lake Havasu City, Arizona; **Kenneth Bock**, Prescott, Arizona; **Karl Andrew Fox**, Flagstaff, Arizona.

Donald C. Adams has been named major account manager for Title Guarantee-New York, Mineola, New York.

Tom K. Spurgeon has been named escrow operations manager for American Title Company, Houston, Texas, a member of the Ticor Title Insurance Group.

Commonwealth Land Title Insurance Company has announced the appointments of **John F. Ellis** to vice president, Boulder, Colorado; **Sharon L. Stachura** to assistant vice president, Pittsburgh, Pennsylvania; and **Paul W. Carlisle** to assistant secretary, Orange County, California.

Commonwealth also promoted **Andrea Rive** to branch manager, Riverhead, New York, office.

Gary M. Wilson has been appointed resident vice president, Chicago Title Insurance Company, Tampa, Florida.

Chicago Title also announced the appointments of **Thurman Q. Thompson** to claims counsel, Dallas, Texas; **Nicholas J. Simeone** to state counsel, Stamford, Connecticut; **Donna J. Meketsy** to escrow officer, Tampa, Florida; and **Brian L. Baccus** to agency operations officer, Tallahassee, Florida.

Martin G. Woosley has been appointed branch counsel, Birmingham, Alabama, and **Louis C. Meyer, Jr.** has been appointed New Jersey state counsel of Lawyers Title Insurance Corporation. **Meyer** is based in the company's Hackensack, New Jersey, office.

Lawyers Title also announces the following promotions to branch manager: **James C. Torrieri**, Hackensack, New Jersey; **R. Mark Wilkinson**, Mansfield, Ohio; and **Richard A. Wheeland**, Akron, Ohio.

George W. Klag has been assigned to the company's National Division office, Pittsburgh, Pennsylvania.

Industrial Valley Title Insurance Company has announced the following promotions: **Ricardo Alvarez** to vice president; **Robert W. Cook** to assistant vice president; **Dorothy Lancaster** to assistant vice president and assistant secretary; and **Charlotte R. Wagner** to assistant vice president and assistant secretary.

Macy Walsh has been elected vice


Porter


Adams


Spurgeon


Ellis


Woosley


Meyer


Torrieri


Wilkinson


Wheeland


Cook


Lancaster

president of Ticor Title Insurance Company of California, headquartered in the Hayward, California, office.

Patricia Brown has been elected a vice president in the San Jose, California, office

Elden "Buck" Phillips has been named vice president and area branch manager in Sonoma and Marin counties, California.

J. Bushnell Nielsen has been named advisory title officer, Milwaukee County, Wisconsin, office of Ticor Title Insurance Company.

William Z. Johnson has been named manager of the company's Kansas City, Kansas, office.

Wayne Northrop has been named sales manager of the Wheaton, Illinois, office, of the company.

Abstracter Acquired By First American

First American Title Insurance Company has purchased Peoples Abstract Company of Des Moines, Iowa, according to First American President D. P. Kennedy.

The acquisition represents First American's first major holding in Iowa. Peoples Abstract was incorporated in 1919.

Officers of the newly acquired subsidiary are Sidney Ramey, president; Joseph W. McNamara, Jr., vice president and secretary; and Sigurd Anderson, Ann G. Anderson, James Hubbell, III, and James Sayre, directors.

McNamara is president of Security Land Title Company, Omaha, Nebraska, a concern with an abstracting branch in Spencer, Iowa, and is a regional vice president of First American.


Wagner


Walsh


Brown


Phillips


Johnson


Northrop

Calendar of Meetings

April 21–23
Arkansas Land Title Association
Little Rock Excelsior
Little Rock, Arkansas

April 24–26
Eastern Regional Title Insurance Executives
Maryland Inn
Annapolis, Maryland

April 28–30
Oklahoma Land Title Association
Lincoln Plaza Inn
Oklahoma City, Oklahoma

May 1–3
Iowa Land Title Association
The Red Fox Inn
Waverly, Iowa

May 11–13
Virginia Land Title Association
Tides Lodge
Irvington, Virginia

May 12–15
Texas Land Title Association
Westin Oaks Hotel
Houston, Texas

May 19–21
New Mexico Land Title Association
The Inn of the Mountain Gods
Ruidoso, New Mexico

May 19–21
North Carolina Land Title Association
Williamsburg, Virginia

May 22–24
Pennsylvania Land Title Association
Hotel Hershey
Hershey, Pennsylvania

June 1-3
California Land Title Association
Mariott Hotel
Newport Beach, California

June 5–7
New Jersey Land Title Insurance Association
Seaview Country Club
Absecon, New Jersey

June 12–14
Oregon Land Title Association
Salishan Lodge
Gleneden Beach, Oregon

June 16–18
Southwest Title Insurance Executives
The Broadmoor
Colorado Springs, Colorado

June 16-18
Tennessee Land Title Association
The Peabody
Memphis, Tennessee

June 16–19
New England Land Title Association
Lake Morey Inn
Fairlee, Vermont

June 23–25
Land Title Association of Colorado
Keystone Resort
Keystone, Colorado

June 24–26
Illinois Land Title Association
The Westin Hotel
Chicago, Illinois

July 13–16
Wyoming Land Title Association
Hotel Washakie
Worland, Wyoming

July 14–16
Utah Land Title Association
Snowbird Ski and Summer Resort
Salt Lake City, Utah

July 31–August 2
Michigan Land Title Association
Bay Valley Inn
Saginaw, Michigan

August 4–7
Idaho Land Title Association
Elkhorn Village Inn
Sun Valley, Idaho

August 11–13
Kansas Land Title Association
The Holidome
Topeka, Kansas

August 11–13
Montana Land Title Association
Ramada Inn
Bozeman, Montana

August 18–20
Minnesota Land Title Association
Holiday Inn
New Ulm, Minnesota

September 9–11
Missouri Land Title Association
Sheraton Westport Hotel
St. Louis, Missouri

September 10–13
Indiana Land Title Association
Sheraton-West (Airport)
Indianapolis, Indiana

September 14-16
Dixie Land Title Association
State of Alabama Convention Center
Gulf Shores, Alabama

September 15–17
North Dakota Land Title Association
Town House
Grand Forks, North Dakota

September 21–24
ALTA Annual Convention
Boca Raton Hotel and Club
Boca Raton, Florida

September 28–October 1
Washington Land Title Association
Thunderbird Motor Inn
Yakima, Washington

October 2–5
New York State Land Title Association
Sky Top Lodge
Sky Top, Pennsylvania

October 6–8
Wisconsin Land Title Association
Paper Valley Hotel and Conference Center
Appleton, Wisconsin

October 15-17
Palmetto Land Title Association
Hilton Head Holiday Inn
Hilton Head Island, South Carolina

October 20-22
Land Title Association of Arizona
Sheraton Tucson El Conquistador
Tucson, Arizona

November 9-12
Florida Land Title Association
Hyatt Palm Beaches
West Palm Beach, Florida