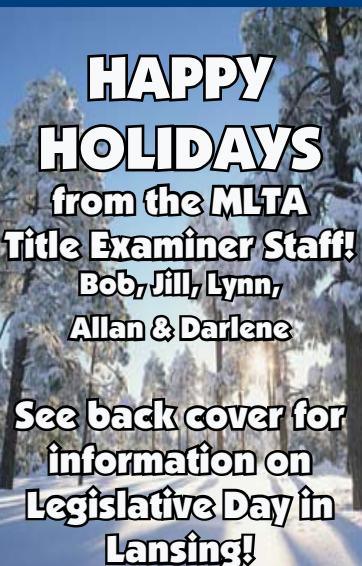




# THE TITLE EXAMINER

A PUBLICATION OF THE MICHIGAN LAND TITLE ASSOCIATION

WINTER 2009



## WHAT'S INSIDE

Board of Directors Info .....	2
Member Spotlight .....	3
Welcome New Members .....	3
Sponsorship Showcase .....	3
Association Update .....	4
Customer Service .....	4
Legislative Update .....	5
Abstractions .....	6
Views from the Top .....	7
ALTA Annual Convention .....	8
Truth In Lending .....	9
MLTA Fall Seminar .....	10,11
Case Brief Due Diligence .....	12
FTHB Tax Credit .....	13
FTC Prohibits Restrictions .....	14
Troublesome Railroads .....	15
QPRT .....	17
Robert Jay .....	18
Housing Statistics .....	18
Mind Capture Marketing .....	19
Upcoming Events .....	20
Legislative Day .....	20
 Advertisers:	
Lighthouse Insurance Group .....	7
SoftPro .....	11
ALTA Ad .....	12
A.S.K. .....	15
Beckwith Financial Group .....	16

## The New RESPA Rule & Preparation of the HUD-1 Settlement Statement

by Sarah Sutton, State Agency Manager - Michigan, Fidelity National Title Group

The Fall MLTA Education Seminar included a presentation on the New RESPA Rule & Preparation of the HUD-1 Settlement Statement. To better understand the entire process, we reviewed the new Good Faith Estimate (GFE) Form, along with the new HUD-1 Settlement Statement Form and how the forms work together to provide the borrower comparison information that refers to line items tied in to each form.

Tolerances, for increases from the time the borrower is provided the GFE to the closing table, fall into 3 categories or "buckets":

If, at the time of closing, the lender is out of tolerance in the first (zero tolerance for increase) and/or second "bucket" (10% tolerance for increase from the time the GFE is given to the closing table) – the lender will have a 30 day time frame to "cure" being out of tolerance by sending the borrower a check. The opportunity to cure violations of the tolerances is an important tool for loan originators to manage compliance with the tolerance requirements. The opportunity to cure will permit loan originators to give an estimate of expected settlement charges in good faith, without subjecting them to harsh penalties if the estimate turns out to be lower than the actual charges at settlement.

Right to cure is available to lenders if they repay the consumer any charges that exceed tolerances on settlement services estimates on the GFE. Otherwise, the overages will be considered a violation of RESPA, Section 5. The onus is on the lender for repayment (NOT settlement agents) and they have 30 days after closing to discover and repay the overages. Closing agents also have 30 days to cure any errors or omissions on the HUD 1/1A. A violation of any of the requirements for completing the HUD-1/1A shall be deemed to be a violation of section 4 of RESPA. An inadvertent or technical error in completing the HUD-1/1A shall not be deemed a violation of section 4 of RESPA, if a revised HUD-1/1A is provided to the borrower and/or seller within 30 calendar days of settlement. This opportunity to cure errors on the HUD-1/1A is consistent with HUD's longstanding policy permitting settlement agents to provide revised HUD-1/1A settlement statements where errors are discovered after settlement.

Instructions for completing the HUD-1 settlement statement, required under section 4 of RESPA and 24 CFR part 3500 (Regulation X) of the Department of Housing and Urban Development regulations, include line by line instructions for completing the HUD Settlement Statements. Of particular interest is the way we will be listing items that will be paid by the seller in relation to items that are required to be quoted to the borrower on the GFE:

**EXCERPT:**  
As a general rule, charges that are paid for by the seller must be shown in the seller's column on page 2 of the HUD-1 (unless paid outside closing), and charges that are paid for by the borrower must be shown in the borrower's column (unless paid outside closing). In order to promote comparability between the charges on the GFE and the charges on the HUD-1, if a seller pays for a charge that was included on the GFE, the charge should be listed in the borrower's column on page 2 of the HUD-1. That charge should also be offset by listing a credit in that amount to the borrower on lines 204-209 on page 1 of the HUD-1, and by a charge to the seller in lines 506-509 on page 1 of the HUD-1. If a loan originator (other than for no-cost loans), real estate agent, other settlement service provider, or other person pays for a charge that was included on the GFE, the charge should be listed in the borrower's column on page 2 of the HUD-1, with an offsetting credit reported on page 1 of the HUD-1, identifying the party paying the charge. This will allow the borrower to be able to compare "apples to apples" on any GFE's obtained from lenders when shopping for a loan AND to be able to come to the closing table and lay the GFE next to the HUD-1 to see how the original estimated costs compare with the final charges listed at closing.



# MLTA

Michigan Land Title Association  
Board of Directors 2009-2010

## Officers:

**President:** Douglas D. McFarlane  
Corporate Title Agency  
209 East Broadway, Mt. Pleasant, MI 48858  
Phone: 989-773-3241 Fax: 989-773-6221  
dmcfarlane@corporatetitle.com

**President Elect:** Timothy J. McDonnell  
Old Republic National Title Insurance Company  
4000 Main St. Suite 150, Bay Harbor, MI 49770  
Phone: 810-599-4878 Fax: 734-786-8413  
tmcdonnell@oldrepublictitle.com

**Secretary-Treasurer:** Catharine B. Lamont  
LaMont Title Corporation  
333 W Fort St., Suite 1750, Detroit, MI 48226  
Phone: (313) 963-3100  
Fax: (313) 963-5488  
clamont@lamonttitle.com

## Directors:

Allan G. Dick  
Best Homes Title Agency, LLC  
23100 Providence Drive, Suite 100  
Southfield, MI 48075  
Phone: 248-286-3800 Fax: 248-286-3801  
adick@besthomestitle.com

Marcy Welburn  
Transnation Title Agency of Michigan  
1675 Watertower Place, Ste. 200, East Lansing, MI 48823  
Phone: 517-318-4390 Fax: 517-318-4361  
mwelburn@transmi.net

Diana Parker  
First American Title Insurance  
390 Spaulding Ave. S.E., Ada, MI 49301  
Phone: 800-399-3003 Fax: 866-907-5034  
dparker@firstam.com

Robert Wuerfel  
Lighthouse Title Group  
86 W. 8th, Holland, MI 49423  
Phone: 616-820-7258 Fax: 616-396-5495  
bwuerfel@lighthousegroup.net

Lisa Cicinelli  
Old Republic National Title Insurance  
4000 Main Street, Suite 150  
Bay Harbor, MI 49770  
Phone: 231-347-8310 Fax: 231-347-0855  
lcicinelli@oldrepublictitle.com

Meredith Weingarten  
Fidelity National Title Group  
1360 East 9th Street, Suite 500  
Cleveland, Ohio 44114  
Phone: 800-229-3310 Fax: 216-861-8171  
weingardenm@ctt.com

**Past President & Ex-Officio Officer:**  
Anthony Viviani  
Lighthouse Title Group  
31408 Harper Ave., Ste. 132, St. Clair Shores, MI 48082  
Phone: 313-418-6458 Fax: 616-396-2486  
aviviani@lighthousegroup.net

**Executive Director:** Christian H. Kindsvatter  
Kindsvatter & Associates, Inc.  
1000 W. St. Joseph Highway, Suite 200  
Lansing, MI 48915  
Phone: 517-374-2728 Fax: 517-485-9408  
mlta@KindsvatterAssociates.com

(HUD-1 Settlement Cont. from page 1)

The "title section" 1100 series on the HUD will have some major changes, as items are "rolled up" and entered as lump sums.

**EXCERPT FROM LINE BY LINE INSTRUCTION FOR COMPLETING THE HUD:**  
Line 1101 is used to record the total for the category of "Title services and lender's title insurance." This amount must be listed in the columns.

Line 1102 is used to record the settlement or closing fee.

Line 1103 is used to record the charges for the owner's title insurance and related endorsements. This amount must be listed in the columns.

Line 1104 is used to record the lender's title insurance premium and related endorsements.

Line 1105 is used to record the amount of the lender's title policy limit. This amount is recorded outside of the columns.

Line 1106 is used to record the amount of the owner's title policy limit. This amount is recorded outside of the columns.

Line 1107 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title agent. This amount is recorded outside of the columns.

Line 1108 used to record the amount of the total title insurance premium, including endorsements, that is retained by the title underwriter. This amount is recorded outside of the columns.

Additional sequentially numbered lines in the 1100-series may be used to itemize title charges paid to other third parties, as identified by name and type of service provided. On the negative side, the rule retains disclosure of the agent/underwriter premium split on the HUD 1/1A. ALTA made strong arguments that this is a private contractual agreement between commercial entities that should remain private, and that disclosure will have anti-competitive repercussions that could result in higher prices for consumers. But HUD determined that consumer disclosure of this split is more important.

The final rule will allow all settlement service providers to utilize average costs for services excluding any service that is based on the value of the property or loan. Because they are based on the value of the property, insurance premiums cannot be averaged. But, fees for services such as credit reports, courier fees, etc. can be average priced. The formula includes using the total amount of the average costs over the utilized time period (1 to 6 months) and must not exceed the total amount paid for those services. In other words, some may pay a bit more and some may pay a bit less, but in the final analysis, the average cost totals can't be greater than what the total would be if exact fees were charged. There is a three year record keeping requirement, and the time period for averaging must be updated regularly (i.e. if a 6 month time frame was used for the data – it must be updated again in 6 months).

Change often causes most of us to be uncomfortable, but this one is here to stay so, rather than fight it, we must embrace it. If we choose to see opportunity in this new RESPA Rule, we can pursue positive ways to communicate with our Lender and Realtor customers and offer our services to make this a smooth transition. We have a unique window of time to develop and provide valuable support to lenders – assisting them with providing precise estimates relative to our industry costs to make their Good Faith Estimates accurate AND educating and communicating with Realtors to be sure we all have the skill sets to prepare borrowers for the possible circumstances this Rule could create – to professionally bring the closing to fruition for all parties concerned. After all – that's what we do best. 

## **THE TITLE EXAMINER STAFF**

Editor & Board Representative: Bob Wuerfel - Lighthouse Title Group

Publishers: Lynn Stuk & Jill Smalldon - Lighthouse Title Group

Communications: Darlene Wilsey - Commonwealth/Lawyers Title

Allan Dick - Best Homes Title Agency, LLC

Photographer: Jill Smalldon, Lighthouse Title Group

## **CONTACT**

Jill Smalldon 616-820-7282 - jsmalldon@lighthousegroup.net  
or MLTA 517-374-2728

with any questions, comments, or if you would like to contribute.

# MLTA Member Spotlight

**Name:** David Nichols  
**Position:** President/Owner  
**Company:** America's One Title Agency, Inc.

**MLTA Involvement:** MLTA Member, participated in spring/fall seminars since 2008, annual convention in 2009.

**Personal Interests/ Hobbies:** My family (Wife Jennie, Son 10yrs Zach, Daughter 6 yrs Grace) boating, hiking, skiing, golf

**Something about you to share with the MLTA members:** I hold a year round

volunteer position as Media Coordinator for Operation Christmas Child, The World's largest Christmas project. Kids, families, schools, churches and community groups participate by filling shoe boxes with items such as school supplies, toys, necessity items, candy and a letter of encouragement. The boxes are sent to hurting children in underprivileged countries around the world. Last year OCC collected and distributed almost 8 MILLION. You can get involved by visiting [www.samaritanspurse.org](http://www.samaritanspurse.org).



**Name:** Charity Anderson  
**Position:** Owner  
**Company:** Cornerstone Title Insurance Agency

**County & Office you work out of:** Grand Traverse County

**MLTA Involvement:** I have attended several MLTA conferences and education seminars, to date. In addition, I recently joined the Education committee.

**Personal Interests/ Hobbies:** Skiing, bicycling, Youth Group Ministries at Church.

**Something about you to share with the MLTA members:** I have benefitted from being taught by brilliant teachers whom I admire so much. Because of them, my loyal customers and God's grace, my business is taking off!



**Name:** Bruce Redman  
**Position:** Owner  
**Company:** Redman Law Firm  
**County & Office you work out of:** Bloomfield Hills

**MLTA Involvement:** Member since 2006. Speaker at the Spring Education Seminar 2009. Participated in the Habitat for Humanity build at the 2009 Summer Conference.

**Personal Interests/ Hobbies:** Reading, golf, tai chi.

**Something about you to share with the MLTA members:** I have a strong commitment to educating both MLTA members as well as the public regarding various aspects of real estate law. In the summer of 2009, I held several free seminars for homeowners who were having trouble making their mortgage payments. I was able to educate dozens of individuals in the various options available to them and assisted many in working with their mortgage company to save their homes.



## Sponsorship Showcase

by Marcy Welburn, Transnation Title Agency

### Bronze Sponsor....

McClelland & Anderson, L.L.P.



McClelland & Anderson, L.L.P. is a Lansing-based firm specializing in real estate, land use, and commercial litigation. The Firm represents the Michigan Association of REALTORS®,

numerous local associations and individual brokerage companies throughout Michigan, the Michigan Associations of Home Builders, national title insurance companies and the lenders and property owners they insure, and many developers and property owners.

THANK YOU!

## Welcome New Members

State Street Title Agency (Ann Arbor)

River Valley Title (Grandville)

Wayne County Register of Deeds (Detroit)

Lighthouse Insurance Group (Kentwood)

www.malansing.com  
1305 South Washington Avenue, Suite 102  
Lansing, Michigan 48910

# The Strength in Numbers of our Michigan Land Title Association As We Wrap Up 2009!

What is so amazing is that we are basically at the same level as a year ago from a numbers standpoint, but in reality, we've grown as an Association. How is this possible?

**Underwriters:** it may seem that we're down 6, but in reality, it was the merging of the 6 families of underwriters under the Fidelity Umbrella, and the 2 (United General and FATCO) under the First American Umbrella. Thus we're the same in this category.

**Abstractor/Agent:** We've seen agency mergers, acquisitions and even a few closures within the past year, yet to make up for these, we've had nearly a dozen new Abstractor/Agents join within this past year and have actually surpassed the previous yearly number with the addition of the two newest members listed on page 3.

**Professional:** While this category dropped a bit at renewal time, we've added over a half dozen affiliates including a couple of County Register of Deeds to nearly equal last years numbers.

It is great to see that the commitment to the Michigan Land Title Association remains solid and strong!

Category	2008-09 Renewals to date (July 1 - June 30)	2009-10 Renewals to date (July 1 - June 30)
Underwriters	10	4
Abstractor/Agent	101	102
Professional	28	27

Have a wonderful Holiday Season and I wish you much success in 2010!

*Bob Wuerfel*

MLTA Title Examiner Editor

Communications & Public Relations Chairperson



## Service is Not Enough! Go for “Customer Surprise”

by Darryl Turner, CEO, Title Solutions Group

Wow, you mean that you offer your customers great service? Well then people should be lining up to do business with you, right? While it is very important to deliver great service to your customers, the most dangerous thing you could do is to think that it is the business you are in. Too often people tell me that they are in the service business, and that is basically where they have gone seriously wrong.

Here is a truth...Service is not enough!

The truth about service is that it can cause you to lose customers if bad, but it will not cause you to gain customers if it is good. The reason? Service is an expectation. If you meet that expectation then customers stay, but if you don't they leave.

So why then do most people think that the most important thing they offer is service? Here is some psychology for you; apathy is the enemy of all. It is the enemy of what you want to accomplish, what you want to do and who you want to be.

When we decide that service is the reason someone ought to become a customer of ours, it creates in us the most dangerous form of apathy. That form of apathy is that which we buy into.

Most people I talk to firmly believe that they currently deliver great service. In other words, they have convinced themselves that their level of service is excellent. If, in their mind, their service is excellent, and they believe that service is the reason people should do business with them, then they have decided that there is nothing they should do to attract new customers. In other words, we have what people want. They feel they have great service and

4 in their mind that is what people want. So it is not up to them to do anything else, the people should just start

doing business with them.

Even though this sounds silly, it is a trap people get into every single day in the title business. Service will not be your sales platform. Anything that is an expectation for the customer can never be the item used to grow your business with.

Value is only that which exceeds expectation. If great service is an expectation then it will never be that thing that creates value.

Never forget that service may not be a catalyst for value, but it is very important. Too often, our problem is that we confuse the items of importance with the items of value. Take service away and you will lose every customer you have, but try to increase it as a tool to grow your business and you will never accomplish your growth goals.

According to Webster's: **Service**; the occupation of a servant. Although very important, avoid apathy by realizing that the attraction to your company will be higher than service. It will have to be something that surprises the customer. 



*Darryl Turner is the CEO of Title Solutions Group. A growth strategy company specifically designed to assist title agencies in the revenue development endeavors. For more information about Darryl Turner, email: [info@darrylturner.com](mailto:info@darrylturner.com) or visit [www.DarrylTurner.com](http://www.DarrylTurner.com)*

# MLTA Legislative Update

*Cami M. Pendell, JD, Manager of State Government Affairs*



## Beginning the New Year with a Deficit

The House Fiscal Agency (HFA) released its Revenue Review report in which they provide a quarterly revenue report for the state of Michigan. Although the numbers are preliminary and will not be finalized until the end of December, the HFA expects that the General Fund will be down \$90 million and the School Aid Fund will be in the red \$45 million since the May 2009 consensus revenue estimating conference took place. Tim Ward, MLTA's lobbyist, said "the State's finances continue to face severe challenges and next year's budget doesn't get any easier. At this point, the 2011 budget is expected to have a \$1.8 billion deficit between the General Fund and School Aid Fund." The next consensus revenue estimating conference is scheduled to be held in January.

## New State Senator Elected in Special Election

On November 3rd, citizens of the 19th state Senate District overwhelming selected Mike Nofs (R-Battle Creek) to represent them in the state's upper chamber. This district includes all of Calhoun County and part of Jackson County. Nofs received 61% of the overall vote (20,237), while Marty Griffin (D-Jackson) had 34% (11,184). Representative Griffin has already stated that he will not seek a rematch against Nofs in next year's regular election for that seat.

## Michigan Supreme Court Begins 2009-10 Term

On October 5th, the Michigan Supreme Court began its new term. That week kicked off a series of hearings on controversial cases including Insurance Institute of Michigan, et al. v Commissioner, Financial & Insurance Services - a case involving insurance companies' use of credit scoring when setting individual customer rates. In 2005, the Insurance Commissioner promulgated rules which prohibit the practice that first began in 1997. The Insurance Commissioner's position is that credit scoring is a discriminatory practice and places the burden to pay on those that are least able to do so. The Insurance Institute of Michigan, along with other insurance companies and several individual customers, filed suit to stop the implementation of the rules. Amicus curiae involved include the Michigan Association of Realtors, Michigan Association of Home Builders, Michigan Chamber of Commerce and the Insurance and Indemnity Law Section for the State Bar of Michigan. The plaintiffs contend that the Insurance Commissioner overstepped his powers. Additionally, they state that 60% or more of policy holders will incur a rate increase if they cannot use credit scoring. Whatever the Court decides, it will have significant implications on the scope of power that regulators have in this state.

## CEO Driven Business Organization Unveiled

Detroit Renaissance and the Michigan Business Leadership Council announced they are uniting to form a new organization called "Business Leaders for Michigan". They developed a Michigan Turnaround Plan which is described as a strategy that lays out the case for change, sets achievable goals, identifies specific action steps and explains the impact of change. Their recommendations encompass the following: the state changing the way it manages its finances; right-sizing government and enacting budget reforms; having the state become more competitive to attract and retain jobs; the state investing in a manner that creates

a positive job environment; and, accelerating job growth through innovation and entrepreneurship. Additional information can be found on their website at [www.businessleadersformichigan.com](http://www.businessleadersformichigan.com).

## Federal CommerceConnect Located in Michigan

U.S. Commerce Secretary Gary Locke announced the launch of the Commerce Department's first business "one-stop shop" at the Michigan Manufacturing Technology Center in Plymouth. The new CommerceConnect office will help make the department's services more accessible by putting all their services under one roof with specialists trained on the broad range of programs Commerce offers. This center is designed to connect business people with resources offered by the federal government - including research, analysis, market advice and financing options.

## State Spotlight...Sen. Van Woerkom

In an effort to better acquaint MLTA members with legislators or regulators that Michigan Legislative Consultants work closely with on MLTA issues, we will begin an article series entitled State Spot Light. In this edition, we have selected Sen. Gerald Van Woerkom.

Prior to being an elected official, Sen. Van Woerkom served for 28 years as a teacher and administrator in the field of Christian education, retiring in June of 1997. After retirement, he ran for the state House of Representatives and won the 1998 election. He held the 91st House District which included Muskegon. In 2002, he ran for the 34th state Senate District which encompasses Mason, Muskegon, Newaygo and Oceana Counties and was successful in that bid as well. That election was followed-up with a successful re-election in 2006.

Currently, Sen. Van Woerkom is the Chair of the Agriculture and Bioeconomy Committee and Chair of the Local, Urban and State Affairs Committee. He serves as the Vice-Chair of the Education Committee and the Vice-Chair of the Natural Resources and Environmental Affairs Committee. In addition to these assignments, he is also a member of the Transportation Committee and the Joint Committee on Administrative Rules.

Sen. Van Woerkom's community involvement includes being a member of: the Muskegon County Local Emergency Planning Committee; Muskegon County Farm Bureau; Ducks Unlimited; Muskegon Chapter of the NAACP; and, Calvin Christian Reformed Church. He is also active in the White Lake and Muskegon Lake Public Advisory Committees and in several Muskegon County watershed projects.

On a more personal note, Sen. Van Woerkom has been married to his wife, Valerie, for over 38 years. They have five grown children and several grandchildren. 

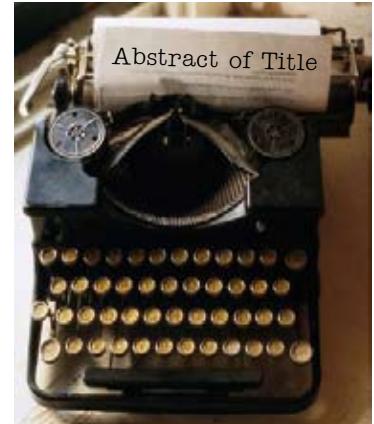
# ABSTRACTIONS

by Allan Dick, COO, Best Homes Title

Well, first, the big news. Attorneys Title Agency announced that it has acquired a controlling interest in Seaver Title Company. The acquisition closed November 16, 2009. Phil Seaver will continue to serve as president of Seaver Title Company, which will continue to operate and expand in Southeast Michigan.

As I am sure you know by now, Congress not only extended the first-time home buyer credit (up to \$8,000) to June 30, 2010, so long as a binding purchase contract is signed by April 30, 2010, it also approved a tax credit of up to \$6,500 for repeat buyers. The hope is that this will stimulate home sales through the typically slower 4th quarter of 2009 and first quarter of 2010.

MLTA's Lobbyist, Tim Ward, from Michigan Legislative Consultants, typically brings us up to speed on the Lansing front at our MLTA Conventions and Education Seminars. The most recent, well attended, Seminars were no different – except that Tim has also added humorist to his many talents. He pointed out that the Michigan Legislature would be taking its annual break for the commencement of deer hunting season - but, he noted, only five of all the legislators had actually gotten hunting licenses. Sounds like the tail wagging the ... deer. (Wonder what my good friend Lester Sam Hill would have to say about that.) Ah, well, there wasn't that much left on the agenda for the legislature anyway ...



But, speaking of the MLTA Education Seminar, another fine job turned in by the Education Committee and the informative speakers – bravo. The October presentation in Mt. Pleasant marked a somewhat momentous change of venue, from the former Holiday Inn (most recently the Soaring Eagle Inn) on the north end of town near the casino, to the Comfort Inn on the south end of town and on the edge of the CMU campus.

The transition was smooth, for the most part (one of our speakers went to the wrong site – probably on auto-pilot), and the feedback from the evaluation sheets confirmed that we will continue at the new location. As we get to know the surroundings a bit better, we will no doubt discover little tips to share – like this Comfort Inn has a covered passageway to the adjacent Bennigans, where a few of us gathered as in the old days at Boomers. Join us next time!

What would this column be without foreclosure news? Michigan foreclosure activity rose 22% in the third quarter, placing Michigan eighth nationwide. One in every 122 households is in some stage of default or foreclosure. But now, Fannie Mae has a new program for renting homes back to the defaulted homeowners, in a "deed for lease" arrangement, intended to help stabilize neighborhoods and keep people in their homes.

And speaking of foreclosures and vacant homes, a number of communities have created new ordinances intended to retard the deterioration of property and neighborhoods, charging for special inspections and registrations of vacant homes. In addition, many municipalities have placed special assessments against the foreclosed properties for trash removal, maintenance, weed cutting, and snow removal. If you are acting as settlement agent for an REO sale, or a vacated home, be sure to check with the local community to make sure there are no special fees that need to be addressed in the closing context.

How about some good news? A recent CNN report recited a study by the National Association of Homebuilders and Wells Fargo Housing Opportunity Index, rating the most affordable cities to buy a house. Michigan placed three cities in the top five – Detroit (#3), Warren (#4) and Grand Rapids (#5). Only Indianapolis and Youngstown, Ohio finished higher.



As I am pretty sure you will read elsewhere in this edition of The Title Examiner, the MLTA Summer convention for 2010 will be at Bay Harbor for the first time! That should be fun! (Think summer.) Word has it that we will also be treated to the sounds of a new title band (as yet unnamed) consisting of John Bommario, Adam Kutinsky, Tobias Lipski, David Martyn and Tony Viviani, who will entertain us after the ice-breaker reception and barbecue. Tasty!

And finally, I couldn't help but chuckle at Lester Sam Hill's comment that the economy "seems to be picking up steam." Translation: a little water and a lot of hot air. But, let's hope he is right. Oh yes, and if you wanted to go out and purchase everything for the Twelve Days of Christmas, the cost is now calculated to be \$87,000, with another \$10,000 for shipping! Maybe next year ... Meanwhile, Happy Holidays to you all! ☺

# Views from the Top

by Lester Sam Hill



Greetings from the North to all my land title buddies. Hard to believe that it is already snowing up here. Us northern title people always look at this time of the year as the time to catch our breath after the busy season and it's time to be sightin' in our deer huntin' guns. While saying we had a busy season is a tad iffy, me and my law partner Gordie Gillespie got our guns sighted in to a pin point at 300 yards. I can hardly wait to start chomping all that bad food and good beer at camp...already got a few prize tails to spin that ought to make me the winner of the annual Lie Swapping Contest. Good thing we ain't got any politicians in our camp or us common folk wouldn't have a chance at winning.

Speaking of those politician folks, it sure is special that the state politicos got that budget adopted, eh? Truth is me and Gordie were hoping they wouldn't do it so as to shut down the government for a bit...couldn't hurt anything we figure.

Me and Gordie got some good news from Washington though. We created a construction company and got some of that stimulus money to build some roads up here. Won't the boys at camp be surprised to see all our two tracks paved? Only problem is me and Gordie created the company on paper and are having a devil of a time figurin' out how to get it done. We were hopin' to get Travis "the Mixer" McMaster as sort of subcontractor, but he's saying we got a math problem. Seems the \$15,000 we got won't get the job done of paving 8 miles of trails. The rat also wrote and told the Federal Paving Czar about us, hoping to cash in on some kind of whistle blower reward or something. Those guys in Washington don't read their mail, so me and Gordie aren't too worried. Well, this year is ending on kind of a whimper for the ole title business –

wouldn't you say? Me and Gordie been beefin' up our law business to offset. So far we have 50% more clients this year than last and all three of them pay on time. New client #1 is Buffy Sobermill. Her beauty salon, "Buffy's Beauty Buffet", is loaded with old equipment and stairs and steps all over the place. Judge I.B. Wright, my old

buddy, told me his wife Winnie got shocked by the hooded hair dryer and fell down the stairs running from fear and she is thinkin' of a law suit. Me and Gordie could get through the winter defending Buffy 'cause ole I.B. has gotta call in Judge "Iron Eagle" Iglot from the next county over. He's as bald as an eight ball and proud of it and when he gets a gander at Winnie's hair piled up like a cotton candy from the county fair and just as pink we figure we got a chance to win.



Well, keep a stiff upper lip as my pappy always told me. Things are gonna get better. Economy seems to be pickin' up some steam. Our great State is a strugglin' for sure but we got a lot of good people here so we will get her figured out. That's the way I see it and this is the view from the North so you can see from the country what it looks like from here to there from time to time.

Regards,

*Lester Sam Hill*

## WHAT'S MISSING IN YOUR BUSINESS...

**the trustworthy professionals at Lighthouse Insurance!**



**Lighthouse**  
INSURANCE GROUP

**800-344-3531**  
**LighthouseGroup.net**

Contact Aaron Symonds at Ext. 7893  
[asymonds@lighthousegroup.net](mailto:asymonds@lighthousegroup.net)

### INSURANCE SERVICES:

- Commercial Property & Auto
- General Business Liability
- Errors & Omissions
- Dental & Vision
- Life
- Disability: Short and Long Term
- Section 125/Flex
- Voluntary Benefits
- Retiree Plans and More!



# 2009 ALTA Annual Convention

Palm Beach, Florida



by Doug McFarlane, MLTA President,  
Executive Vice President, Corporate Title Agency

The 102nd Annual American Land Title Association took place October 21-23, 2009 at The Breakers in Palm Beach, Florida. Although you would expect attendance to be way down in these difficult times, it was not significantly so.

The meeting for State Officers in advance of the convention was very interesting. There were 20 to 30 state association presidents in attendance, and some other state officials as well. The hot button topic was the newly instituted practice of ALTA to charge for forms. Many states have a lot of members who belong to the state association, but not the ALTA, and the fear was that many would drop their membership if they had to pay for the ALTA forms. There were recaps by individuals from a few states summarizing developments impacting their associations. It was emphasized that the State Regulatory and Legislative Affairs Committee (SLRAC) of the ALTA stands ready to assist any state association with issues they confront. I attended the SLRAC Committee meeting and was impressed by their commitment to state associations.

One of the most widely attended meetings, the Government Affairs Committee discussed many important issues including the RESPA Implementation Taskforce's efforts in working with HUD to get answers to industry questions surrounding the new GFE/HUD-1 forms that become mandatory Jan. 1, 2010, and a Borrower Right of Inspection bill that is being developed by ALTA that would require lenders provide all information needed to produce a HUD-1 24 hours in advance of the three-day TILA requirement of lenders to provide the documents to consumers.

The General Session on Thursday featured Don Yeager (author and sports journalist; former editor of Sports Illustrated). It was the most amazing and heart wrenching presentation I have ever seen. His "sixteen characteristics that every winner that exhibits greatness has" was simply amazing. He presented three of the sixteen in a 90 minute presentation.

Yeager's complete list of 16 characteristics of Greatness:

1. It's personal: They hate to lose more than they love to win.
2. Rubbing elbows: They understand the value of association.
3. Believe: They have faith in a higher power.
4. Contagious enthusiasm: They are positive thinkers. They are enthusiastic and that enthusiasm rubs off.
5. Hope for the best, but: They prepare for all possibilities before they step on the field.
6. What off-season? They are always working toward the next game. The goal is what's ahead, and there's always something ahead.
7. Visualize victory: They see victory before the game begins.
8. Inner fire: They use adversity as fuel.
9. Ice in their veins: They are risk-takers and don't fear making a mistake.
10. When all else fails: They know how and when to adjust their games.
11. Ultimate teammate: They will assume whatever role is necessary for the team to win.
12. Not just about the Benjamins: They don't play just for the money.
13. Do unto others: They know character is defined by how they treat those who cannot help them.
14. When no one is watching: They are comfortable in the mirror. They live their life with integrity.
15. When everyone is watching: They embrace the idea of being a role model.
16. Records are made to be broken: They know their legacy isn't what they did on the field. They are well-rounded.



Lloyd Ogle, director of the Iowa Finance Authority, which is the state's title insurance provider, offered a presentation of the Iowa system to the more than 60 people in attendance of the Government Affairs Committee meeting. Ogle said that while many regulators point to the Iowa system when discussing rates, it can't be easily replicated in other jurisdictions because the history of the Iowa system is unique.

The keynote speaker for the convention was Hernando de Soto, a world famous economist from Peru. I was privileged to have been invited to attend a breakfast meeting with Dr. de Soto and was very impressed with his intellect and insight. He has very positive things to say about the importance of keeping records, all kinds of records including land records. His point is that

this is what separates the U.S. from the rest of the world. He put fear in the heart of all that heard him regarding the wildcard of our economy...the undocumented and infamous derivatives that many lenders are holding.

Doug Duncan, Vice President and Chief Economist for Fannie Mae spoke as well. He outlined many of the factors that it will take to turn our economic ship around. If I had a dime for every time he said "...except Michigan" I could balance the state budget for next year. Bottom line is that our state is unique from others in that the core causes of our recession are deeper and different. Aren't we lucky?

In total it was a very good convention and I was proud to represent the MLTA. It was very insightful and useful.



# TILA: Is There a Train Wreck in Your Future?

by Howard Lax, Attorney/Partner in firm of Lipson, Neilson, Cole, Seltzer & Garin, P.C.

*This is part 2 of this topic, part 1 can be found in the Fall 2009 issue of the Title Examiner.*

Part II: I predict that a proposed TILA rule, if made final, will lead to deregulation of title insurance premiums.

MDIA is a prelude to the Fed's coming attraction, a real blockbuster of a show. Under current rules, certain real estate related fees, including title insurance premiums, are excluded from being "finance charges" under Section 4(c)(7) of Regulation Z. One of the proposed changes to Regulation Z set forth by the Fed will include all charges imposed on the consumer for required settlement services in the definition of "finance charges." The effect of this proposed rule is that title insurance premiums will be finance charges. The unintended consequence of this proposed rule is that states will be forced to deregulate title insurance premiums to allow a level playing field for competition between title agencies and title companies.

State preoccupation with maintaining a "level playing field" in the title insurance industry by regulating premiums will come to an end. There never was a level playing field in the title insurance industry.

Between the sham title agencies set up as joint ventures, payments under the table to referral sources, inducements to undercut the competition, and underwriters undercutting their own agents through direct agencies, the



marketplace is about as level as a mountain range. All of these issues will seem like minor irritants to title agents if the proposed TILA rules are made final. The Fed's proposal, if implemented, will enable lenders to issue title insurance at any rate they wish, irrespective of filed rates. Underwriters will permit lenders to issue title insurance policies, or reinsurance lender policies, cutting their agents out of the market. Title agents will revolt, leading to legislation that deregulates title insurance premiums so that title agents can compete for title insurance business with lenders.

Let me connect the dots to explain how TILA rules impact insurance premiums. Congress enacted the Depository Institution Deregulatory and Monetary Control Act in 1980 (DIDMCA). Section 501 of DIDMCA, 12 USC §1735f-7a, deregulated interest rates and finance charges for first lien residential mortgage loans. Regulations promulgated by the Office of Thrift Supervision at 12 CFR Part 590 preempt all limits on interest and other finance charges imposed by state laws and regulations for first lien mortgage loans, even criminal statutes, unless the state legislature passed a law by April 1, 1983 that expressly overrode DIDMCA.

Pursuant to DIDMCA, Courts use the definition of "finance charges" in TILA and its implementing regulations as the standard for which fees may not be regulated under state law. See, for example, the decision in U.S. Bank National Association v. Clark, 837 N.E.2d 74, 297 Ill. Dec. 294 (2005) in which the

Illinois Supreme Court held that the 3% limit on lender charges for mortgages with interest rates of more than 8% is preempted by Section 501 of DIDMCA.

Fifteen states and Puerto Rico did override DIDMCA preemption. State limits on finance charges and interest for first lien mortgage loans in the rest of the states have been largely ignored in the 26 years since implementation of DIDMCA. No state law (other than in states that overrode DIDMCA) can limit fees imposed by a lender. Hence, the proposed rule has unintended consequence of permitting lenders to provide all types of services while avoiding any state law limit on the amount of the fee. For example, state laws that limit document preparation fees or title insurance premiums paid to the lender will be preempted.

DIDMCA does not preempt state limits on fees charged by other settlement service providers. For example, in Sweeney v. Savings First Mortgage, LLC, 388 Md. 319, 879 A.2d 1037 (2005), the Court of Appeals of Maryland held that mortgage broker fees may be regulated by state law, even though they are finance charges. The Court determined that DIDMCA preemption only applies to charges collected by a lender. Hence, state limits on title insurance premiums will apply to policies sold by title agents, but lenders will be free to charge as much or as little as they want for title insurance.

Federal laws and regulations permit federally chartered banks to offer title insurance. Some states have given mortgage companies authority to issue insurance directly to the consumer, or to sell insurance as an agent of an underwriter. See, for example, Section 1243 of the Michigan Insurance Code. Premiums charged by lenders that are authorized to issue insurance will not be regulated if the title insurance premium is a finance charge, while premiums charged by insurance agencies will be regulated under the state insurance code.

Some may argue that Congress granted the states exclusive authority to regulate insurance. The McCarran-Ferguson Act made state governments the primary regulators of insurance business. State authority to regulate insurance has eroded over the years, and Congress retains authority to take away state regulatory authority over insurance under the Commerce Clause (Article I, Section 8, Clause 3) of the US Constitution, especially if the regulation of insurance becomes inadequate. The Fed specifically found that disclosure of loan fees, including insurance premiums, is inadequate. Hence, it would seem that there is a cogent basis for making title insurance premiums "finance charges" and, thereby, deregulating the cost of title insurance.

If you think that lenders will avoid wading into the title insurance business, think again. A dozen lenders opened mortgage insurance or reinsurance affiliates. Lenders routinely establish joint ventures to sell title insurance. Large lenders may decide that they, and not the title industry, should reap the profits of providing title insurance. The National Association of Insurance Commissioners will probably have something to say about this, but so will lenders, title companies and title agents. At the end of the day, lenders will undercut title agencies to draw borrowers and make more money. States will have no choice but to deregulate the cost of title insurance to create parity in the marketplace, or watch most title agents go out of business.

The comment period for the proposed Fed rule closes in December. Speak now or forever hold your peace. 



# 2009 Fall MLTA Education Seminar Sees Great Membership Turnout!

by Bob Wuerfel, President, Lighthouse Title Group

Michigan  
Seminar  
Series

With the new RESPA rules and changes looming on the horizon, nearly 200 MLTA members attended the Fall Education Seminars held October 21 in Mt. Pleasant and November 11 in Livonia.

Tim McDonnell, MLTA President-Elect opened the Mt. Pleasant Seminar as our MLTA President, Doug McFarlane, was attending the ALTA Convention (see article from Doug on page 8). Our locale in Mt. Pleasant, the Comfort Inn, was new for our MLTA seminars. Based on the surveys, it was well received and will be used again for future sessions. Doug McFarlane, was back to open and welcome the attendees at the Livonia meeting. Both Tim and Doug thanked all for attending and reminded the members about our Mid-Winter Legislative Day in Lansing that will be coming up in February of 2010. After the opening comments, Tim Ward, our MLTA lobbyist, gave a Lansing Update for our members as well as pending bills and issues that affect the MLTA. Specific information can be found under the Legislative Update on page 5.



Sarah Sutton, Co-Chair of the MLTA Education Committee welcomed our first guest speakers, Dan Grimshaw, Tuscola County Register of Deeds and Peggy Haines, Grand Traverse County Register of Deeds. Prior to being elected Registers, Dan and Peggy each have a resume that includes title industry experience. Both are licensed as a Title Examiner, Dan even being an agency owner. Dan spoke passionately about how the Title Industry as a whole needs to have a higher focus on quality control when getting the public records properly recorded. Dan and Peggy realize that mistakes will be made and the Registers do appreciate the good relationships many have with their local title companies in their counties. They wrapped up their segment by going through various examples of what can be recorded as well as the proper guidelines. It was good to hear from two colleagues that have indeed worn both the Title and R.O.D. hats!

John Bommarito, General Counsel from Attorneys Title, was next up to discuss Reverse Mortgages, which are non-recourse loans that allow senior homeowners age 62 and over to convert their home equity into cash. This topic was discussed a few years ago when this mortgage was at its' infancy. Back in 2005, there were around 43,000 reverse mortgages, while 2009 is tracking at over 180,000! As John pointed out, this trend is likely to continue upward due to plummeting stock portfolios and the need to access cash for long term care or other expenses/needs. With a Reverse Mortgage, there are no monthly payments to make, thus a person with this mortgage can't lose home for failing to make payments! John explained the closing instructions and procedures from a reverse mortgage lender. There are conditions for repayment of this Reverse Mortgage such as: the last surviving borrower dies, sells, moves out of home for period of more than 1 year, and other criteria. To learn more Reverse Mortgages, John mentioned this helpful website: [www.reversemortgage.org](http://www.reversemortgage.org).



can either be a Warranty Deed or Quit Claim Deed. In general terms, a grantor of a Lady Bird Deed conveys his/her interest in the property while at the same time retaining a life estate with full power to convey, & mortgage the property during the Grantor's lifetime. If the Grantor does not use this power before dying, then the Grantee is vested with Fee Title. Dawn mentioned from an examiner standpoint that the best way to analyze Lady Bird Deeds is to compare various samples, which she went over with the MLTA attendees. She stated that the two greatest underwriting/examining problems with these deeds are: a) failure to read entire conveyancing instrument thoroughly and b) ambiguity of the terms. Dawn wrapped up this segment by reviewing various samples.



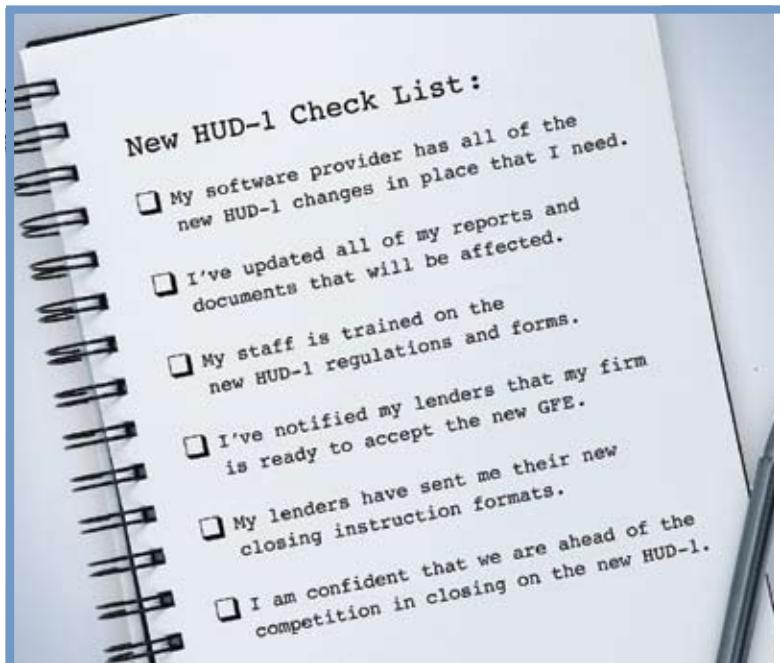
After lunch, the afternoon was focused solely on The New RESPA RULES and HUD-1 Settlement Preparation that will be launched in January of 2010. This topic is a large one with many parts still being vetted, yet Sarah Sutton, State Agency Manager for Fidelity National Title Group, did a remarkable job in laying this out via a wonderful PowerPoint presentation for the MLTA attendees. These new rules will present challenges as parts

are added in the GFE to simplify the fees for the borrowers. It will indeed require the title company to change, adjust and adapt to new bundled fees and new placement of fees and charges on the HUD-1 Statement. In fact, the HUD-1 Statement will vary from the current version we are all using. Sarah stated that "we can and must embrace the changes as they are indeed happening and we as the Title industry can educate and equip our client base and consumers on this to help them be more prepared as well". While there will indeed be many wrinkles to iron out as January 2010 unfolds, we can and will make this transition work. Sarah went through the GFE, HUD-1 as well as dozens of Q&A. Due to the in-depth and complex matters of the New RESPA RULES, Sarah Sutton's article on this topic can be found on Page 1 of this Winter Edition of the Title Examiner. I strongly recommend every MLTA member read it and stay in close contact with your underwriter(s) on this topic!

In summary, four great topics, several great speakers and a wonderful turnout by the MLTA members. The Education Committee looks forward to seeing as many or more turnout for the Spring 2010 Educational Meetings! 



Mr. Livennia  
Present /



**SoftPro is  
ready, and  
we've got  
the solution  
for you.**



A Division of Lender Processing Services

**BE PREPARED** Call SoftPro at  
**800-848-0143** to learn more.

# CASE BRIEF: INQUIRY NOTICE TRUMPS RACE-NOTICE STATUTE

By: Adam Kutinsky, Kitch Drutchas Wagner Valitutti & Sherbrook



In the recent unpublished case of *Washington Mutual Bank v JP Morgan Chase Bank*, (unpublished, October 20, 2009, Docket No. 285573), the Michigan Court of Appeals discussed when a mortgagee may have “inquiry notice” of a previously executed, yet unrecorded lien. In *Washington Mutual*, although Defendant’s mortgage was executed first, it was not recorded until after Plaintiff’s mortgage was recorded. Under Michigan’s race-notice statute, Plaintiff’s mortgage would have priority to the extent that it was a subsequent “good faith” purchaser. Under Michigan law, “good faith” is equivalent to lack of notice of a prior executed but unrecorded mortgage on the same property.

For the purposes of “good faith” under the race-notice statute, notice may take many forms,

including “inquiry notice”, which is where “a person has knowledge of

such facts as would lead any honest man, using ordinary caution, to make further inquiries concerning the possible rights of another in real estate.” In the *Washington Mutual* case, the Court of Appeals found that the information provided in the owner’s loan application combined with a credit report was sufficient to put Plaintiff on inquiry notice. In particular, the owner’s loan application indicated that the owner did not own any other property, yet contained expense information for a “first mortgage” and identified the purpose of the mortgage as a “refinance.” Similarly, the credit report acquired by Plaintiff included information concerning Defendant’s mortgage. Therefore, the Court concluded, Plaintiff had sufficient information to prompt an inquiry, before completing the loan transaction, into whether an unrecorded mortgage loan existed that the property owner failed to disclose. Significantly, the

Court found that the owner’s execution of various documents, including an affidavit attesting to there being no outstanding mortgages or liens, did not excuse Plaintiff’s knowledge of other facts that required further inquiry. Thus, the Court found, Plaintiff did not make a sufficient inquiry and Defendant’s mortgage had priority.

The lesson from the *Washington Mutual* case is that an agent must conduct its own due diligence if it becomes privy to information that indicates there may be a prior unrecorded mortgage or lien on property and that the inquiry must go beyond obtaining an affidavit from the property owner attesting to there being no prior mortgages or liens.



## FIFTY states. THOUSANDS of members. ONE voice. A United Title Industry Stands Together.



The title industry has recently been challenged by potentially harmful RESPA reform, threats from mortgage impairment products, and much more. The American Land Title Association was a major force in securing victories for our industry on these issues.

Now, we need to continue to show the strength of the title industry to members of Congress. You can do your part by joining ALTA today. By combining the power of corporate members representing hundreds of thousands of individuals, we can achieve our goals. Your membership in your state land title association is vital, but our national organization can help all of us speak with a clear and united voice in the halls of government.

One of the immediate benefits you’ll gain through ALTA membership is your free copy of the Title Industry Marketing Kit. Your kit will contain a video, brochures, ads, and articles to help you communicate our industry’s consistent messages with your local lenders, real estate professionals, builders, and consumers—your tools to share information about the true value of title insurance. Add your voice to our national efforts through your involvement with ALTA.

AMERICAN  
LAND TITLE  
ASSOCIATION



(800) 787-ALTA • [www.alta.org](http://www.alta.org)

TITLE INSURANCE. PROTECTING THE AMERICAN DREAM, ONE HOME AT A TIME.

# First Time Home Buyer Tax Credit

by Bruce Redman, Redman Law Firm, P.C.

In early November, President Obama signed an extension of the First Time Homebuyer Tax Credit (P.L. 111-92) that was set to expire on November 30, 2009. The new law will extend the \$8,000 credit for first-time homebuyers who sign a contract before April 30, 2010 and close by June 30, 2010. Buyers who have owned their current home for at least five years out of the past eight would be eligible for tax credits of up to \$6,500 for the purchase of a primary residence. The income eligibility limits to claim the full credit amount for both groups of homebuyers have been raised to \$125,000 for individuals and \$225,000 for married couples. Also, the credit is available for the purchase of principal homes costing \$800,000 or less.

The homebuyer tax credit, which was set to expire Dec. 1., is part of legislation that extends unemployment benefits for those without a job for more than a year and offers relief to cash-strapped firms by providing broader tax benefits for businesses with net operating losses (NOLs).

Some of the highlights of the act are:

- The tax credit is refundable, which means that it can be used not only to offset a tax liability, but it can be refunded to the taxpayer even if they have no tax liability.
- If a transaction qualifies, the taxpayer is entitled to the lesser of \$8,000.00 or 10% of the home's sale price as a credit to their Federal income taxes.
- For homes purchased in 2009, the tax credit is not available for homeowners with adjusted gross income in excess of \$95,000.00 (\$170,000.00 for married couples filing jointly). For homes purchased in 2010, 100% of the credit is available to those with income up to \$125,000.00 and \$225,000.00 for married couples. There is a phase-out of the tax credit for individuals with income between \$125,000.00 and \$145,000.
- The purchase price of the home cannot exceed \$800,000.00. (It is estimated that this case will only preclude 3% of homes from qualifying.)
- If the home is sold within 36 months (or it is no longer the primary residence of the taxpayer within that time period) the tax credit must be repaid.
- Different timing rules apply to military families who have been deployed overseas for more than 90 days in 2008 or 2009.
- Taxpayers may be able to claim the credit on their prior year's tax returns. This will allow certainty for homebuyers to determine whether or not their income qualifies for the credit. If a homeowner has already filed the prior year return, they may file an amended return to accelerate the receipt of the tax credit.



## Homebuyer Tax Credit Extension and Expansion

by Darlene Wilsey, State Agency Representative, Fidelity National Title Group

Now that Congress has extended and enhanced the Homebuyer Tax Credit, it is time for us to make the most of this business opportunity. We need to promote these incentives, in our communities, as we promote our respective title and closing services, to our prospective

REALTOR and Lender clients. We need to work collaboratively with other industry and community professionals, to create a plan to help stimulate local real estate market activity. Typically, we rely on our REALTOR and Lender clients to drive business to our organizations, but these are not typical times. Our window of

opportunity is short, but our resources are plentiful. We have the tools to not just actively participate in this public sales effort, but lead it.

In addition, I have listed a few cost-effective, simple ideas that might help you promote these incentives, in your community.



1. Contact local media outlets and encourage them to promote this program, repeatedly, throughout the next several months.
2. Target past customers with mail, e-mail and/or phone campaigns designed to inform and encourage homeowners to learn more about the Homebuyer Tax Credit.
3. Sponsor, and conduct, monthly Home Buyer Seminars in December, January, February, March and April.
4. Educate your staff and insist that they pro-actively promote these incentives within their social networks.
5. Place flyer's at local gyms, apartment complexes, grocery stores, etc.
6. Take advantage of individual and/or organizational memberships, i.e. Chamber of Commerce, Rotary, to promote these incentives. Encourage these groups to get involved in promoting these incentives to their membership base.
7. Network with local industry professionals and government officials and lead a collaborative effort to inform and stimulate homebuyer activity in your community.

# FTC PROHIBITS RESTRICTIONS ON DISCOUNT REAL ESTATE LISTINGS

by Chris Williams, Attorney, Couzens, Lansky, Fealk, Ellis, Roeder & Lazar, P.C.

On October 30, 2009, the Federal Trade Commission (“FTC”) issued a final order and opinion finding that Realcomp II, Ltd., a Michigan-based realtors’ group, (“Realcomp”) violated federal law by restricting the ability of member real estate agents to offer lower-priced alternatives to traditional real estate services. This decision reversed a 2007 Administrative Law Judge decision which dismissed the charges against Realcomp.

The FTC found that in reaction to various discount service offerings, such as lower commission rates, flat fees, or unbundled real estate services, Realcomp adopted policies that (1) prohibited discount real estate broker listings from being distributed from Realcomp’s local multiple listing service (“MLS”) to public websites, and (2) limited the exposure of those listings on the on the closed MLS database.

The FTC determined that, “Realcomp’s adoption of the challenged practices took place amid market changes that threatened to upset, and perhaps, topple, the traditional, commission-based system for compensating real estate service providers” (Opinion of the Commission, p. 23).

The FTC continued, “In sum . . . the full-service real estate brokers who constituted a majority of Realcomp’s member perceived the possible expansion of limited service brokerage, in combination with consumers’ direct access to MLS listings via Internet websites, to pose extremely serious threats to their traditional business model. In this setting, Realcomp adopted the policies at issue in this case, which singled out the new limited-service brokerage business model and put it at a considerable competitive disadvantage, particularly in the context of the increasing competitive importance of certain key Internet websites to disseminate listing information to consumers. Through the Realcomp Policies, rival real estate firms agreed to limit advertising of exclusive agency listings and to deny consumers information and service options that such consumers desire. The circumstances surrounding the establishment of the policies, and Realcomp’s evident aim of retarding the emergence of a new business model, underscore the exclusionary impact of those policies. The policies would have their effect by limiting access to an input

– i.e. full exposure on the approved websites – necessary for limited service brokers to compete effectively” (Opinion of the Commission, p. 25).

The FTC held that Realcomp’s policies unreasonably restrained trade in violation of federal law and ordered Realcomp to, among other things, cease and desist from adopting or enforcing any policy, rule, practice or agreement that denies, restricts or interferes with the ability of Realcomp Members to enter into Exclusive Agency Listings or other lawful listing agreements with the sellers of properties. Prohibited practices include those that discriminate with respect to the use and function of the MLS by discount brokers.



Realcomp was also ordered to amend its policies within 30 days and to provide notice of the amendments and a copy of the FTC’s order to its members within 90 days. Realcomp was further ordered to provide annual reporting for a period of five years concerning its compliance with the FTC’s order.

This decision makes it clear that the federal government will not tolerate realtor groups that attempt to discriminate against or otherwise limit its members from offering discount services to the public. Accordingly, it is critical for realtor groups to review their policies and rules to ensure that they are in compliance with federal law.

Copies of the FTC’s full opinion and order In the Matter of Realcomp II, Ltd., Docket Number 9320 can be found on the FTC website at [www.ftc.gov](http://www.ftc.gov).

For further information, contact Christopher M. Williams, Esq., an attorney at the law firm of Couzens, Lansky in Farmington Hills, Michigan.  
Email: [chris.williams@couzens.com](mailto:chris.williams@couzens.com).

*The information contained herein does not attempt to give specific legal advice. For advice in particular situations, the services of a competent real estate attorney should be obtained. These materials are the exclusive property of Christopher M. Williams, Esq., and no reprint or other use of the information contained herein is permitted without Mr. Williams' express prior written authorization.*  
©2009 Christopher M. Williams, Esq. All rights reserved



Hello everyone. My name is Rosemarie Franco-Bell and I am the owner of and an examiner (since 1987) for a small title agency located in Kalkaska, Michigan. I am sure most of you have never heard of myself (being that I am a quiet person and a bit on the shy side) or this lovely little community, yet this fall I was asked to do a little something/something for a VERY prestigious publication called the *"The Title Examiner"*. After fighting off a case of the FEARS (for weeks), I decided to give it a shot.

Not wanting to revisit the current economic climate, or try to touch on other serious issues those much smarter than I labor over on our behalf, I thought I would write about the history of and the struggle with **"THOSE TROUBLESONE RAILROADS"**.

We, as Michigan examiners, have all been warned about those pesky railroad lines that run through our State of Michigan. As an examiner in Kalkaska, knowing the county's history has kept me mindful of not only those lines still used/visible, but also those rails long ago abandoned.

Kalkaska County became organized in 1871 and in the early 1880's the GR&I (Grand Rapids and Indiana) Railroad Company extended their lines through Kalkaska up to Mackinaw City. As was the case for other lines, camps and towns popped up along the route, population and business exploded. The General Store, saloons (and saloon brawls), boarded up. Most of the rails are long removed, reclaimed by nature, and now part of properties owned by new families. When walking through the forests, we are overcome by the beauty around us, and most of the old rail beds go undetected, even by the experienced eye. If you know where to look, you may be able to find sections of these lines appearing as long narrow mounds running through the forest.

Modern times have certainly changed our reliance on railroads, yet we need to remember our history. The rail lines may not be

detectable on the ground, but they are detectable in the county records, and are important in our abstracting.

As examiners, we work within the parameters of the Marketable Title Act. We start at a warranty deed around 40 to 50 years back and come forward. We determine the state of title and suggest cures for problems we find. Unfortunately the rights to railroad land started earlier in history and is missed by many examiners. If you are asked to search railroad lands you will need to find the origin of the railroad's interest. The railroad companies can acquire interests by adverse possession, Congressional Act, condemnation proceeding, deed, grant of easement, even a dedication in a plat. Even if these chains of title seem to be complete and similar to what you would be looking for in other situations, beware. All these methods of conveyance are riddled with pitfalls, so take copies for reviewing. Seek the opinion of your underwriter and/or general counsel. In certain locations, your office may want to consider a general exception. If so, contact your underwriter for language.



Just a side note: When working in a tract index, keep a watch for any easements granted by a railroad company in the general area of your property and take the time to look at any you find.

I am an old school examiner, remembering and being able to talk about "the way things were". So much has changed in our industry in the last twenty two years. When times are tough and we may feel unappreciated, we need to remember, our jobs are important, so smile. 



## MORE THAN JUST TITLE SEARCHES... COMPREHENSIVE COURTHOUSE SERVICE!

- Divorce Judgments
- Bankruptcy
- Probate Records
- Un-recorded Death Certificates
- Civil and Criminal Court Records

Questions? Contact [sales@ask-services.com](mailto:sales@ask-services.com) for more information!

42180 FORD ROAD  
CANTON, MI 48187  
VOICE: 734-983-9040  
FAX: 734-983-9041

**WWW.ASK-TITLESERVICES.COM**

**Brought to you by Beckwith Financial Group**  
*Your MLTA Insurance Division*

BECKWITH  
FINANCIAL  
GROUP

B

**Available Only to Recognized Associations  
and MLTA Member Companies Pre-Approved**

**Group Health Plan Details:**

- Broad Range of HMO, PPO and POS Products
- Comprehensive Statewide Provider Network
- Very Competitive Rates
- Seamless HRA, HSA and FSA Administration
- No Medical Underwriting



**Introducing an easier health plan.**

Priority Health recognizes the Michigan Land Title Association and is proud to bring you a broad portfolio of innovative employee health plans to choose from and a variety of award-winning services. Michigan-based,

Priority Health has ranked as one of the nation's best for more than 20 years. How can we help you?

Call your agent or visit [priorityhealth.com](http://priorityhealth.com). Find out how you can get more out of your employee health plan, easily.



P P O • H M O • P O S • H S A • H R A • F S A • D E N T A L • V I S I O N

Contact Beckwith Financial Group at [www.beckwithgroup.com](http://www.beckwithgroup.com)  
and Click "Request a Quote" or call us at 800-237-5504

# Qualified Personal Residence Trust (QPRT)

by Bruce E. Bos, Financial Advisor, Waddell & Reed, Inc.

A qualified personal residence trust (QPRT) offers an excellent opportunity for homeowners with taxable estates (estates larger than \$3.5 million in 2009) to minimize federal gift tax and avoid federal estate tax.

## What is a QPRT?

A QPRT (pronounced "Q-Pert," and sometimes referred to as a house GRIT) lets you give away your house, but still keep possession for a while. More specifically, a QPRT is an irrevocable trust into which you transfer your home while retaining the right to live there rent free

for a specified number (term) of years. At the end of the term of years, the property passes outright to your children or whomever you've named as the remainder beneficiaries.

Because a QPRT is irrevocable, it can also be used as an asset protection device, even if taxes are not a concern.



## What are the potential tax savings?

When you transfer a home into a QPRT, you're considered to have made a gift to the remainder beneficiaries that is subject to gift tax. However, the value of the taxable gift isn't the full fair market value of the home, as it would be with an outright transfer. Rather, the gift can be discounted to reflect the fact that you have retained an interest (the right to live in the home). IRS tables and current interest rates are used to determine the amount of the discount.

Moreover, provided you outlive the term of years, the value of the home, plus any appreciation, will completely avoid estate tax because the home will have been removed from your estate.

**Tip:** Each taxpayer has a \$1 million lifetime gift tax exemption, which, to the extent it has not already been used, can offset any gift tax that is due.

**Caution:** The transfer of a home to a QPRT does not qualify for the \$13,000 (2009 figure) annual gift tax exclusion.

## What happens if I die during the term of years?

If you die before the term of years expires, the home will be included in your estate for estate tax purposes (just as it would have been had you not created the QPRT).

## How long should the term be?

Because you must survive the term of years to benefit from the QPRT, you might conclude that a shorter term would be best. However, there's a tradeoff—the shorter the term of years, the larger the gift to the remainder beneficiaries and the smaller the tax savings. You must find the right balance, taking your age and health into consideration.

## What are the income tax consequences?

For income tax purposes, a QPRT is typically set up as a grantor trust, which means that income and deductions, such as mortgage interest and real estate taxes, are accounted for on your personal income tax return. You also continue to pay for all expenses related to the home, such as repairs and insurance. Additionally, this arrangement preserves your ability to take the home sale capital gain exclusion (\$250,000; \$500,000 if married filing jointly) in case the home is sold before the term of years expires.

## A QPRT example:

Jill, age 50, transfers her vacation home, worth \$1 million, to a QPRT. She retains the right to occupy the home for 10 years, after which the home will pass to her son. Assuming a discount rate of 5.6%, Jill's gift can be discounted by \$462,990. The gift is valued at \$537,010 but Jill owes no gift tax because it's offset by her available gift tax exemption. If Jill outlives the QPRT's 10-year term and dies several years later

when the home is worth \$2 million, Jill's estate will owe no estate tax on the \$2 million because the home is no longer part of her estate.

There is also a significant drawback. When beneficiaries receive property at someone's death, they generally receive an income tax cost basis that is stepped up to fair market value. However, because your beneficiaries will get the home as a gift, they'll receive a carryover basis (your basis) instead. If your home has appreciated substantially in value, the increased capital gains tax that the remainder beneficiaries will owe upon the sale of the home may offset any gift and estate tax savings you'll enjoy.

## Can I transfer more than one home to a QPRT?

No. You can't transfer more than one home to a single QPRT. However, you are allowed to set up two QPRTs and transfer one home into each trust. A husband and wife can actually transfer up to three homes to QPRTs—one home that is jointly owned, another home owned by the husband alone, and a third home owned by the wife alone. The home may be either a principal residence or a vacation house.

## Can mortgaged property be placed in a QPRT?

Yes. You can transfer mortgaged property to a QPRT. However, it's generally not recommended because any mortgage payments that you make will be considered gifts to the remainder beneficiaries.

## Must I live in the home during the term of years?

You, your spouse, or your dependents must occupy the residence for the entire term of years. The home must be used as a residence at all times, and generally can't be sold unless a replacement home is purchased. Although the primary use must be as a residence, you are allowed to have a home office or some other secondary use of the home.

What if I want to keep living in the home after the term of years expires? If you wish to continue occupying the home once the term of years expires, you must pay fair market rent to the remainder beneficiaries. You must also enter into a written lease with the remainder beneficiaries, and should do so only at the end of the term of years. The lease should contain all the standard residential lease terms, which should be strictly enforced by the remainder beneficiaries.

## Can other property be transferred to a QPRT?

Property that is transferred to a QPRT may include not only the actual home but also other structures that are on the property, such as a separate garage. You may also include a reasonable amount of the surrounding land, but you may not transfer personal property, such as furniture. A QPRT can also hold cash for the initial purchase of a home, but the purchase must take place within three months of the cash transfer. Additionally, a QPRT can hold cash for up to six months for the payment of certain trust expenses, such as mortgage payments and improvements to the home. And, there are special rules in the event the home is sold or destroyed by fire.

## How do you create a QPRT?

Although the rules that govern QPRTs are many and complex, creating one is relatively easy:

- Consult an experienced estate planning attorney
- Have the home professionally appraised
- Execute a written trust agreement
- Transfer the home's title to the QPRT
- File a gift tax return; pay gift tax, if any
- Reside in the home for the entire term of years
- Execute a written lease and pay fair market rent if you continue living in the home beyond the term of years.



This article is written by Forefield, Inc. but is provided by Bruce Bos and is meant to be used for informational purposes only. The information is based on data gathered from what we believe are reliable sources. It is not guaranteed to be complete and is not intended to be used as a primary basis for investment decisions. Please discuss any legal, tax or financial related matters with the appropriate professional. Forefield, Inc. Copyright 2009 - All rights reserved.

# Robert J. Jay and his Distinguished Service to the Title Industry During the Birth of RESPA

by Bob Wuerfel, President, Lighthouse Title Group



Jay, circa 1975

Many of us in the Michigan Land Title Association are very familiar with the name "Robert J. Jay" in connection with the Award given for distinguished service to the MLTA, with this year's deserved recipient being Jerome Jelinek, President of Corporate Title. That being said, I wanted to know more about the person Robert Jay and his connection to distinguished service. Since the MLTA "Title Examiner" newsletter was not in existence back in the 1960's and 1970's when Robert Jay was heavily

involved in our industry, I decided to search the ALTA website to see if there was any historical information on Robert in its archives. I was successful in my search! The following excerpts are from *ALTA History - The Why We Were: 1969-1978*, by William J. McAuliffe, Jr. By reading the following excerpts from the ALTA historical article, the distinguished service that Robert Jay displayed leading to our title industry, is very apparent. I also found it interesting that the RESPA conversations of 1974 and 1975 sound much the same nearly a quarter of a century later. The title industry was concerned about Section 8 of RESPA, the kickback section, since it was difficult to determine exactly what activities were prohibited or permitted. Realtors and lenders had concerns about other sections of RESPA. As a result the Senate Banking, Housing and Urban Affairs Committee held hearings at which these concerns were raised. ALTA President **Robert Jay, president, Land Title Abstract Company, Detroit, Michigan**, testified before the committee. He urged that RESPA be amended so to provide statutory authority for HUD, in conjunction with the Department of Justice, to provide explanatory opinions interpreting Section 8.

In July of that year ALTA President Robert Jay was a speaker at a National Association of Realtors emergency meeting on RESPA.

He stated:

- RESPA came into being as a compromise to avoid federal regulation of settlement charges.

- The burden is on the real estate industry to prove that RESPA is an effective settlement reform for the consumer.

If this is done, a strong argument could be made against more objectionable settlement legislation, such as the calling for federal rate regulation or lender payment of settlement charges.

Senator Proxmire was not pleased with RESPA. In a letter dated August 12, 1975, he said: "Since the passage of RESPA, I and other members of the Congress have received numerous complaints about the excessive paperwork burden which the Act imposes on lenders. Those who criticize RESPA argue that the disclosures required are complicated, costly and of little practical benefit to consumers. On the other hand, those who support these disclosures have argued they will help to reduce excessive settlement charges by encouraging consumers to comparison shop for settlement services."

As a result, as chairman of the Senate Committee on Banking, Housing and Urban Affairs, Senator Proxmire called for three days of hearings in September 1975 on whether RESPA was achieving its objectives. ALTA President Robert Jay testified that complex and radical alternatives like lender pay should be carefully studied for their impact after related national statistics on closing costs were developed by HUD and that RESPA, with certain changes, should be given a fair opportunity to work before Congress considered settlement reform.

While we are all familiar with RESPA nearly 25 years after it has been in effect, it is also great to know the service, efforts and involvement of Robert J. Jay. While he was ALTA President at this time, he was also a proud member of our Michigan Land Title Association!



## Residential Sales Statistics - October 2009

Reprinted with permission from [www.MIREaltors.org](http://www.MIREaltors.org)

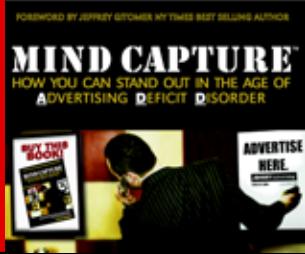
Local Association	2009 Oct Sales	2009 YTD Oct # Sales	2008 YTD Oct # Sales	09-08 YTD % Change	2009 YTD Oct Ave Price	2008 YTD Oct Ave Price	09-08 YTD % Change
Alpena, Alcona, Presque Isle Board of REALTORS®	29	232	259	-10.42%	\$89,939	\$98,653	-8.83%
Ann Arbor Area Board of REALTORS®	277	2,488	2,608	-4.60%	\$184,718	\$218,788	-15.57%
Antnir Charlevoix Kalkaska Association of REALTORS®	44	396	409	-3.18%	\$153,601	\$166,834	-7.93%
Battle Creek Area Association of REALTORS®	116	1,105	1,101	0.36%	\$78,720	\$97,815	-19.52%
Bay County REALTOR® Association	118	1,168	1,130	3.36%	\$62,744	\$78,148	-19.71%
Branch County Association of REALTORS®	48	380	374	1.60%	\$81,448	\$94,597	-13.90%
Central Michigan Association of REALTORS®	81	754	747	0.94%	\$85,554	\$85,491	0.07%
Clare-Gladwin Board of REALTORS®	59	524	520	0.77%	\$65,119	\$74,222	-12.26%
Dearborn Board of REALTORS®	229	2,221	1,603	38.55%	\$67,772	\$98,676	-31.32%
Detroit Board of REALTORS®	839	9,886	9,420	4.95%	\$12,342	\$18,513	-33.34%
Down River Association of REALTORS®	141	1,720	2,637	-34.77%	\$67,792	\$93,111	-27.19%
Eastern Thumb Association of REALTORS®	175	1,602	1,180	35.76%	\$80,141	\$111,284	-27.98%
Eastern U.P. Board of REALTORS®	30	281	267	5.24%	\$86,486	\$98,331	-12.05%
Emmet Association of REALTORS®	49	365	459	-20.48%	\$198,133	\$283,800	-30.19%
Flint Area Association of REALTORS®	651	5,534	4,782	15.73%	\$70,498	\$87,943	-19.84%
Grand Rapids Association of REALTORS®	1,037	9,694	8,350	16.10%	\$107,557	\$125,591	-14.36%
Greater Kalamazoo Association of REALTORS®	370	2,890	3,193	-9.49%	\$126,021	\$138,535	-9.03%
Greater Lansing Association of REALTORS®	468	4,560	4,413	3.33%	\$94,612	\$119,203	-20.63%
Hillsdale County Board of REALTORS®	38	340	415	-18.07%	\$65,413	\$82,671	-20.88%
Jackson Area Association of REALTORS®	192	1,737	1,619	7.29%	\$73,962	\$91,826	-19.45%
Lapeer & Upper Thumb Association of REALTORS®	139	898	728	23.35%	\$73,095	\$114,893	-36.38%
Lenawee County Association of REALTORS®	135	1,274	1,009	26.26%	\$84,513	\$106,922	-20.96%
Livingston County Association of REALTORS®	242	2,038	1,707	19.39%	\$147,809	\$185,244	-20.21%
Oakland	753	6,223	5,039	23.50%	\$122,036	\$153,695	-20.60%
Macomb	838	6,656	5,606	18.73%	\$94,782	\$130,710	-27.49%
Mason-Oceana-Manistee Board of REALTORS®	97	637	751	-15.18%	\$107,104	\$114,216	-6.23%
Midland Board of REALTORS®	89	677	649	4.31%	\$140,011	\$152,877	-8.42%
Monroe County Association of REALTORS®	123	949	1,009	-5.95%	\$107,483	\$134,455	-20.06%
North Oakland County Board of REALTORS®	447	3,849	3,305	16.46%	\$115,668	\$154,377	-25.07%
Northeastern Michigan Board of REALTORS®	52	420	446	-5.83%	\$75,789	\$86,131	-12.01%
Paul Bunyan Board of REALTORS®	120	1,071	1,006	6.46%	\$76,856	\$88,406	-13.06%
Saginaw Board of REALTORS®	193	1,593	1,499	6.27%	\$72,088	\$85,268	-15.46%
Shiawassee Regional Board of REALTORS®	91	590	509	15.91%	\$68,728	\$82,844	-17.04%
Southwestern Michigan Association of REALTORS®	249	2,034	2,148	-5.31%	\$150,668	\$185,581	-18.81%
St. Joseph County Association of REALTORS®	63	605	502	20.52%	\$80,142	\$110,722	-27.62%
Traverse Area Association of REALTORS®	207	1,611	1,559	3.34%	\$174,081	\$204,084	-14.70%
Upper Peninsula Association of REALTORS®*	249	1,447	1,559	-7.18%	\$94,854	\$101,056	-6.14%
Water Wonderland Board of REALTORS®	115	993	876	13.36%	\$89,487	\$112,717	-20.61%
West Central Association of REALTORS®	94	852	911	-6.48%	\$72,234	\$89,345	-19.15%
West Michigan Lakeshore Association of REALTORS®	425	3,276	3,311	-1.06%	\$114,999	\$138,765	-17.13%
Western Wayne Oakland County Association of REALTORS®	1,224	9,559	7,932	20.51%	\$123,654	\$166,196	-25.60%
<b>TOTALS</b>	<b>10,936</b>	<b>95,129</b>	<b>87,547</b>	<b>8.66%</b>	<b>\$98,504</b>	<b>\$121,037</b>	<b>-18.62%</b>

\*Escanaba, Iron Mountain, Keweenaw, Western Upper Peninsula, and North Central

# MIND CAPTURE MARKETING:

## Why Implementing New Marketing Ideas Quickly Within Your Business is the Key to Success

by Tony Rubleski - President, Mind Capture Group



It's amazing how much momentum and deadlines impact everything in our world. Without energy, demand, fear of loss or motivation to get started, most ideas and projects in life would never be attempted yet alone completed on time. In addition, if there were no deadlines, things would rarely get done. While this may seem like common sense for most people, it often seems to be lacking in most organizations when it comes to grabbing hold of a new marketing idea and quickly implementing it.

One of the most frustrating things I see people do within their business or non-profit is falling into the trap of "paralysis via analysis" syndrome when taking action on new marketing ideas. They debate the idea, then overanalyze the idea, push the idea off, and often procrastinate on taking action. Here's a little consulting tip that I find critical to success when working with a marketing client. When we begin work together and the agreed upon marketing strategies have been determined, we lay out a plan of action with multiple deadlines to get the initiatives in motion. While we may miss an occasional deadline, we still get most of the project in play and completed on schedule. This is a deliberate strategy and it works like magic.

Let's face it, we all procrastinate in certain areas of our lives. No one's perfect. While I'm not saying it's a good thing, I often see that many people procrastinate or avoid taking action on changing their business or career unless they're backed up against the wall. It could be a sales quota, client deadline or the boss breathing down their neck to get new business which moves them into action. Why does this happen so often? I think the answer is easier than most of us might think. Here's a big clue: Most sales people and business owners take the approach, as it relates to marketing, that they'll get around to taking action on a key idea when they have more time.

This is a clever form of procrastination since most people know deep down that they don't like or feel like marketing even though it's a huge priority. They often delude themselves and wish that people would simply beat a path to their door and buy from them. This is the old retail mentality and it's history for 99.9% of businesses. The 'good old days' are not coming back in the age of intense competition and the Internet. Today, the best marketer's will usually win. It's that simple.

Here are five powerful strategies to help you get more marketing ideas implemented faster within your business or organization to achieve greater results.

**#1. Done is better than doing, doing, doing.** I'm often under multiple deadlines for blogs, columns and client writing projects. I can tell you that I not only budget a certain amount of time to each assignment, but that they sometimes have a typo or two when submitted. If I reviewed copy over and over and nitpicked it to death, I'd never meet half of my deadlines. My central mentor, Dan Kennedy, taught me that getting projects done under a self imposed deadline is better than waiting for a project to be perfect. He's absolutely right on, and this sage advice has served me well and the clients I consult with.

**#2. Break the idea down into steps of implementation.** Systems are your friend. Marketing projects should be broken down into defined steps and put into motion using defined dates to insure

that the margin of error is reduced and a deadline is met on time. When people skip one or both of these tips, it often results in delays and frustration. In addition, it increases the odds that the idea may never be implemented.

I'm often asked how I write sales letter or website marketing copy and here's my best answer. I follow certain formulas of how to lay out the copy, model other great letters/websites and then check off the areas I need to include in the message such as the headline, subheadline, offer(s), inserts, deadlines, enclosures, etc. Not only does this help to insure that I don't skip a key step, it also helps me get the assignment done much faster than sitting down in front of the computer with a blank screen.

**#3. Set a deadline and block out time on your calendar to achieve it.** If you don't assign someone to execute the idea and let them know there's a clear deadline date, you're already way behind. The best way to insure that the project is given priority, is to block off time on the calendar to complete the project. You must resist the temptation to allow something else to bump the time off your calendar. This sounds easy to do, but most people mess it up. In the age of massive distraction, meetings and the Internet, many people allow others to dictate their schedule which creates backups, excuses and many missed deadlines.

**#4. Have others hold you accountable.** If you're self employed this tip is for you. It's easy when you work for someone and they give you a deadline. You know you'll be held accountable. When you're solo, it's a smart idea to tell a key business associate your top goals and have them hold you accountable.

For example, when I set out to write a book one of the best ways for me to finish the book is to tell a lot of people when I plan to have the manuscript complete. This forces me to keep on the project and make it a priority. By telling enough people my intention, it helps to hold me accountable by people who'll ask me how the book's progressing when I speak or run into them during the next several weeks and months during the writing phase.

**#5. Imagine that your biggest competitor is getting ready to make a major move.** This is one of the more unusual tips, but potent if you use it. Here's where I first discovered this strategy. I did a paid consulting day with a jeweler in Green Bay a couple years ago, and at the end of our full-day I told him to look out the window and imagine that a big change was coming. I told him to visualize that the empty building across the street had just been purchased by his biggest competitor and he had six-months before they opened the store. Let's just say he was stunned. I did this for one main reason: it put the fear of not taking action firmly in his mind with a future vision scenario that scared him into taking action.

There you have it. Five powerful strategies to help you set more marketing ideas into motion faster, and avoid the twin enemies of procrastination and lost sales. ☺

*Tony Rubleski is a bestselling author and the president of Mind Capture Group. For more information, special reports, or to request his free eletter, visit [www.MindCaptureGroup.com](http://www.MindCaptureGroup.com).*



The Title Examiner  
c/o MLTA  
1000 W. St. Joseph Hwy, Suite 200  
Lansing, MI 48915

PRSR STD  
U.S. Postage  
PAID  
Lansing, MI  
Permit #515

## MLTA Upcoming Events

February 9	<b>MLTA Legislative Day</b> <i>Lunch at the Capital</i> <i>Meet with your Legislators</i>
April 21	<b>Spring Education Seminar</b> <i>Mt. Pleasant, MI</i>
May 11	<b>Spring Education Seminar</b> <i>Livonia, MI</i>
July 18-20	<b>MLTA Summer Conference</b> <i>Bay Harbor Resort &amp; Marina</i> <i>Bay Harbor, MI</i>
October 13	<b>Fall Education Seminar</b> <i>Mt. Pleasant, MI</i>
November 9	<b>Fall Education Seminar</b> <i>Livonia, MI</i>
<hr/> <b>ALTA Events</b> <hr/>	
Oct. 13-16	<b>ALTA Annual Convention</b> <i>Manchester Grand Hyatt</i> <i>San Diego, CA</i>

### Join Fellow MLTA Members for a Day of Grassroots Lobbying on February 9, 2010

Michigan Land Title Legislative Day is an event where our industry needs to make the state legislature aware of the value, benefits and roles that Land Title Professionals play in our state. The day begins with time for members to visit with legislators and staff over lunch inside our State Capitol. From there, MLTA members visit legislative offices to introduce the Land Title industry to our elected leaders and explain Land Title issues of importance. Your participation is essential for the MLTA industry to make a difference and to show the importance of the Land Title Industry within Michigan.

- MLTA lobbyists will explain the legislative issues the land title industry faces, the importance of the issues, and how to communicate them to our elected leaders.
- Visit your elected Representative and explain the importance of the land title industry.
- A catered lunch with plenty of opportunities to share information about the land title industry with key elected leaders and staff.
- After lunch, visit your elected Senator and explain the importance of the land title industry and the issues affecting the profession.

This will be our 2nd annual event, with the Inaugural Day seeing over 40 MLTA members.