

July/August 2002

Title NEWS

Official Publication of the American Land Title Association

County Recorders' Track to E-Recording

PLUS

- Getting Your Marketing Onto the Internet
- The Skinny on Electronic Signatures
- Highlights from ALTA's 2002 Federal Conference
- ALTA's 2002 Annual Convention Sizzles

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This year's ALTA Annual

Convention is at the fabulous Breakers Hotel in Palm Beach, FL. You won't want to miss it. Read what we have planned for you at the convention and reserve October 16-19 on your calendar now.

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Section Chair

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Title NEWS

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Get In the Title Game

It seems as a society we are consumed with the game, any game, where winning is to be the only acceptable outcome. Games where money is no object, whether it means getting the best seats, getting the newest golf club, or playing the best course. Are you a player? A coach? A fan? Or are you just watching from the sidelines oblivious as to the outcome?

The game could easily be football. You could be cheering on your favorite state university (Go Sooners!) or following your favorite NFL team, living and dying with every victory or loss.

The game could be baseball. Did your team make it to the college world series, or if it's a pro team, how are they doing at the All-Star break?

The game could be golf. Will Tiger win them all, or how will you do in the club championship at your local course?

The Big Game

What is wrong with this picture? Maybe nothing! Maybe everything! I am a sports junkie; I admit it. I watch the golf channel more than regular programming. It gives us all a chance to get away from the really serious things in our lives—like work.

But now is the time to get in the "Big Game," and that game is the title industry. Be a player or at least a fan! Put the same energy and excitement into our industry as you do into your hobbies, and I guarantee we will have a winning team.



Step Up to the Plate

ALTA and your state association are in desperate need of your talents. No one in the world knows more about the title industry than we do, so why are we letting others carry the ball in the most important game in our lives? It amazes me that I can get title companies to give \$100 toward any golf tournament, but ALTA has trouble getting these same title companies to give the same \$100 to TIPAC to help ensure the future of the title industry.

We all need games in our lives to keep us sane, but don't forget to be a player in the "Big Game" and get involved. Support ALTA and your state association to make sure we have another winning season.

Mark Bilbrey

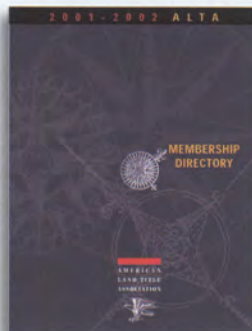
PR Campaign Update

As you may have heard, ALTA has launched a public awareness campaign about the value of title insurance aimed at mortgage lenders, Realtors®, members of Congress, and the public. Phase I of the campaign involves sending monthly press releases to industry trade press and consumer real estate media. For Phase II, ALTA solicited additional proposals from PR firms with title industry experience. The ALTA PR Committee reviewed six proposals and narrowed the list down to three. After hearing presentations from the three firms, the Committee recommended a firm to the ALTA Board of Governors. The Board approved the firm at its June 17th meeting.

Phase II will likely include advertisements in lender and Realtor® publications, communication with select members of Congress, and a grassroots kit for ALTA members to use in their local markets. We anticipate this phase to start in August of this year and continue for three years. For more information on the campaign, contact Lorri Ragan, ALTA's director of communications at lorri_ragan@alta.org or 1-800-787-2582.

Membership Directory in the Works

The annual ALTA membership directory has been sent to the printer. As part of membership, active and associate members receive one complimentary copy. Additional copies may be purchased for \$50 for members and \$125 for nonmembers, plus shipping and handling. Look for your copy soon. Additional copies can be ordered from ALTA's Web site under the "ALTA Store" section. Click on Publications. Directories can also be ordered from the Resource Guide that was mailed to all members. If you have questions about the directory, contact Alice Baldwin, ALTA's marketing and membership director at alice_baldwin@alta.org or 1-800-787-2582.



calendar

ALTA Coming Events

July 12-13

Education Committee Meeting
San Francisco, CA

21-22

Large Agent's Meeting
Portsmouth, NH

24-25

Finance & Planning Committee
Washington, D.C.

August 2-5

Research Abstracter/Agent
Subcommittee Meeting
Victoria, BC Canada

September 22-24

Reinsurance Committee
Beaver Creek, CO

28-Oct. 1

Annual Accountants Meeting
Portland, OR

October 16-19

ALTA Annual Convention
The Breakers Hotel
Palm Beach, FL

November 4-6

Title Counsel Fall Meeting
New Orleans, LA

23-26

TRC Board Meeting
San Francisco, CA

December 6-9

Systems Committee Meeting
Palm Springs, CA

Affiliated Association Conventions

July

11-14 Illinois
14-16 Michigan
18-20 Utah

August

1-3 North Dakota
1-3 Montana
7-10 Idaho
8-10 Kansas
8-10 North Carolina
9-11 Minnesota
18-21 New York
TBD Wyoming

September

5-7 Missouri
5-7 Washington
8-11 Colorado
11-13 Arizona
12-14 Indiana
12-15 Dixie
12-15 Maryland
15-18 Ohio
18-20 Nebraska
19-22 Wisconsin
TBD Kentucky
TBD Nevada

November

6-9 Florida

December

5-6 Louisiana

Who You Gonna Call?



To introduce you to another member of the ALTA staff, we are featuring Richard McCarthy, ALTA's director of research.

Rich has been with ALTA for 26 years. He is the title industry liaison with a variety of insurance-related groups, including the National

Association of Insurance Commissioners (NAIC) and the Vermont Captive Insurance Association, where he is the incoming chairman of the board. He is also on the board of the Joint Property Records Industry Task Force—a private sector and county recorder association. He serves as the staff liaison for the ALTA Large Agents, Accountants, Regional Title Insurers, and Internal Auditor groups. Rich ensures that title industry interests are always at the forefront of discussions, and he brings back concerns from these groups to ALTA. His job requires a great deal of travel to keep up with all the groups.

Rich is also executive vice president of TIAC, the title industry's captive errors & omissions insurer and president of Title Reinsurance Company, TIAC's reinsurer.

Each year, he produces the ALTA Abstracter and Title Agent Operations Survey, which queries members about how they run their businesses. In addition, he works annually with A.M. Best to produce the "Title Industry Statistics Report."

Rich can be contacted at rich_mccarthy@alta.org or 1-800-787-2582.

Next Issue: Kelly Romeo, CAE, ALTA's director of technology.

Past Issues of ALTA E-News Available Online

If you have missed the past issues of ALTA E-News or would like to refer back to a prior story, it's easy to do. Visit <http://www.alta.org/indynews/enews/index.htm>.

ALTA Uses New Technology

ALTA use an online evaluation form for attendees at the recent ALTA Federal Conference. Attendees were sent an e-mail with a link directly to the evaluation form. Once submitted, the evaluations are tabulated and forwarded to ALTA. This new technology saves paper and eliminates hand tabulations as well. A win-win for everyone. If you have a comment about this new technology, contact Pat Berman, ALTA's director of education at pat_berman@alta.org or 1-800-787-2582.

Prepare Now for the Breakers

In keeping with ALTA's tradition of holding the Annual Convention in very nice properties, the 2002 convention will not let you down. The convention is scheduled for October 16-19 at the famous Breakers Hotel in Palm Beach, FL. Not familiar with the Breakers? It consistently receives the Mobil five-star designation and the five-diamond recognition from AAA. It was originally opened in 1896 by Henry Flagler, a partner of John D. Rockefeller. Two fires forced them to rebuild in 1926 producing the Italian Renaissance-style landmark on 140 acres of lush, tropical gardens that stands today. Visit their Web site at www.thebreakers.com to get a full view of this spectacular hotel. And see page 31 for preliminary program information and a registration form.

Radian Lawsuit Remanded to State Court

On April 19, 2002, the U.S. District Court for the Central District of California granted the motion by ALTA that its lawsuit against Radian Guaranty and its subsidiaries be remanded to California state court. ALTA originally brought the action in state court in California seeking to enjoin Radian from issuing its Radian Lien Protection (RLP) product in California and for damages and other relief. It is the contention of ALTA that the RLP product is title insurance and violates California law, which requires anyone issuing title insurance to be expressly and uniquely licensed as a title insurer. More than 30 other states have similar restrictions. Radian is not so licensed.

According to James R. Maher, ALTA's executive vice president, "Radian had removed the case to federal court, and they were asking that court to retain jurisdiction, which the court has now refused to do. "It is most appropriate that the California courts be the arbiters of the proper meaning of California statutes," said Maher.

government & agency news

Highlights from the 2002 ALTA Federal Conference

On RESPA

John Kennedy, associate general counsel, HUD, talked about HUD's interest in reforming the closing process. He indicated that HUD Secretary Mel Martinez said, "There is nothing off the table" when it comes to this discussion. HUD will look at everything to make the closing process more competitive for the consumer. HUD believes the consumer should receive the settlement information earlier in the process, and should be able to shop for settlement services without having to spend money up-front. They recommend that lenders give consumers firm information on the interest rate, points, and closing costs up front so consumers can shop.

When it comes to markups, Kennedy indicated that if a title company averages the costs for items such as courier service or filing fees, HUD does not consider this a violation under RESPA.

Sheldon Hochberg of Steptoe & Johnson, one of ALTA's legal counsel, expressed the title industry's concern on HUD's definition of Section 8(b) violations. In HUD's definition, a title company is in violation of Section 8 (b) if it "charges a fee that is in excess of the reasonable value of the services performed." ALTA is concerned about how "reasonable value" will be determined.

Kennedy stressed that HUD is not on a witch-hunt for title companies and invited ALTA members to give HUD suggestions to make the closing process better for consumers.

On the GSEs

Jamie Gorelick, vice chair Fannie Mae, indicated that Fannie Mae is optimistic about the future of the housing industry and predicts home ownership rates will reach 71% within the next decade. She also indicated that the mortgage impairment product being offered by Radian Guaranty is interesting and being looked at. Fannie would like efficiencies but not by undermining what they are purchasing. She feels that the title industry has also raised important issues, and they are giving both sides thorough consideration.

On Affiliated Business Arrangements

Peter Krysik, vice president National City Title, which owns National City Insurance Agency of PA, Inc., and Jon Coile from Champion Realty presented two different perspectives on the challenges facing business customers who try to form title insurance agencies. Their advice for title agents and underwriters forming a joint venture is to pick the right partner for great geographic coverage and to start with one company. That way it takes minimal capital to get involved. The negatives are that you split the profits and need to get buy-ins from your loan originators.

The audience asked if the bank offered incentives to its loan officers for referrals. The answer is that part of their employee review is based on how much cross-selling they are doing. The bank can't give incentives for referrals alone. Coile was also asked if the bank gives incentives to Realtors® who use their title company. The answer is no.

On E-SIGN

David Whitaker, of Counsel Goodwin Proctor, pointed out the pros of electronic signatures for title companies: Electronic filing should lead to new efficiencies in generating title plants and title review; execution errors should diminish; "instant filing" means instant final title policies; attribution and notarization rules continue to favor in-person closings; and in states that require preparation of loan documents by attorneys or closing agents, automation will bring new efficiency but still require hands-on document review.

Electronic county records could lead to further industry consolidation as a full-service title office becomes less necessary; competing execution systems used by different lenders may create compatibility/equipment investment issues for closing agents; additional automation may lead to a profit squeeze, as lenders and borrowers expect efficiencies to be passed through at the same time that equipment and personnel costs are rising.

What can you do to prepare? Work closely with the recording offices you deal with. Start training employees now to be comfortable with computers. Encourage Fannie and Freddie to preserve fungibility. Support the efforts of the Mortgage Industry Standards Maintenance Organization (MISMO).

government & agency news

ALTA Scores Victory in Proposed Attorney Reporting Rules

The IRS and the Treasury Department have amended and repropounded regulations implementing the Taxpayers Relief Act of 1997 that require businesses to file information reports on payments to attorneys. The regulations are expected to become effective no earlier than 2004. [May 17, 2004 REG-126024-01] In a major victory for settlement service providers, there is no reporting required for payments made to an attorney in the attorney's capacity as the person responsible for closing a real estate transaction. Further, in order to reduce the compliance burden associated with the reporting requirement, the proposed regulations adopt a \$600 annual threshold for reporting payments to an attorney.

The IRS is proposing that reporting be required even for attorneys who are incorporated. In the case of a payment by check, the attorney must be named as a sole, joint, or alternative payee for the payment to be reportable. The proposed rule does define a payor as a person who makes a payment as an obligor, or the obligor's insurer or guarantor. This definition is proposed instead of the definition under IRC section 6041, which only requires payments made on behalf of a third person if the one physically making payment exercises management or oversight in connection with, or has a significant economic interest in, the payment.

The proposed rule would allow payors to file either one Form 1099-MISC that aggregates annual payments or separate Form 1099-MISC for each payment to an attorney. Backup withholding is required if the attorney does not provide his/her taxpayer identification number (TIN).

For further information contact ALTA's legislative/regulatory counsel, Ann vom Eigen at ann_vomeigen@alta.org or 1-800-787-2582.

Attend Next Year's Federal Conference

Next year's ALTA Federal Conference is April 13-15 in Washington, D.C. Mark your calendar and plan to attend. See you there!



Fannie Mae Updates Bankruptcy Procedures

Fannie Mae recently made a change in its foreclosure and bankruptcy procedures that will affect the title industry. The most recent changes related to an updated fee schedule for bankruptcy actions based on the specific actions considered in establishing the maximum allowable attorney fees; revisions to the attorney referral process; and a requirement for the servicer to notify a Chapter 13 bankruptcy trustee when the mortgage borrower's mortgage is included in the transfer of servicing. The new fee schedule is effective immediately for new bankruptcy referrals. To read the full servicer guidelines, go to the Government Action section of ALTA's Web site, click on Issues, then GSEs.

Former ALTA President Makes Rounds on Capitol Hill

Joe Parker, president of Parker Title Insurance Agency, Inc., NC, and former ALTA president, accompanied Ann vom Eigen, ALTA's legislative/regulatory counsel, to the Hill to visit with Senator John Edwards (D-NC), Reps. Walter Jones, Jr. (R-NC), Richard Burr (R-NC), and Melvin Watt (D-NC) to discuss RESPA Section 8(b) and the newly introduced Real Estate Settlement Fairness Act.



ALTA Educates Hill Staffers, Congress, and Agencies on Title Insurance

ALTA participated in a first-time homebuyer information fair on June 14 in the Rayburn House Office Building foyer on Capitol Hill. The fair was part of National Home Ownership week, June 10-14th, and targeted Hill staffers who are contemplating the purchase of a home. The fair was sponsored by the Building a Better America Caucus. ALTA members were on hand to answer questions about title insurance and distribute the "Why Title?" and "House of Cards" brochures explaining the value of title insurance.

In addition, ALTA members Bert Rush and Elizabeth Zajic, both of First American Title Insurance Co., briefed the professional staff of the House and Senate Banking Committees and the members of those committees on title insurance and the title process.

ALTA has also arranged member briefings with Fannie Mae, Freddie Mac, and OFHEO on the value of title insurance.

Grassroots?

Don't forget to let ALTA know if you've visited a member of Congress or arranged for one to visit your office. Contact Rob Blumel at 1-800-787-2582 or rob_blumel@alta.org.

government & agency news

Democrats Introduce Pro-Consumer RESPA Legislation

A comprehensive Federal RESPA Reform proposal and a narrow bill making markups a violation of Section 8 of RESPA were submitted for Congressional consideration in May.

On May 1, 2002, Rep. Tom Barrett (D-WI) introduced the “Real Estate Settlement Fairness Act.” The bill is intended to prevent service providers from intentionally marking up the charge of another party in order to realize additional profit in the mortgage lending and settlement transaction. If enacted, it would effectively make title industry practices such as average cost pricing a RESPA violation. ALTA is concerned that the bill would subject title companies, title agencies, additional persons who close real estate transactions, and other mortgage industry providers to RESPA criminal penalties for pricing practices that are not abusive. ALTA has notified Rep. Barrett that we are opposing the bill.

The bill was introduced as a response to a July 2001 federal court ruling. In *Echevarria v. Chicago Title & Trust Co.*, the court found that markups did not violate RESPA. In October 2001, HUD issued a Policy Statement (2001-1) which sought to clarify the section of RESPA - § 8(b)- under which the suit was brought. HUD claimed that § 8(b) prohibits persons from giving and receiving any portion, split, or percentage of a settlement charge other than for services rendered. HUD interprets that provision as prohibiting mark-ups. Subsequent to HUD’s issuance, the United States Court of Appeals for the Fourth Circuit found against HUD in a similar markup case *Boulware v. Crossland Mortgage*.

The Real Estate Settlement Fairness Act, which was cosponsored by Reps. Rush (D-IL), Schakowsky (D-IL), and Gutierrez (D-IL), has been referred to the House Committee on Financial Services. All of the bill’s sponsors represent districts in states within the U.S. Court of Appeals for the Seventh Circuit.

On May 23, 2002, Rep. John J. LaFalce (D-NY), a key member of the House Committee on Financial Services, introduced H.R. 4818, the “Mortgage Loan Consumer Protection Act,” which would make extensive changes to RESPA. The bill has the support of a number of consumer groups, including Consumers Union,

Consumer Federation of America, the National Consumer Law Center, and the National Association of Consumer Advocates.

Of interest to the title insurance industry are provisions of the bill that would eliminate the current statutory exclusion for some charges, such as title examination, title insurance, notarization of deeds, appraisal fees, pest and flood hazard inspection, from the definition of “finance charge” under the Truth-in-Lending Act. Although the bill suggests retaining the current itemization of the HUD-1, it would also require HUD to reformat the HUD-1 Settlement Statement and Good Faith Estimate (GFE) by listing all charges under one of three types of groupings, with a total amount shown for each grouping. This would effectively provide subtotals for the following key categories.

- Closing Costs – all noninterest charges “that the consumer is required to pay as a condition for receiving the loan;” fees paid to the lender would be grouped under a subcategory entitled “Total Lender Fees”;
- Prepaid Items – prepaid interest, amounts deposited into escrow accounts for real estate taxes and insurance, and other prepaid items; and
- All Other Costs Paid At Closing – all other items other than Closing Costs and Prepaid Items;

The bill would also require lenders to make the completed HUD-1 Settlement Statement available to the borrower at least two days before settlement and amend § 8(b) to make clear that the current language of § 8(b) prohibits “markups by another settlement service provider” and “so-called junk fees.” The bill would also require HUD to expand the Special Information Booklet to include an explanation on the cost efficiency of refinancing a mortgage loan and to explain mortgage broker fees:

New civil liability provisions would be added for violations of several RESPA provisions for which no liability currently exists such as § 4—the HUD-1 Settlement Statement—and § 5—Good Faith Estimate. Liability would be imposed for actual damages, additional damages up to \$2,000 as determined by the court, and attorney’s fees. A three-year statute of limitations would be established.

For further information contact ALTA’s legislative/regulatory counsel, Ann vom Eigen at ann_vomeigen@alta.org or 1-800-787-2582.

Highlights from the ALTA 2002 Federal Conference



Rep. Spencer Bachus (R-AL), House Financial Services Committee on Financial Institutions and Consumer Credit, spoke before a packed room on Capitol Hill on Tuesday. Rep. Bachus has been a longtime friend to the title industry.

ALTA
2002
FEDERAL CONFERENCE
MAY 5-7, 2002

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Rep. Judy Biggert, (R-IL), on the House Financial Services Committee, updated the group on her amendment to the Interest on Small Business Checking. She urged ALTA members to write or call their senators to urge them to get this bill on the floor. "I want to make sure that Congress does things for you and not to you," she commented.

The topic of mortgage impairment products and their threat to the title industry made for a lively panel discussion on Tuesday. Participating in the panel from left to right were Don Partington, general counsel, Fidelity National Financial; Mark Presser, assistant deputy superintendent and chief, Property Bureau, N.Y. Department of Insurance; Howard Yaruss, general counsel, Radian Guaranty, Inc.; and Frank Willey, ALTA president.





Rep. Chris Cox (R-CA), (left), chairman of the House Policy Committee, and the Congressman in ALTA President Frank Willey's (center) home-town district, is greeted by TIPAC Chairman Mike Wille (right) at a reception on Monday evening.

Members of the ALTA leadership visit with Sen. Wayne Allard (R-CO), Ranking Member of the Housing Subcommittee, to discuss Interest on Business Checking legislation and other current issues.



Rep. Mike Oxley (R-OH), Chairman of the House Financial Services Committee, spoke about doing title searches early in his career in his father's general law practice. That experience led him to want to reform RESPA. He praised the title industry for modernizing the system and said it almost made him want to go back to title searching – but not quite!



Members of the ALTA Government Affairs Committee met with Senator Mike Enzi (R-WV) on Tuesday to discuss the issues critical to the title industry. From left to right are Jan Alpert, president, Land America; Senator Mike Enzi; Stanley Friedlander, president, Continental Title Agency Corp.; and Frank Willey, vice chairman, Fidelity National Financial.



ALTA members from New York visit with Rep. Steve Israel (R-NY) in his office. Discussion ranged from concern over RESPA reform to the Interest on Business Checking bill and predatory lending.

John Kennedy, associate general counsel, HUD, told the group that when it comes to reforming the closing and settlement process, "There is nothing off the table." He stressed that HUD is not on a witch-hunt for title companies and their closing services, even though several in the audience disagreed.



SEE YOU NEXT YEAR!

**2003 Federal Conference
April 13-15, 2003
Capitol Hill Hyatt
Washington, D.C.**



Chairman Don Manzullo (R-IL) of the House Committee on Small Business said hello to several ALTA members before speaking. He indicated that as long as he was the chair of the Small Business Committee, he was going to make sure that the title industry was "viable, alive, and not rendered unnecessary by the federal government."



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Learn more about the courses, enrollment options, and tuition. Visit the ALTA web site: www.alta.org. Click on *Education/Events*, on *Land Title Institute*, and on *Correspondence Courses* in the drop down box. Alternatively, phone us at 202-331-7431, or email service@alta.org.

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County Recorders' Track to E-Recording

by Ellen Schweppe

Barely a dozen of the nation's 3,200 counties currently record real estate documents electronically, but that doesn't deter Maxine Olson-Hill and Mark Monacelli from urging colleagues to join the uphill battle to make the practice widespread.

"Challenges don't faze us. We're used to getting out and shoveling the driveway," said Olson-Hill, Burleigh County, N.D., recorder for 15 years.

Monacelli, who has held the same post in St. Louis County, MN., for 15 years, agrees. "We can meet these challenges if we work on solutions together rather than apart," he said.

Developing standards and technology solutions for electronic recording are priorities for the Property Records Industry Joint

Association of County Recorders, Election Officials and Clerks, a task force sponsor.

Recording real estate transactions has been an American practice since colonial times. The original settlers of Plymouth and Massachusetts Bay Colonies created the first land records systems in the early 17th century, and Massachusetts Bay Colony enacted the first recording statute in 1640.

Land records systems originally were kept by hand, then by typewriter. By the 1970s and '80s, computerized records systems became widely available. But it wasn't until 2000 that what is believed to be the country's first paperless real estate transaction was completed in Broward County, FL.



eliminates the possibility of fraud," Baldwin said. "There is less chance of documents being altered or lost."

Saving Time and Money

Saving time is one of the most widely recognized benefits of electronic recording, which entails the recording of documents in a digital format instead of the traditional paper format. With three back-to-back refinancing booms in the past decade, county recorders have been inundated with real estate transactions, particularly in growing urban areas.

It's not just the volume of transactions that has skyrocketed. The number of documents per transaction presented for recording has grown as transactions have become more complex.

"Electronic recording speeds up the whole process," Olson-Hill said, reducing to just minutes a procedure that can take days or even weeks in counties with growing backlogs. "It makes land records more readily available and

Developing standards and technology solutions for electronic recording are priorities for the Property Records Industry Joint Task Force.

Task Force, which brings together the public and private sectors to find solutions to problems the land records industry faces.

Olson-Hill chairs the volunteer task force, while Monacelli represents the task force in an industry work group promoting standards for electronic recording. Both are active in the National

The entire recording process took less than five minutes from the time the documents left the closing office until they were electronically returned after recording, according to Sue Baldwin, director of the Broward County Records Division. "The shortened cycle time between closing and recording virtually

more up-to-date.”

Electronic recording offers potential savings on real estate transaction costs, such as postage and courier fees and labor for document handling and data entry. Those savings can benefit other parties involved in the transaction and, ultimately, home buyers.

Electronic recording also helps reduce errors. In a typical real estate transaction, data is entered into a computer seven times between loan origination and closing, Monacelli said, and each time the data is re-entered the potential for mistakes increases.

Standard recording practices are a key element of an electronic real estate system. “With everyone involved in the transaction using the same standards, the data can be entered once, and everyone can use the same data sets,” Monacelli said. This is particularly useful in the growing number of cases in which loan documents presented for recording were originated in another state or county.

Despite the benefits of counties adopting electronic recording, several obstacles block the way. Funding for new technology is the biggest roadblock, particularly in rural counties with limited tax bases.

“Funding is our toughest challenge,” said Monacelli. “Forty-

lack of awareness among county commissioners and other decision-makers of the need for electronic recording systems. “It’s a huge education process,” Monacelli said. “We have to explain the importance of the industry itself and the significant impact it has on the economy before we can talk about the benefits of electronic recording.”

Part of the education process involves overcoming resistance to changing systems and procedures that have been in place for years. “Change is difficult for some, although there are many progressive people in county government,” Olson-Hill said.

Lobbying for change in state laws to allow electronic recording and to make recording requirements uniform is another challenge for county recorders, who in some states are teaming with private industry to draw legislators’ attention to their issue.

So is establishing guidelines to prevent misuse of sensitive or proprietary information contained in real estate records. Many property owners, for example, would not want their Social Security number or other personal information to be publicly available online.

“With the advent of the Internet, consumers love to have

Creating a New Business Model

For recording offices with exploding workloads, just finding time to plan for technological improvements is a challenge. “The refinancing boom has been overwhelming for all aspects of the industry—banks, title companies, county recorders,” said Olson-Hill. “Many county offices barely have time to do the work, much less plan for new systems.”

Add to that the fact that moving to a digital format is unprecedented for an industry born amid ledger books and papers. “There’s no business model for this. It’s all new territory,” Monacelli said. “It’s a huge change process with a large learning curve.”

About a dozen counties are in some stage of establishing electronic recording systems, although Monacelli believes that number will jump over the next two years. Most are large urban jurisdictions, what Monacelli calls the “haves.” Those are counties with growing tax bases that can absorb the cost of switching to electronic recording, such as acquiring software and training staff.

They also are the counties with the greatest need to go electronic. “They have had a huge influx of documents in recent years, and the workload keeps growing,” Monacelli said. “They must make changes and adopt new technologies just to keep up.”

Among the jurisdictions with some form of electronic land records are Broward County, FL.; Fairfax County, VA.; Orange County, CA.; Maricopa County, AZ.; Monroe County, NY; Thurston County, UT. Typically,

Funding for new technology is the biggest roadblock, particularly in rural counties with limited tax bases.

four states are running deficits right now, and it’s trickling down to county governments. Counties have a number of priorities to meet with limited dollars.”

Coupled with limited funding is

access to all kinds of information, but we have to be cautious,” said Olson-Hill. “We can’t just leap forward and make everything available to everyone.”

counties are using electronic recording for lien releases, mortgage satisfactions, and assignments.

Most counties, though, are have-nots. With shrinking tax bases, they have few resources to pay for technological change. Counties in Olson-Hill's and Monacelli's home states fall into that category.

"In North Dakota the vast majority of counties are small, and recording is not yet automated. They're still using handwritten ledgers," said Olson-Hill. "While the need for technology improvements is recognized, individual counties can't afford it."

For states like North Dakota, a regional or statewide system that counties can tap into may be the answer, Olson-Hill said. She is part of a North Dakota task force studying electronic recording options.

An electronic real estate recording task force in Minnesota is looking at establishing statewide recording standards and providing economic incentives to counties that opt in. "My dream is that someday if you want to record a document in Minnesota, you can go to a portal and do it in a matter of minutes," Monacelli said.

Moving to Nationwide Standards

At the national level the Property Records Joint Industry Task Force provides a forum for public and private industry representatives to work together on such issues as establishing recording standards and expanding the use of electronic recording. Conceived as a three-year task force, the group is planning to become an independent, nonprofit organization later this year.

Richard McCarthy, director of research for ALTA, represents the title insurance industry on the task force, as do ALTA members.

Task force committees focus on promoting consistent standards among recording offices, studying industry-related technology topics, drafting model legislation on property records, and educating government and industry officials on the property records process.

The task force also sponsors the XML Electronic Recording Work Group, which promotes nationwide standards for using Extensible Markup Language, or XML, for electronic recording of property records data.

Through the XML Work Group, the task force has formed strategic alliances with Legal XML, an organization founded to develop technical standards for legal documents, and the Mortgage Industries Standards Maintenance Organization (MISMO), a group launched by the Mortgage Bankers Association of America to coordinate electronic standardization of real estate transactions for the mortgage industry. ALTA staff is also active in MISMO.

XML is a technology that allows delivery and reading of electronic property records over the Internet. It separates data from how that data will be presented, making it easier to share information among business partners in a real estate transaction.

Working together, organizations in the mortgage finance and real estate sectors hope to establish XML data standards the entire industry can use. The groups are cooperating to ensure that industry XML data standards are interchangeable and will help the



"We'd like to see more people involved in setting standards that will affect the title industry in the future. This is an opportunity for all of us to be pioneers."

-Mark Monacelli

industry achieve the goal for completely paperless transactions.

So far the XML Work Group has developed what Monacelli calls the "0.95 version of our standards. They're not quite 1.0 yet. We're in the public comment period now. But we've done an incredible amount of work in just six months. It has been a team effort between county recorders and private industry."

Public-private teamwork to establish industry standards is essential to making electronic recording a success, Monacelli maintains. He uses a train-track analogy when he talks about groups working to bring standardization to the real estate process.

"MISMO is the track that starts on the East Coast and goes to New Mexico, while we in the task force start on the West Coast and meet them there," he said. "From loan origination to closing to recording, we all have to be on the same track. That's the only way it will work."

Pioneering Opportunities

Even with national organization leading the way, Monacelli and Olson-Hill acknowledge that setting nationwide standards for real estate transactions and encouraging property records offices to adopt electronic recording



"We're working in an area we know is complex, and we're trying to put all the pieces together. But I see a lot of promise for the future."

-Maxine Olson-Hill

will take time.

"We know we're on the right track, but it's hard to process so much change quickly," said Monacelli. "Real estate has become very complex. Things have changed dramatically in all sorts of areas, and we're all trying to figure out these complicated transactions."

Dealing with one issue invariably leads to another, he added. "It's like a water balloon. When you squeeze it on one side, it pops out the other."

Nonetheless, they believe the future of the property records industry looks bright. "These are exciting times for our industry," Olson-Hill said. "We're working in an area we know is complex, and we're trying to put all the pieces together. But I see a lot of promise for the future. It's amazing how when people work together, good ideas feed off each other. Collectively, we can accomplish many things."

They encourage more title insurers to become involved in planning changes in the land records industry that will have a long-term effect on the title business.

"Many title companies have been good to the task force with financial and in-kind contributions, and we appreciate that," said Monacelli.

"But we'd like to see more people involved in setting standards that will affect the title industry in the future. This is an opportunity for all of us to be pioneers."

While they recognize that it may be difficult for many title insurance professionals to participate in a national organization, they encourage insurers to reach out on a local level. "Stay connected with your local records office," said Olson-Hill. "There's much to gain from having a relationship with the people there. We're not just busy little librarians with our heads down shuffling papers."

Many states are creating electronic recording task forces, offering title insurance professionals opportunities to get involved at the state level.

"It's important that we all take time to sit at the table and take part in the dialog," said Olson-Hill. "We need each other, and we can accomplish so much more if we all work together. This can be a win-win situation for both the public and private sectors."

Monacelli agrees. "What I tell people when I travel around the country is 'Get on the train.' We all have similar interests, similar problems. We can make positive changes by working together."

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Getting Your Marketing Onto the Internet

by Stephanie Padgett

When it comes to marketing your company, do the words online, Internet, electronic media, or Web-based make your palms sweat and heart beat faster? There's no need to fear online tools to market your business when you remember the basics. Here's a quick guide to get started.

First and foremost, you must remember the fundamentals of any good marketing program. Failure to plan is planning to fail, so spend the time needed to answer these three key questions:

1. What is your marketing objective and strategy?
2. Who do you want to receive your message?
3. How will you know if the program is successful?

The key to successful online marketing is understanding how your targets use the Web at work and reaching them during that time.

A good marketing objective is measurable and specifically addresses what you want the plan to accomplish. For example: bring in 10% more leads, increase revenue from current clients by 15%, or raise awareness of services. "Make

more money" does not qualify as a marketing objective.

Once the objective is set, the next step is to determine the target audience—or who is to receive the message. Remember that 80% of your business comes from 20% of your clients. Paint a detailed picture of these clients so that you can attract more of them. Look at details such as company size, type of business, management philosophy, primary accounts, and location. Once you know who you're fishing for, you can fish in the right places! This is an especially critical step when planning online marketing campaigns because there are so many options.

And finally, before starting, address how you will know if the plan worked. If you do not address this early on, you may find that you don't have key information or data to track success. For example, if your objective is to increase leads, do you know how many leads your sales team is currently bringing in without the marketing program? By determining how success will be achieved and setting up a process to track this success, you can determine if your investment paid out or not.

Once you have the answers to these three questions committed to paper, you can then begin to



analyze which online option is right for your company. And one universal truth of online marketing is that there are lots of choices. According to Emarketer.com there are over 3.6 Web sites which account for over 300 million Web pages.

How are businesses accessing and using this content? According to Nielsen Net Ratings, which monitors online activity, there are nearly 45 million people accessing the Web while at work. During the month of March the average user spent over 27 hours on the Web during work hours and visited nearly 100 unique Web sites. The average surf time was about 30 minutes, with any given page being seen for less than one minute! This means that you must have your objectives and target nailed down before committing one dollar to the Web.

What are business people doing while on the Web? According to the Bridge Agency, a Cincinnati-based online firm, the top activities

are accessing e-mail, using search engines, and researching products and services. Nearly half of users send electronic greetings, enter contests or sweepstakes, access local information, instant message, or download software.

This corresponds with the latest data from Nielsen Net Ratings, which shows the most frequently visited sites (aggregated by parent company) by at-work users are Microsoft, Yahoo!, AOL Time Warner, Amazon, Google, Terra Lycos, About-Primedia, eBay, USA Network, and CNET Networks. You can see the most recent list at www.netratings.com.

These figures demonstrate how flexible and personalized the Web really is. The key to successful online marketing is understanding how your targets use the Web at work and reaching them during that time. The best way to do this: Ask them.

Ask your clients and prospects: What sites do you use during work? What sites do you find most helpful in doing your job? What e-mail newsletters do you regularly read? What search engines do you use? Where do you go online to find the latest industry news? This does not need to be a formal study but can be gathered informally in person, on the phone, or via e-mail.

Select an Ad Format

Once you know who you want to reach and how that group uses the Web, you can then determine which type of online marketing program is the best match to meet your objective. Again, the Web offers many choices.

The oldest and most basic form of advertising on the Web is the banner ad. Derived from traditional

magazine and newspaper advertising, this is an ad that appears on a Web page in a pre-defined space (usually the top or side). Banners are available in many sizes and are usually priced based on the number of people who visit the page.

Numerous studies have concluded that banner ads significantly raise awareness of advertisers. Users remember banner advertisers even if they don't click on the ad, and many brands see significant increases in offline sales. Banners are not the best choice, however, for driving traffic to your Web site or for generating online purchases.

In general, the banners that work best are page dominant ads (the biggest ad on the page) and animated and active ads (containing a link to additional information).

Designers and technology are moving banners from static placement on a page to highly creative, interactive experiences. Known as "shoshkles," these ads feature flying birds, cars driving across pages, balls bouncing, and other surprises that move, dance, and jump across a page. Eyeblaster (www.eyebaster.com) is a leading producer of these type of spots.

Given the novelty of this format, these ads are receiving a lot of publicity and talk around the water cooler. Long-term, they may become more burdensome to users who do not want to wait while Britney Spears completes her dance before seeing the latest weather report. Most research shows that consumers prefer information and content over entertainment. These types of ads can be very expensive to produce which, can be a drawback for small companies.

The key to a successful banner campaign of any type is to choose the sites most used by your target—remember question number two? Don't confuse size with success. Big audience numbers do not always translate into the most successful sites. Many times a small targeted site that provides meaningful content to your target will outperform a mass media site that attracts many people—of which only a handful match your client profile.

Moving from banners, the next option is pop up ads or unders, sometimes called daughter windows or Superstitials. These are ads that appear as separate windows when you open a page. These ads can only be closed when a consumer takes some action. Because these ads are so intrusive, they are highly controversial.

The Internet Advertising Bureau has issued a voluntary guideline to regulate these forms of advertising in order to make them more user friendly. The regulation states that "a banner may play audio and/or video content after a user clicks on it and should display a visible stop or pause button once the audio/video begins." Several programs have also been created to disable these ads before they reach the consumer.

If targeted correctly, these forms of advertising can be effective, but they should be used with caution for fear of irritation.

Whether using banners, buttons, pop-ups or shoshkles, there are many easy ways to promote your business online. Cross-promote related vendors, such as surveyors or home inspectors, on your Web sites and ask them to do the same. Add client links to your company

Nielsen Net Ratings
Top 25 Parent Companies--
At Work Universe - March 2002

Parent	Unique Audience	Reach %	Time per Person
1. Microsoft	33,393,039	82.60	1: 46: 31
2. Yahoo!	29,429,580	72.80	2: 16: 01
3. AOL Time Warner	29,347,582	72.59	1: 02: 12
4. Amazon	14,731,456	36.44	0: 18: 19
5. Google	14,679,844	36.31	0: 29: 06
6. Terra Lycos	14,657,075	36.26	0: 21: 37
7. About-Primedia	14,026,938	34.70	0: 18: 11
8. eBay	11,488,997	28.42	1: 50: 16
9. USA Network	11,094,593	27.44	0: 20: 53
10. CNET Networks	10,082,841	24.94	0: 12: 38
11. Viacom International	8,952,971	22.15	0: 24: 50
12. Walt Disney Internet Group	8,257,764	20.43	0: 20: 55
13. Landmark Communications	7,575,212	18.74	0: 11: 00
14. InfoSpace	7,509,703	18.58	0: 10: 32
15. Excite Network	7,431,001	18.38	1: 10: 33
16. AT&T	6,932,111	17.15	0: 32: 14
17. RealNetworks	6,585,377	16.29	0: 20: 05
18. Gannett	6,129,070	15.16	0: 19: 17
19. Ask Jeeves	6,002,262	14.85	0: 08: 00
20. Adobe	5,925,337	14.66	0: 04: 42
21. Verizon Communications	5,636,305	13.94	0: 19: 13
22. New York Times Company	5,412,405	13.39	0: 39: 03
23. Sabre	5,403,775	13.37	0: 13: 25
24. Tribune Interactive	5,399,600	13.36	0: 12: 34
25. eUniverse	5,312,189	13	

Web site, and see if they will provide a link to your site. Make sure that your company is listed on all industry Web site link lists (such as the ALTA search for members section).

E-mail Newsletters

For small businesses the most affordable way to tap into the potential of the Web is to use e-mail and e-newsletters. These tools move from building awareness to driving loyalty and usage. When done correctly, e-mail is much cheaper, faster, and easier than traditional mail or faxes and has higher success rates.

For e-mail campaigns to be

successful, you must have the right mind-set. According to Debbie Weil, president of WordBiz.com; "Successful e-mail marketing is not a one-off acquisition campaign to collect e-mail addresses. It's a strategically planned retention program of mailing e-newsletters, special promotions, and product updates to your opt-in house list with the goal over several quarters of converting your prospects into customers."

A successful e-mail program does the following:

- Gathers names and addresses voluntarily (opt-in)
- Targets wisely
- Personalizes the message and

includes the sender's name (should be a recognizable name from your company)

- Gives timely information succinctly and completely
- Provides value to the reader, doesn't just sell your services
- Shares links to good information and sites
- Manages responses and questions from recipients
- Tracks and analyzes results

There are several good articles on creating effective e-mail campaigns at www.clickz.com that explore these areas more in-depth.

The critical step to creating an e-newsletter is getting a list. If you aren't capturing e-mail addresses of all clients, customers, and business contacts, you should start immediately. Make sure that all your forms have a line for filling in e-mail addresses, just like phone numbers. E-mail lists can be purchased but should be screened carefully to ensure that the users have requested information from outside vendors. High-quality lists can be selected based on demographic or business attributes, such as work in real estate.

Once a list has been created, the next focus is on content. Remember that information is preferred over entertainment, so keep the editorial focused and relevant. Newsletters are a great way to recognize clients (real estate agents love to be recognized publicly). Clients enjoy reading features and seeing pictures of employees they may only talk to on the phone. Share company news such as new employees, community service activity, or new clients.

The content does not need to be written by you or your staff. You can often borrow pieces (with

correct credit) from other Web sites, newspapers, or magazines. Local newspapers or TV troubleshooters often do features on why title insurance is important. These are great pieces to use on your own Web site and lend credibility to your business since it is an outside expert promoting the services.

Once the e-newsletter framework is set-up, it is a great way to gather information and feedback from your clients and prospects. Surveys can be conducted, special promotions can be offered to your best clients, and news can be spread quickly.

There are several vendors who will outsource the development and management of electronic

newsletters. Prices range from very little to hundreds of dollars per month based on the size of the list, format of the newsletter, and back-end tracking.

To select the online option that will work best for you, it is a matter of sharing your objectives and targets with potential vendors and partners to determine who can best meet your needs. Don't overlook step three: Determine how you will judge if the program is a success. This is the key to understanding what went right and what you want to improve upon the next time around.

The Web has changed the way we all work. If you aren't tapping into the potential of the online universe to market your products

Nielsen Net Ratings
Average Web Usage--At Work Universe
March 2002

Number of Sessions per Month	49
Number of Unique Sites Visited	96
Time Spent per Month	27: 33: 15
Time Spent During Surfing Session	33: 28
Duration of a Page viewed	00: 57
Active Internet Universe	40,426,356
Current Internet Universe Estimate	44,984,984

and services, you're missing a cost-efficient and effective way to increase your business. So dry off those palms, take a deep breath and dive in!

Stephanie Padgett is lead consultant for Strategic Growth Partners. She can be reached at 513-688-1624 or stephaniepadgett@fuse.net.

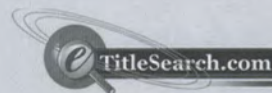
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The Skinny on Digital Signatures

by Todd Hougaard

Many people think that electronic signatures are still a thing of the future, out there with flying cars and human cloning. But most of us have already become used to performing electronic acts that serve as signatures. For example, when we withdraw money from an automatic teller machine or when we use a pay-at-the-pump gas station, we are electronically signing these transactions by punching pass codes or swiping cards. We can also sign digital transactions from our personal computers, using a variety of methods to make our mark on a transaction.

Electronic signatures allow us to bypass traditional pen and ink authorization, greatly increasing the speed at which we do business. The primary purpose of a signature is nonrepudiation: linking a specific person's actions and identity in such a way that the person can't easily

There are several types of electronic signatures, ranging from a simple mouse click to encryption-based digital signatures. While each type has appropriate uses, important digital transactions require a level of protection that goes beyond a mouse click or typed name. The technology behind a digital signature is foreign to most people, and the fact that it doesn't involve penmanship might cause some discomfort. A close examination of the different kinds of electronic signatures, and the purpose of signatures in general, shows that digital signatures are a safe, effective tool for ensuring nonrepudiation and preventing fraud in digital documents.

Multipurpose Signatures

We take signatures for granted, often signing without really thinking about it. Most of our important documents require a signature to be valid. We also use signatures for seemingly insignificant transactions, like the check for the gas bill, a credit card charge at a restaurant, or renting a pair of bowling shoes. We sign our names to both business and personal correspondence and type our names at the bottom of e-mail messages.

All these signatures allow us to make our mark on the world.



Signatures serve four main functions:

- **Approval:** With few exceptions, we only sign things that meet our approval. By signing a document, we are saying that we approve of the terms of the words on the page.
- **Ceremony:** The simple act of signing a document serves as a ceremony that closes the deal. A person's heart beats much more quickly when signing closing papers on a 30-year home mortgage than when signing a 6-month apartment lease. The more important the transaction, the more ceremony it entails.
- **Logistics:** Signatures get things done. A contract represents a possibility that can only become reality when a signature is on the paper.
- **Evidence:** The whole point of signatures is that they are difficult to forge. With handwritten signatures a seemingly straightforward scribble is the combination of a

Anyone who receives a digitally signed document will want to authenticate it before accepting it as real.

deny performing the action. If a person claims that he or she didn't approve an electronic transaction, the method used for signing should provide a way to prove otherwise.

signer's personality, education, and fine motor skills. These seemingly random qualities of a signature help protect a signer by reducing the possibility of fraud.

One way to help ensure a signature's legitimacy is to have the signature notarized. Notaries safeguard the parties involved in a written agreement by verifying a person's identity and then witnessing the act of signing. By signing in front of a notary, the signer acknowledges that he or she is authorized to sign the document and is signing voluntarily. After the signature is on the document, the notary puts their seal on the signature, reinforcing the document's validity.

Legislation and Electronic Signatures

Signatures have been in use for at least 4,000 years. But for most of that time, signatures were a convention rather than a legal requirement. From a historical perspective, the single most important legislation concerning signatures was the "Act for Prevention of Frauds and Perjuries," enacted in 1677 by the British parliament. This act stipulated that any contract for goods or services worth at least £500 must be executed as a "note or memorandum in writing" and that a contract must be "signed by the parties" to be valid. These basic principles have had a profound effect on the American legal system; echoes of the 1677 language can be found in the contract requirements of both U.S. federal and state legislation today.

Slightly more recent signature law comes in the form of legal precedent established by the courts.

The fact is, digital signatures are already being used extensively in court e-filings, in electronic commerce, and in the health care industry.

After its invention in 1844, the telegraph became the first means of transmitting information using electricity. As the device became widely used, people began to telegraph entire contracts—complete with Morse-coded signatures—from one location to another. In 1869 a judge upheld a contract containing one of these electronically transmitted signatures by making the following statement:

It makes no difference whether that operator writes the offer or the acceptance ... with a steel pen an inch long attached to an ordinary penholder, or whether his pen be a copper wire a thousand miles long. ...Nor does it make any difference that in one case common record ink is used, while in the other case a more subtle fluid, known as electricity, performs the same office.

This decision comes more than 130 years before two modern laws regarding electronic signatures: the Uniform Electronic Transactions Act (UETA) and the Federal Electronic Signatures in Global and National Commerce Act (E-SIGN).

Introduced in 1999 by the National Conference of Commissioners on Uniform State Laws, UETA provides states with ready-to-enact legislation to promote the use of electronic signatures in most business and government transactions. Some of UETA's more important provisions state:

- A record or signature may not be denied legal effect solely because

it is in electronic form.

- With a few exceptions, any law that requires an agreement to be in writing will be satisfied by an electronic record.
- With a few exceptions, any law that requires a signature will be satisfied by an electronic signature.
- All involved parties must agree to using an electronic transaction; if even one party opts out, paper becomes the default.

As of May 2002, UETA had been adopted by 39 states, plus the District of Columbia. Seven additional states, plus the U.S. Virgin Islands, are in the process of adopting UETA legislation. In June 2000, President Bill Clinton signed the E-SIGN act—electronically. Using a digital key encoded on a "smart card," the President enacted legislation that enabled both businesses and government agencies to use electronic documents in lieu of paper. E-SIGN provides the following:

- Electronic signatures are valid for use in most interstate and international commerce.
- Allowable transactions and documents cannot be invalidated solely because they were accomplished using electronic means.
- Most laws that require written records and signatures are satisfied by electronic records and signatures.
- Multiple technologies and

strategies for creating and signing electronic documents are accepted; no specific technology is endorsed or prohibited.

A Variety of Electronic Signatures

Neither E-SIGN nor UETA specifically endorses or prohibits a particular technology for use in creating or signing an electronic document. The language in E-SIGN says that a signature in an electronic agreement can be “an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record.” An electronic signature doesn’t necessarily have to involve the name (handwritten or otherwise) of the signer. Just as a stamp in sealing wax and an X on a line can function as a signature, an electronic signing action can take several different forms:

- **Click signature:** To buy something online, you fill in your personal information, enter a credit card number, and click a button to finalize the purchase. Clicking the button is equivalent to signing the register tape when you use a credit card at a brick-and-mortar store.

- **Typed signature:** Some online agreements are executed by having the signer type his or her name into a browser-based form. Alternatively, a typed name in a contract can function as a signature. Like a click signature, a typed signature relies on a simple overt act to indicate the signer’s acceptance of the terms of an agreement.

- **Digitized signature:** This is what most people think of when they visualize an electronic signature—accepting a package by signing with a stylus on a digitizer strip. A similar process allows someone to sign on a computer screen using a light pen. Another type of digitized signature is created by signing on paper, then scanning the signature into an image file.

- **Digital signature:** The most technologically advanced type of electronic signature, digital signatures rely on encryption and other mathematical functions to allow a reviewer to verify a document’s authenticity and a signer’s identity. Once the digital signature is applied to a document, it renders the document virtually tamperproof. The nature of most electronic signatures makes nonrepudiation

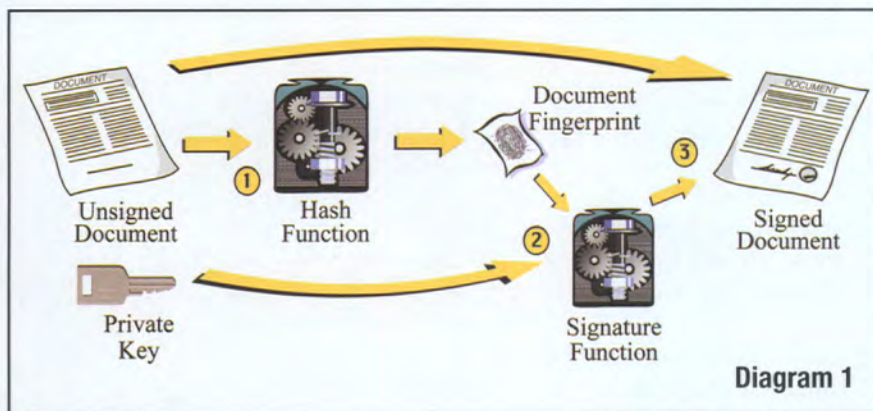
difficult. Falsifying a clicked or typed signature is a simple matter, which is why these methods are only used for relatively low-impact transactions. Digitized signatures are also problematic. A signature created by a stylus or light pen lacks many of the fine details used by document examiners for authentication. In addition, the graphic nature of scanned signatures makes them perfectly suited for fraud, since a forger can easily copy a signature from one document and paste it into another.

Digital-signature technology capitalizes on the fact that digital documents are (at their lowest level) just numbers, and mathematical operations can be performed on them. One such calculation is the hash function, which creates a numeric fingerprint of a document. Another important element is public-key encryption. This requires a signer to have two keys—one for signing, one for validation. A signer can be either a person or a computer, making this type of signature ideally suited for automated processes.

Though digital signatures use encryption technology, they do not hide anything about a signed document. Instead, they provide a way to validate the identity of a person signing a document and the contents of the document itself.

Digitally Signing and Authenticating Documents

Creating a digital signature requires a digital certificate, which is issued by an agency called a certificate authority (CA). This method of signing also requires a pair of numeric keys. The first is the private key, which is known only to the signer and must be kept



absolutely secret for the entire system to work. The second key, the public key, is freely available to anyone who wants it and is part of the public information in the signer's published digital certificate. Because of the mathematical nature of these two keys, only documents that are locked by one key can be unlocked by the other. The final requirement is a digital document, ready to be signed (see Diagram 1, left).

1. The document's numerical content is processed using a hash function. This creates a document fingerprint.
2. The signer's private key is used to encrypt the document fingerprint, resulting in a digital signature.
3. The digital signature is embedded within the original document, creating a digitally signed document.

Anyone who receives a digitally signed document will want to authenticate it before accepting it as real. Document validation ensures that a signature was created by the specified signer and that the document has not been tampered with in any way. The validation process goes as follows (see Diagram 2):

1. After separating the document and signature, the original document is processed using the hash function. This creates a second document fingerprint.
2. The signer's public key is obtained, either from the certificate authority's online certificate repository or from within the document itself.
3. The public key is used to decrypt the digital signature, releasing the first document fingerprint.

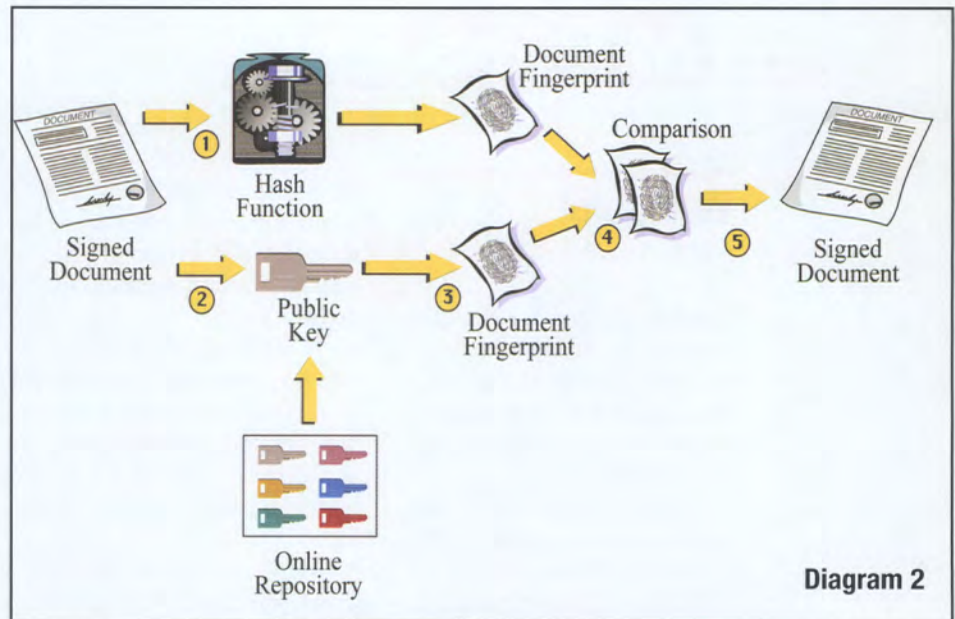


Diagram 2

4. The two document fingerprints are electronically compared.
5. If the two fingerprints are not absolutely identical, the document is considered invalid. If they match, then the signature—and the document to which it is attached—is proved valid, and the signed document is accepted as legitimate.

The Future of Electronic Signatures

There has been a great deal of discussion in the mortgage industry regarding electronic signatures. Some believe that public-key digital signatures require too much of the consumer for them to catch on for everyday use. Others point out that digital signatures are the most effective tool available to “lock” signed documents and enable easy, automated detection of document fraud and tampering.

The fact is, digital signatures are already being used extensively in court e-filings, in electronic commerce, and in the health care industry. The digital signature has been adopted by the Mortgage

Banking Association of America as an approved method of protecting electronic mortgage transactions. Powerful encryption technology makes digital signatures the ideal option for nonrepudiation and automated authentication for digital documents in any market or industry.

More than a century ago our legal system began coming to terms with the changes introduced by the advent of electronic information. The federal government and most states have approved the use of electronic signatures in many everyday transactions. Since the digital signature is the only type of electronic signature that can effectively protect both the signer and receiver of a document, it makes sense to use this safe, reliable technology as an integral part of mission-critical digital document systems.

Todd Hougaard is president of Ingeo, a leader in the electronic document industry. He can be reached at thougaard@ingeo.com or 435-755-9837. This article is an elaboration on his presentation at ALTA's 2002 Tech Forum.

Viewpoint

by R.K. Arnold

This past spring we launched the second phase of MERS[®] 1-2-3, an innovative new process that eliminates 90% of the data entry required for registering a loan on the MERS[®] System.

Phase I enabled MERS members and nonmembers to 1) generate a valid assignment to MERS through participating document providers, and 2) generate and affix a valid Mortgage Identification Number (MIN) to the assignment.

Now Phase II allows MERS members and nonmembers to generate a complete closing package or, alternatively, just a note and a

MOM security instrument. It also creates a preliminary registration file on the MERS[®] System which expedites the final registration process.

MERS[®] 1-2-3 helps our members more rapidly convert their brokers and correspondents into MERS[®] Ready trading partners and removes barriers for a small lender who wants to deliver MOM loans.

We also just had our Annual User Conference in Reston, VA, in June. The conference featured sessions geared to General and Lite members, nonmembers, and vendors. If you didn't get a chance to go this year, be sure to register early next year because the seats fill up fast, and there's only a limited number of attendees we can handle.

We're very proud of our continuing success, and we'd like to thank all our members who have contributed to making MERS what it is today—the central electronic clearinghouse for mortgage information.

Our members are our biggest focus, which is why we've included articles in this issue of Inside MERS that answer some of our most frequently asked questions—"Where do I call to get a payoff?" and "Did You Know?"

If there's ever anything you'd like more information on, feel free to contact me personally at 703.761.1275.

Thank you for doing business with MERS.

Where do I call to get a payoff?

We asked Dorris Hawkins, the receptionist at MERS, what was the most frequently asked question she receives from our members. She said without a doubt it's "Where do I get my payoff information?" There are three good answers to this question depending on your affiliation with the mortgage industry.

ALTA Member

If you're a member of the American Land Title Association, call ALTA at 800-787-ALTA, or visit their Web site at www.alta.org to find out how to access MERS[®] Link through your existing membership with ALTA. MERS[®] Link is a browser-based system for quickly identifying the servicer of a mortgage loan registered on the MERS[®] System.

MERS Member

MERS members can access MERS[®] Link within MERS[®] OnLine. If you don't currently have access to MERS[®] Link or MERS[®] OnLine, contact the MERS Help Desk at 888.769.6377 and ask for assistance.

Nonaffiliated

If you're not affiliated with either ALTA or MERS, you can easily obtain contact information for the servicer of a mortgage loan registered on the MERS[®] System by calling our Servicer Identification System at 888.679.6377 and following the telephone prompts.

Although Dorris is happy to help you, she isn't available 24/7 like MERS[®] Link and the Servicer Identification System.

Did You Know?

The Warehouse Gestation Lender functionality enhancement automatically removes the Associated Member Org ID of the Warehouse Gestation Lender provided that an Option 1 Transfer of Beneficial Rights or Transfer of Servicing Rights batch has occurred.

Servicers and subservicers will no longer need to remove the Warehouse Gestation Lender after a transfer has occurred. However, servicers and subservicers still have the capability to manually remove the Warehouse Gestation Lenders interest at any time prior to the physical transfer.

MIN Milestones reflect removal of a Warehouse Gestation Lender along with the batch number and Transfer Date once an Option 1 TOB or TOS transfer occurs. The Change Notification Report (VB) reflects the removal of the Warehouse Gestation Lender's interest and is reflected on the Change Notification Report.

The MERS[®] System will reject any Seasoned Registrations with a Warehouse Gestation Lender named in the Associated Member field.

Please contact Donna Jones at donnaj@mersinc.org or 318.397.2505.

Straight Talk

by Bill Hultman

Slight Change in Michigan

In January 2001, Fannie Mae and Freddie Mac revised the first mortgage uniform security instruments for all states. One of the biggest changes was a definition section, which includes a definition for MERS that clearly states in bold that MERS is the mortgagee of the security instrument.

However, no changes were made to the format of FHA and second mortgages, so the MERS language remained as it was when it first appeared in 1998 on those documents. Some Michigan Registrars told us this caused some confusion because the MERS language seemed to have two different formats.

What we discovered is that some FHA and second mortgages were being misindexed with the Lender as the mortgagee. Therefore, slight changes are recommended for the Second Mortgage and FHA MOM Language so that members do not experience recording problems.

The change only appears in the first paragraph and reads as follows:

"This Mortgage ("Security Instrument") is given on _____. The Mortgagor is _____ whose address is _____ ("Borrower"). This Security Instrument is given to Mortgage Electronic Registration Systems, Inc. (MERS) as Mortgagee. MERS is the nominee for Lender, as hereinafter defined and Lender's successors and assigns. MERS is organized and existing under the laws of Delaware but has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, telephone (888) 679-MERS."

Now, all mortgage documents (first, second and FHA) will clearly state MERS is the mortgagee and there shouldn't be any further confusion over recording or indexing of the documents.

1595 Spring Hill Rd,
Suite 310
Vienna, VA 22182
(800) 646-MERS (6377)

Communications Manager
Kathleen McNeilly,
kathleenm@mersinc.org





Recorders Not 'Weakest Link'

Property Records Industry Joint Task Force members are working hard to change the perception by industry analysts that county recorders are the weakest link in the e-mortgage chain.

Arizona's Maricopa County recorder Helen Purcell thinks it's just a matter of demonstrating and highlighting the progress that recording offices are making in electronic recording.

"We're considered the number-one recording agency in the country. As the industry moves, so do we," said Purcell. "My staff jokes that I keep them on the bleeding edge."

Purcell's office now processes 30% of its recordings electronically and plans to increase to 50% by next summer.

"We're always available for tours from other agencies in the country, and we have hosted quite a few," she said. Purcell also serves as co-chair for the Task Force's Technology Committee.

Mark Monacelli, Task Force XML Workgroup industry liaison, said there is a misconception within the mortgage banking industry about county recorders level of involvement with standard-setting processes.

"In my opinion, there are key segments of the mortgage banking industry that are disengaged from the process," he said.

Monacelli added that if more

mortgage banking officials were involved in standard-setting groups such as the Task Force, their perception of county recorders may change.

"There needs to be a better level of understanding with the key leaders in the mortgage industry. There already are a number of engaged individuals within mortgage banking that we have an excellent relationship with. But since we are in the private sector, there are financial issues to consider," Monacelli said. "If I had my way, I would make my office the most efficient and technologically advanced office in the world, but it takes money and who is going to pay for it?"

E-Recording Tops Agenda

Electronic recording and new educational programs are two of the topics planned for the Task Force conference set for June 16 in Kansas City, Missouri.

There will be multiple presentations on electronic recording standards, including the first draft of the Task Force's Electronic Recording White Paper, the latest developments in Extensible Markup Language (XML) standards, and an update on technology in the recording industry today.

Because XML systems provide recorders with the means to conduct faster, more efficient paperless recordings, the quest to develop standards for this new technology has been a top priority for the Task Force.

"The conference is going to culminate a great deal of work in the XML standards issue," said Mark Monacelli, XML workgroup industry liaison.

The Task Force is also working on new outreach programs to contact industry members and recorders across the country. Upcoming projects will be discussed at a presentation on new Task Force education programs.

The programs are designed to promote awareness of recording-industry activity across the country, said new Education Committee cochair Carol Fogelson. "We want recorders to be able to talk to title people, and title people to be able to explain their procedures to recorders," she said.

For additional information, contact Ardis Schmitt at 719-550-9324 or taskforce@nacrc.org.



for the record

www.prijtf.org

Task Force Puts Priority on XML

by Darren Ross

The Task Force's Technology Committee and XML Electronic Recording Workgroup presented their draft guidelines of Electronic Recording Standards at its February 28 meeting in Washington, D.C. in conjunction with the International Association of Clerks, Recorders, Election Officials, and Treasurers.

The XML DTD (Document Type Definition) is available for review and comment on the Task Force Web site, www.prijtf.org. The Technology Committee plans to seek final endorsement and adoption at or following the next meeting scheduled for Kansas City, Missouri, June 16, to make this the national standard.

About the XML Data Standard

The industry data standard requires three factors:

- **Easy implementation** - Make it simple to read, understand and process. No complex data structures or technological requirements (such as expensive translators);
- **Flexibility** - Allow the data standard to be used in a variety of ways for a variety of documents, thus allowing customized, tailored solutions specific to individual county needs;
- **Scalability** - Allow the data standard to be easily extended or enhanced in both its use within a county's operations and for accommodating

additional future data requirements.

Additionally, it was important that the standard be designed to comply with the MISMO XML Design Guidelines and fit smoothly with the MISMO data standards for facilitating a standardized, fully-automated electronic mortgage transaction.

The proposed standard is designed to provide the capability to submit one or multiple documents for recording. There is no limitation on the number of documents that could be included in a single data file. Thus, the standard could be used to facilitate real-time submission of documents (such as from the closing table) or scheduled, batch submission of large volumes of documents during off-hours.

The standard is designed to facilitate the submission of any type or combination of types of documents and/or data related to a real estate transaction or real property record. Therefore, it could be used for deeds, deeds of trust, assignments, lien releases, satisfactions, reconveyances, etc., providing county offices a "one for all" solution and allowing them to implement electronic recording at their own pace and quickly expand the number and types of documents to record.

The standard contains both parsed and unparsed data fields (attributes) for information such as Grantor/ Grantee Name(s), Property Address, etc., which

provides flexibility in implementation with older legacy systems and newer, more normalized databases and systems, which have individual fields for each distinct component.

New fields may be easily added as additional attributes of a parent element, thus not affecting the overall structure of the XML standard. Those fields or attributes not used by one party may simply be omitted but may be used in other transactions with another party.

The standard may be used to send indexing data, a document, or both. The type of documents that can be included in the XML standard is not restricted, thereby facilitating any level of the current electronic recording models being utilized today.

The standard also allows for the inclusion of associated document information for cross-referencing other documents of record to a particular document.

The same XML file structure is used for both submitting documents and data for recording and for returning recorded documents with recording endorsement information (book, volume, page, instrument number, etc.) back to the filer or other authorized parties. You can see more by reviewing the XML DTD on the Task Force Web site, listed on page 1.

For more information on Task Force activities, contact Maxine Olson-Hill at mhill@state.nd.us.

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October 16-19
The Breakers
Palm Beach, Florida

2002

ALTA

ALTA 2002 Convention
Program Information

The Breakers

Program Preliminary Program

Tuesday, October 15

9:00am-12:00noon

Membership & Organization/Recruitment & Retention
Combined Committee Meeting

9:00am-5:00pm

Title Insurance Forms Committee Meeting

9:00am-5:00pm

Education Committee Meeting

9:00am-5:00pm

Technology Committee Meeting

1:30pm-4:30pm

Water Taxi Tour of Palm Beach*

2:00pm-4:00pm

Government Affairs Committee Meeting

Wednesday, October 16

8:00am-1:15pm

Discover the Florida Everglades Tour*

9:00am-12noon

Abstracters & Title Insurance Agents Section Executive
Committee Meeting (**ALL abstracter and agent members
are invited and encouraged to attend**)

9:00am-12:00noon

Title Insurance Underwriter Section Executive
Committee Meeting

9:00am-12noon

Title Insurance Forms Committee Meeting

9:00am-5:00pm

Lender/Life Counsel Meetings

11:00am-4:00pm

Affiliated Title Association Officer-Executive Brunch &
Meeting (*open to state association staff, officers, and their
guests*)

11:00am-2:30pm

Past Presidents' Luncheon

12:00pm-2:00pm

Lender/Life Counsel Luncheon

12:00noon-3:00pm

Indian Land Claims Committee Meeting

1:30pm-5:00pm

ALTA Board of Governors Meeting

2:00pm-5:00pm

Kayaking the Rivers of Palm Beach Tour*

5:30pm-6:30pm

First Time Convention Attendee Mixer

6:30pm-8:00pm

Ice Breaker Reception/Grand Opening of Exhibit
Showcase - "Hello, Florida!"

Thursday, October 17

7:30am-8:15am

TIPAC Board of Trustees Breakfast & Meeting

7:30am-8:15am

International Development Committee Meeting

8:00am-12:30pm

Exhibits Showcase

8:00am-1:00pm

Sail the Seas Tour*

8:15am-11:45am

General Session featuring *John Coursen, Chairman-Elect,
Mortgage Bankers Assn.; F. Gary Garczynski, President,
National Association of Home Builders; Claire Raines; and
Carlo Pellegrini, The Juggling Matrix*

10:15am-12noon

Dale Chihuly Tour with Champagne Breakfast*

11:45am-12noon

Title Insurance Abstracters/Agents Section Meeting

Preliminary Program

thursday, october 17, cont.

11:45am-12noon

Title Insurance Underwriters Section Meeting

1:00pm-2:00pm

TIAC Board & Shareholders Meeting

12noon-1:00pm

Educational & Expo Sessions

1:00pm-4:00pm

Palm Beach Mansions Tour*

1:15pm-2:30pm

TIPAC Luncheon (*ticketed event*)

3:00pm-6:00pm

Public Relations Committee Meeting

1:30pm-4:30pm

Water Taxi Tour of Palm Beach*

3:15pm-4:15pm

Education *al fresco: It's a Juggle Out There* featuring Carlo Pellegrini, *The Juggling Matrix*

friday, october 18

Morning Event: Companion/Guest Brunch

8:00am-11:30am

Exhibits Showcase

7:00am-8:15am

State Legislative/Regulatory Action Committee (SLRAC)
Breakfast & Meeting

10:15am-11:30am

Educational Sessions

7:00am-8:15am

Abstracter/Agent Research Subcommittee Breakfast

11:45am

Golf, Tennis & Fishing Tournaments (*ticketed events*)

8:00am-11:15am

General Session featuring *Mortgage Impairment Panel with Jim Maher, ALTA and Phil Schulman, Kirkpatrick & Lockhart, and Charting your Course for Success: ALTA's new Public Relations Campaign, with Frank Willey, ALTA President*

saturday, october 19

8:00am-10:30am

Exhibits Showcase

1:30pm-4:00pm

Croquet Lessons and Tournament (*ticketed event*)

8:00am-1:00pm

Sail the Seas Tour*

6:30pm -7:15pm

Reception

8:00am-1:15pm

Discover the Florida Everglades Tour*

7:15pm-11:30pm

Annual Banquet

8:30am-11:30am

General Session featuring *Hernando de Soto, Hot Topics Panel and Keynote Speaker Syndicated Columnist and Author Dave Barry*

**All tours are ticketed events. Tour descriptions and prices can be found at www.alta.org, as well as in the promotional brochure being mailed this summer. You can use the Registration Form in this issue to register for ALTA's 2002 Annual Convention and all ticketed events.*

Program Subject to change.



important information

Please Read the Following Carefully

1. Please submit one form for each primary registrant. Payment for the full amount of the convention registration, plus any additional optional participation fees, must accompany this form. You may fax your registration to ALTA at (888) FAX-ALTA or (202) 223-5843. Faxed registration forms will be processed only if accompanied by a credit card, otherwise, they will be held until payment is received and charged the applicable registration fee at that time.

2. Important Dates: Your fully paid registration must be postmarked by September 17, 2002 in order for you to qualify for discount registration fees and inclusion in the printed advance registration list. Those registrations postmarked after September 17 will be charged regular registration fees. You must register on-site in Palm Beach after October 1.

3. Hotel Reservations: Please call The Breakers at 561-655-6611 for your hotel reservations. Specify you are with the American Land Title Association. **The hotel cut-off date is September 17.**

4. Refund and Cancellation Policy: Refund requests for registration fees must be received in writing by October 1, 2002. A \$75 processing fee will be applied to all refunds. All optional events are fully refundable before October 1. **NO REFUNDS ON REGISTRATIONS FEES, TOURS OR TOURNAMENTS AFTER OCTOBER 1, 2002.**

5. Disability Assistance: If you have a disability or special dietary needs that require special attention, please indicate:

ALTA 2002 Registration Form

1. contact information

Primary Registrant

Name _____ Badge Name _____

Organization _____

Street Address _____

City _____ State _____ Zip Code _____

Phone _____ Fax _____ Email Address _____

Is this your first ALTA Convention? Yes No

Companion/Guest or Guest of Honorary Member

Name _____ Badge Name _____

2. registration fees

Registration Fees for the Annual Convention - Wednesday, October 16 through Saturday, October 19 - include: Ice Breaker Reception, General Sessions, Educational Sessions, Exhibit Hall Functions, Drawings and Annual Banquet Ticket. Please check applicable box(es).

Deadline:	Early Bird 9/17/02	Regular 9/30/02	On-site 10/01/02
1. Active/Associate Members	\$595	\$670	\$745
2. ALTA Honorary Members	\$225	\$225	\$225
	(If retired, registration is complimentary)		
3. Non-members	\$825	\$900	\$975
4. Companion/Guest (non-industry)	\$315	\$390	\$465
	Free Companion Brunch Ticket included-		
	Do you play to attend the Companion Brunch? <input type="checkbox"/> Yes <input type="checkbox"/> No		
5. Guest of Honary Member	\$150	\$150	\$150
	Free Companion Brunch Ticket included-		
	Do you play to attend the Companion Brunch? <input type="checkbox"/> Yes <input type="checkbox"/> No		

3. payment information

Payment Method

Registration Totals

Total Registration Fees: _____

Total Optional Events Fees: _____
(from reverse side)

Total Enclosed: _____

Check No. _____

M/C Visa AMEX

Acct. # _____ Exp. _____

Signature _____

4. optional events

Tuesday, October 15

A. Water Taxi Tour of Palm Beach: 1:30-4:30pm \$89 ___ ___

Wednesday, October 16

B. Lender Counsel Meeting - Member \$65 ___ ___

C. Lender Counsel Meeting - Guest \$70 ___ ___

D. Life Counsel Meeting - Member \$55 ___ ___

E. Life Counsel Meeting - Guest \$60 ___ ___

F. Affiliate Assoc. Executives Seminar & Brunch **Free** ___ **Free**

G. Extra Ice-Breaker Ticket \$75 ___ ___

H. Discover the Florida Everglades: 8am-1:15pm \$120 ___ ___

I. Kayaking the Rivers of Palm Beach: 2-5pm \$143 ___ ___

Thursday, October 17

J. TIPAC Luncheon: 1:15-2:30pm \$75 ___ ___

K. Chihuly Tour with Champagne Breakfast:
10:15am- 12noon \$245 ___ ___

L. Sail the Seas: 8am-1pm \$175 ___ ___

M. Water Taxi Tour of Palm Beach: 1:30-4:30pm \$89 ___ ___

N. Palm Beach Mansions Tours \$215 ___ ___

Friday, October 18

O. Grassroots/SLRAC Breakfast: 7-8:15am **Free** ___ **Free**

P. Companion/Guest Brunch **Free** ___ **Free**
(Free with Guest Registration)

Q. Companion/Guest Brunch Extra Ticket \$90 ___ ___

R. Golf Tournament \$220 ___ ___
(Complete section 4a at right)

S. Tennis Tournament \$125 ___ ___
(Complete section 4b at right)

T. Fishing Tournament \$220 ___ ___
(Complete section 4c at right)

Saturday, October 19

U. Discover the Florida Everglades: 8am-1:15pm \$120 ___ ___

V. Sail the Seas: 8am-1pm \$175 ___ ___

W. Croquet Lessons & Tournament: 1:30-4pm \$35 ___ ___

X. Extra Annual Banquet Ticket \$150 ___ ___

Total Options: \$ ___

Please fax Golf, Tennis, and/or Fishing registration by **October 1** to Sharon Johnson at ALTA, 1-888-FAX-ALTA.

4A. GOLF REGISTRATION (Item "R" in Optional Events Registration to the left) \$220 per person includes greens fee on Ocean Course, 4-person scramble, golf cart, boxed lunch, beverages, and awards. Proper golf attire is required for play. If we do not receive your preference by October 1, ALTA will do the pairings. Persons with whom you wish to play:

1. Name (Group Contact) _____

Company _____ Phone _____

Handicap or average score: _____

Club Rental: Yes Right Left Shoe Rental: Male Size ___ Female Size ___

2. Name _____

Company _____ Phone _____

Handicap or average score: _____

Club Rental: Yes Right Left Shoe Rental: Male Size ___ Female Size ___

3. Name _____

Company _____ Phone _____

Handicap or average score: _____

Club Rental: Yes Right Left Shoe Rental: Male Size ___ Female Size ___

4. Name _____

Company _____ Phone _____

Handicap or average score: _____

Club Rental: Yes Right Left Shoe Rental: Male Size ___ Female Size ___

4B. TENNIS REGISTRATION (Item "S" in Optional Events Registration to the left) \$125 per person. The tournament will be a mixed doubles round-robin. Proper tennis attire is required for play. Fee includes snack, court fee, balls, tennis pro, and awards

Raquet Rental: Yes No

Please indicate level of play: Beginner Intermediate Advanced

4C. FISHING REGISTRATION (Item "T" in Optional Events Registration to the left) \$220 per person. Fee includes transportation to marina, six-pack boat, boxed lunch, beverages, snacks, fishing equipment, and awards. Don't forget sunscreen and a hat. If we do not receive your boat companion preferences by October 1, ALTA will assign you a boat.

Persons with whom you wish to fish:

1. Name (Group Contact) _____

Company _____ Phone Number: _____

2. Name _____

Company _____ Phone Number: _____

3. Name _____

Company _____ Phone Number: _____

4. Name _____

Company _____ Phone Number: _____

5. Name _____

Company _____ Phone Number: _____

6. Name _____

Company _____ Phone Number: _____

Did You Miss the ALTA Directory of Technology Products and Services in the January/February Issue of *Title News*?

THESE NEW VENDORS HAVE BEEN ADDED

Entyre Doc Prep, Inc.
www.entyre.com

Financial Publishing Company
www.financial-publishing.com

GATORSystems
www.gatorsystems.com

Ingeo
www.ingeo.com

Lincoln Data, Inc.
www.lincolndata.com

PrintDepartment.com
www.printdepartment.com

RBJ
www.rbj.com

RamQuest
www.ramquest.com

Realty Assist
www.realtyassist.com

TitleSurf.com
www.titlesurf.com

Ultima Corporation
www.ultima.com

ALSO IN THE DIRECTORY AH Communicatons • APSCREEN, Inc. • Beacon Technology USA, LLC • CIM Services, Inc. • ClosingCounsel.com • Data Tree • Digital Delivery, Inc. • DTC Software • DTP Holdings, Inc. • Easy Soft, Inc. • First Data Systems, Inc. • Focus Land & Legal Technologies, Inc. • hal Systems Corporation • SMS/InfoStream • Landata Group, Inc. • Landata Systems, Inc. • Landtech Data Corp. • RealXchange.com • SMS • SoftPro Corporation • Standard Solutions, Inc. • Title Support Services, Inc. • TitlePac, Inc. • TitleSCAN Systems • TitleSoft, Inc. • UCLID Software • Virtual Desktop, Inc.

ALTA
DIRECTORRY OF
TECHNOLOGY
PRODUCTS & SERVICES

PLUS

Visit www.alta.org and click on Technology and then Technology Vendors to view the Directory online.

AMERICAN
LAND TITLE
ASSOCIATION



member news

Movers & Shakers

California



ALTA past president **Richard A. Cecchettini**, who began his title career in 1958 in Sacramento, retired as CEO of the Old Republic Title Insurance Group on June

30, 2002. Dick will continue to serve as chairman and as a consultant to the company.

Colorado

Cole A. Stremmel has been appointed vice president and retail manager of the Transnation Denver Metro operation of LandAmerica Financial Group. Stremmel, who has over 15 years experience in the title industry, previously served as vice president and retail manager in Chicago.

Ohio

Charles C. Cain has been appointed vice president and Midwest affiliated business manager for the states of Indiana, Illinois, Michigan, Minnesota, Ohio, and Wisconsin for LandAmerica Financial Group. With over 25 years experience, Cain has been a licensed title insurance agent and operated his own agency for 18 years.

Pennsylvania



Steve Emery has been appointed the western Pennsylvania area counsel in the Pittsburgh office of LandAmerica Financial Group. Previously Emery served

in the same capacity for another major title insurance company also in Pittsburgh.

Texas



LandAmerica Financial Group Richmond, VA, has announced that **Lloyd R. Draper**, senior vice president and southwest division

manager, will expand his management responsibilities. Draper will now oversee all direct operations in Texas, New Mexico, and Oklahoma. Draper has 26 years experience in the title insurance industry.



Dean Sukeena has joined the National Title Services division of Stewart Title Guaranty Co., Houston, as a national business development officer,

concentrating his efforts on affiliated business arrangements. Sukeena was most recently with Chicago Title Insurance Co.

Minnesota

Old Republic National Title Insurance Company, Minneapolis has announced the promotion of **Ronald Blitenthal** to vice president and governmental affairs counsel. He will represent the company before state and federal regulators and act as representative to the National Association of Insurance Commissioners and other organizations. Most recently he was vice president and counsel for the company's Central operations.

new ALTA members

ACTIVE MEMBERS

Alabama

Karon Higgins
Southern Title & Escrow Company
Athens

Arkansas

Theresa Hendricks
Hendricks Title Company
Little Rock

Connecticut

Linda Sasur
L.Sasur Title Services, LLC
Gales Ferry

Amanda Blair
Sole Proprietor
Old Lyme

Gail Frey
Advanced Title & Closing Services
Wallingford

Florida

Barbara Sanders
Barbara Sanders, P.A.
Apalachicola

Susan Levin
Alpha Title Company
Delray Beach

Lori Grimes
Geodata Research Systems, Inc.
Fort Myers Beach

Diane Price
Atlantic Title of St. Augustine
Saint Augustine

Sheila Desauters
Top Notch Title Company
Tampa

Minnesota, cont.



Stewart Title Guaranty Co., has named **Renee Haglund Tierney** as vice president, Minnesota division manager, and president of Stewart Title of Minnesota.

Tierney worked in the title industry for many years, having responsibility for sales and marketing, escrow operations management, and national service coordination. In 1997 she served as president of the Minnesota Land Title Association.

Mergers & Acquisitions

First American Title Insurance Co., Santa Ana, CA, has acquired Palm Coast Abstract & Title Co. and Blyar Financial, Inc. both of Palm Coast, FL.

Alliances

LandAmerica Financial Group, Inc., Richmond, VA, announced that it has formed a joint venture with The First American Corporation Santa Ana, CA, the nation's leading diversified provider of business information and related products and services, to combine its real estate valuation operations.

new ALTA members

Georgia

Susan Clark
Red Clay Abstract, LLC
Atlanta

Carl Sheffield
Sheffield Land Title
Atlanta

Georgia, cont.

Melisa Davis
Melisa Davis, Attorney at Law, LLC.
Chatsworth

Richard Setser
Calibre Title Research, Inc.
Decatur

Tracy Collins
Collins Title, Inc.
Suwanee

Cathy Harbin
Sole Proprietor
Winder

Illinois

Juliette Davis
Neighborhood Title Services, LLC
Chicago

Maryland

Shelley List
Sole Proprietor
Baltimore

Wendy Hawkins
Sole Proprietor
Cockeysville

Jeffrey Shiller
Royal Land Title of MD, LLC
Columbia

Larry Holland
Bankers Title & Settlements, Inc.
Greenbelt

Ronald Nacamuli
Ronald Nacamuli, Attorney at Law
Winchester

Michigan

Sandra Peck
Advantage Title & Escrow Agency Inc.
Hastings

Minnesota

David Crotty
American Abstract and Title Inc.,
Duluth

Missouri

Gary Wasson
McDonald County Title & Escrow, Inc.
Jane

Montana

Allan Williams
Rocky Mountain Land Title
Company
Bozeman

Leila Pugh
Flathead County Title Company
Kalispell

Nebraska

Nyla Stueckrath
Big Red Title
Norfolk

New Jersey

Joseph Dicniara
Express Title Agency
Green Brook

New York

George Torrella
Torrella- NY Closing Services
Valley Stream

North Carolina

Stephen Smith
SBC Title Company
Eden

Ohio

Terry Thomas
T.L.T. Titles
Carlisle

Bullock Titles
1051 Patterson Rd.
Dayton

Charles Daley
First Lima Title Agency, Inc.
Lima

Kenneth Hrezik
Barrister's Title Agency, Inc.
Middleburg Heights

new ALTA members

Oklahoma

Thomas Vandivort
Alliance Title, Inc.
Tulsa

Pennsylvania

David Harris
Harris Land Abstract
Clarks Summit
Charles Hinson
Ionn Abstract Company
Harrisburg

Rhode Island

George Manley
Greenwich Bay Title & Abstract Co.
East Greenwich

Wisconsin

John Stellmacher
Landmark Title of Walworth County,
Inc.
Elkhorn

Utah

Dody Blauer
Premier Title & Escrow Insurance
Agency Services
Brigham City

Virginia

David Dykes
Sole Proprietor
Charlottesville

Virginia

Susan Holler
Mid-States Title Insurance Agency, Inc.
Fairfax

Kathleen Michener
ClosingGuard, Inc.
Fairfax

Catherine Matheis
Progressive Title of Portsmouth, Ltd.
Portsmouth

NEW UNDERWRITER MEMBERS

Nevada

Cathy Jones
Westcor Land Title Insurance Co.
Las Vegas

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title software less than rosy?

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new ALTA members

ASSOCIATE APPLICANTS

Arizona

William Moore
ProNet Solutions, Inc.
Phoenix

Maryland

Deborah Curran
Curran & O'Sullivan, P.C.
Laurel

Washington

Jan Hollenbeck
Reconveyance Services
Monroe

Business Analyst

SoftPro is expanding and needs a talented Business Analyst to help guide new-product customizations. This person will interface with clients to gather and define business requirements, write effective and detailed business requirements, use case and test cases, effectively translate business needs into specifications, and work closely with developers and quality-assurance specialists. The ideal candidate will have knowledge of real estate, escrow and title industries, excellent written and verbal communication skills, Microsoft Office experience, exceptional customer-service skills, exceptional attention to detail, and the ability to lead discussions. Knowledge of competitive products a plus.

Please mail, email, or fax resume with cover letter to:

SoftPro Corporation
333 E. Six Forks Road, Suite 200
Raleigh, NC 27609
Fax (919) 755-8350
HR@softprocorp.com

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LTI	12
Qwest	16
SoftPro Corporation	Cover 2
TIAC	17
Title Data	Cover 4
TitlePac, Inc.	11
Title Program Administrators	30
TitleSoft.....	39
Ultima	21

In-House Counsel

Regional title insurance company seeks in-house counsel to manage and direct all legal services including claims administration, underwriting support for residential and commercial transactions, forms and rate filings in multiple states and insuring compliance with state and federal laws and regulations.

Send resume to:

Atlantic Title
P.O. Box 8627
Columbia, SC 29202

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