

THE TITLE EXAMINER

A QUARTERLY PUBLICATION OF THE MICHIGAN LAND TITLE ASSOCIATION



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- The Demise of HUD-1 Settlement Statement
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with any questions, comments, or if you would like to contribute.



MLTA Member Spotlight

Scott Broshar

President, Absolute Title, Inc., Washtenaw County, Ann Arbor

MLTA Involvement: I attend conventions and education seminars on a pretty regular basis. While not directly MLTA related, I also speak to the local real estate bar regarding title insurance and closing issues facing our industry.



Personal Interests/Hobbies: I haven't tried too many sports that I don't like – especially those with a board under my feet. I love skiing (snow and water), wakeboarding, snowboarding, windsurfing, kitesurfing, etc. Also love hiking, climbing, running, yoga, golf – pretty much anything to keep me active. In my quiet time I like to read, work crossword puzzles, and spend time with my wife, Wendy.

Something about Scott: Both of our daughters have moved to the west coast, so we don't see them as much as we would like, but we do like to meet them in Colorado for various mountain adventures. And if we need a break from Michigan winters (which we do love, but sometimes you still need some sun and warm) we do like to explore islands in the Caribbean. I haven't found one that I don't like yet, but I guess I'll just have to keep on looking. I do show up to work and still love the title business after close to 35 years!

Welcome New Members

Lakeside Title, LLC – *Cadillac, MI*

reQuire, LLC – *Virginia Beach, VA*

Corporation Service Company – *Wilmington, DE*

Continental Title Agency, LLC – *Troy*

Maureen Mitchell

Policy Department Manager, Parks Title, Oakland County, Royal Oak



MLTA Involvement: MLTA Legislative Committee, MLTA Fall Seminar and Legislature Day in Lansing

Personal Interests/Hobbies: I enjoy tennis - both competitive and recreational

Something about Maureen: I was recently married in April of 2013 in sunny Negril, Jamaica. (Which I highly recommend visiting!) I enjoy meeting with fellow title people and sharing experiences and knowledge.

Steve Frank

Director of Client Services, Attorneys Title Agency, Farmington Hills, Oakland County – My territory is all of the Lower Peninsula



MLTA Involvement: Chairperson – Sponsorship Committee, member of Convention Committee, past Chairman of PAC, I regularly attend the spring and fall education seminars.

Personal Interests/Hobbies: I enjoy spending time with my wife, Jan at our place in South Haven, where we also "try" to have fun golfing with our friends. We also get a great amount of enjoyment hanging out with our grandchildren Cullum and Estelle.

Something about Steve: I was a trainer/observer for Doctor Paws, a pet therapy program that allows certified dogs to visit nursing homes, adult day care centers and hospitals. I also regularly visited St. Mary Mercy Hospital in Livonia with my two golden retrievers who were featured in the local newspapers and television for their therapy work with the patients.



The MLTA Public Service Committee along with the MLTA Board, presented Sandra Pearson from Habitat for Humanity Michigan with a \$2,000 donation.



ABSTRACTIONS

by Allan Dick, Best Homes Title Agency, LLC

By now, you must certainly know that the CFPB has issued its final integrated mortgage disclosure rule (just a few pages of detail) and the anticipated Closing Disclosure Form, with a new slogan" "Know Before You Owe". So, the waiting is over and the sorting out now begins for title underwriters, agents and their supporting software companies. It should be an interesting few months ahead. And, like almost everyone else, the MLTA is trying to stay ahead of the curve – not to compete with various webinars or underwriting bulletins, but with

some knowledgeable speakers from SoftPro at the MLTA Spring Education Seminar that will dominate our morning session. The afternoon will include a panel of claims speakers with scenarios and lessons learned (at someone else's expense). Should be enlightening and entertaining. Kudos to the Education Committee.



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This past fall's seminar was an interesting off-shoot of last spring's Title Basics Boot Camp (often referred to as title 101). It combined speakers from the title and escrow sides to guide us through the life of a title order from inception to and including post-closing and the issuance of the final policies. And it included some less familiar speakers, for the most part. Not an unfamiliar speaker was Gregg Nathanson, who doubled as an attorney and the "customer", often stirring the pot with questions from an outside perspective – challenging. All in all it was pretty informative and at times amusing. But, speaking of the Title Basics Boot Camp, rumor has it that this will be reprised in February of March, again in East Lansing.

Of course, as the year draws to a close, economists like to predict what is ahead for the coming year (it's what they do). Recently, Lawrence Yung, the chief economist for the National Association of Realtors, announced his expectation that existing home sales will remain mostly flat for 2014, but that prices will increase by 6% on average. He also predicted that NEW home sales will increase by 18.5%! That would seem to fit with the Mortgage Bankers Association's expectation that purchase money loans will be up 9%, but that refinance activity will drop 57% (due to increasing interest rates), resulting in an overall mortgage market decrease of over 20%.

With temperatures lingering in the teens, close your eyes and contemplate the 2014 MLTA Summer Convention at Mission Point on Mackinac Island. Maybe you better keep those eyes shut. Having spent Thanksgiving in the Grand Rapids area, and with the holidays all around us, I was tempted to adapt the traditional song of the season to – I'm Dreaming of a White Thanksgiving. Sure hope that's not a sign of what we should expect throughout the winter season (too early for that much snow, unless you are an avid skier or snowmobiler). But, speaking of winter themes, I was amused by a recent ad slogan from a waste management company: "Give thanks for what you love – Rent a dumpster for what you don't". Here's hoping you have no need for a dumpster this holiday season, and have a wonderful 2014!



Legislative Update

by Cami Pendell,
Michigan Legislative
Consultants

New Director of the Department of Insurance and Financial Services Announced



Recently, there have been a number of changes at the top of the Snyder Administration. When State Treasurer Andy Dillon stepped down due to personal reasons, Governor Snyder appointed Kevin Clinton as the new Treasurer. Prior to that appointment, Mr. Clinton was the Director for the Department of Insurance and Financial Services (DIFS). To fill that newly created vacancy, Governor Snyder selected Ann Flood who had been

serving at DIFS as their Chief Deputy Director. Before working at the department, Ms. Flood worked in the private sector in the insurance industry. She served as the executive vice president and chief operating officer of American Physicians Capital, Inc. (APCapital), a publicly traded medical professional liability insurance provider based in East Lansing, MI. Before joining APCapital, Ms. Flood served as senior vice president, corporate secretary and legal counsel of ProNational Insurance Company. Ms. Flood has also held various executive level and legal positions at MEEMIC Insurance Company, PICOM Insurance Company and Lansing General Hospital. Ms. Flood, a member of the State Bar of Michigan and a registered nurse, has more than 25 years of experience in the legal, insurance and health care fields.

In addition to these changes, Teri Morante also received a promotion within DFIS. She is now their Chief Deputy Director. MLTA has worked closely with Ms. Morante in the past as she oversees the department's Office of Consumer Services, Office of Insurance Licensing and Market Conduct, and Office of Policy.

Michigan Legislature Reconvenes

The Michigan House of Representatives and state Senate took a two week Thanksgiving holiday break from November 18 through November 29, 2013. They reconvened Session on December 3 and expect to complete their work on December 13, 2013 prior to going on winter recess. At the time of this article's printing, the Legislature has not issued their 2014 Session schedule. However, per the state's Constitutional requirement, they will reconvene at noon on the second Wednesday of the New Year. Since we are currently in an odd number year, all bills that have been introduced in 2013 will carry forward into 2014. It is only in even numbered years that legislation expires at the Sine Die (without day) adjournment.

Work Continues on HBs 4638-4640: Neal Case Fix Legislation

To date, MLTA has been successful in achieving two committee hearings on House Bills 4636-4640, the Neal Case Fix legislation. The bills are currently in the House Local Government Committee, which is chaired by Representative Amanda Price (R-Park Township). During the second committee hearing, Rep. Price told MLTA that she intends to vote out the legislation when the bills are brought before the committee again. She requested several minor changes to the legislation and once those are completed it is expected that the bills will be ready for their final House committee hearing. Currently, MLTA is working with its bill sponsors, staff and several other groups to ensure the needed language is workable and in proper form.

Member Spotlight

Usually, the member spotlight is reserved for a member of the Michigan Legislature. However, since MLTA also works just as closely with the Executive Branch of government, this quarter's spotlight will focus on Ms. Teri Morante who was recently promoted to Chief Deputy Director for the Michigan Department of Insurance and Financial Services.



In addition to serving as DIFS' Chief Deputy Director and overseeing the department's Office of Consumer Services, Office of Insurance Licensing and Market Conduct, and Office of Policy, Ms. Morante had been serving as Senior Deputy Commissioner to the Office of Financial and Insurance Regulation.

Ms. Morante most recently served as the assistant vice president for regulatory and government affairs at Citizens Insurance Company in Howell, MI.

Before joining Citizens, Ms. Morante served in a variety of positions at the State of Michigan's Insurance Bureau, including acting Deputy Commissioner for Policy and Legislation.

Ms. Morante has more than 30 years of experience in the insurance and legislative fields and has an extensive background in drafting legislation and testifying before the legislature. She has also served on a number of insurance industry boards and associations and co-authored several editions of the "Legislators Guide to Michigan's Insurance Issues."



A NEW ERA IN THE REAL ESTATE SETTLEMENT BUSINESS

The Demise of the HUD-1 Settlement Statement

by Sarah Maddox Sutton, Chicago Title | Commonwealth Land | Fidelity National Title

(Source: CFPB "Final rule on simplified and improved mortgage disclosures - DETAILED SUMMARY OF THE RULE")

The long awaited "Final Rule" was issued by the Consumer Financial Protection Bureau (a/k/a CFPB a/k/a the Bureau) on November 20, 2013, that the Bureau believes will simplify and improve disclosure forms for mortgage transactions.

The mortgage disclosures: the Loan Estimate given three business days after application, and the Closing Disclosure given three business days before closing, will be required to be given to consumers for mortgage applications received on or after August 1, 2015. For the complete rule and other materials about the final rule, please go to www.consumerfinance.gov/regulations.

BACKGROUND

For more than 30 years, federal law has required lenders to provide two different disclosure forms to consumers applying for a mortgage. The law also has generally required two different forms at or shortly before closing on the loan. Two different federal agencies developed these forms separately, under two federal statutes: the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act of 1974 (RESPA). The information on these forms is overlapping and the language is inconsistent. Not surprisingly, consumers often find the forms confusing. It is also not surprising that lenders and settlement agents find the forms burdensome to provide and explain.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) directs the Bureau to integrate the mortgage loan disclosures under TILA and RESPA sections 4 and 5. Section 1032(f) of the Dodd-Frank Act mandated that the Bureau propose for public comment rules and model disclosures that integrate the TILA and RESPA disclosures by July 21, 2012. The Bureau issued a proposed rule and forms on July 9, 2012 (Proposal). To accomplish this, the Bureau engaged in extensive consumer and industry research, analysis of public feedback through qualitative usability testing and its [Know Before You Owe](#) public initiative, and public outreach for more than a year. After issuing the Proposal, the Bureau conducted additional qualitative usability testing and a large-scale quantitative validation study of its integrated disclosures with 858 consumers, which concluded that the Bureau's integrated disclosures had on average statistically significant better performance than the current disclosures under TILA and RESPA. The Bureau is now finalizing a rule with new, integrated disclosures (final rule). The final rule also provides a detailed explanation of how the forms should be filled out and used.

THE NEW FORMS

The first new form (the **Loan Estimate**) is designed to provide disclosures that will be helpful to consumers in understanding the key features, costs, and risks of the mortgage loan for which they are applying. This form will be provided to consumers within three business days after they submit a mortgage loan application. The second form (the **Closing Disclosure**) is

designed to provide disclosures that will be helpful to consumers in understanding all of the costs of the transaction. This form will be provided to consumers three business days before they close on the mortgage loan.

The forms use clear language and design to make it easier for consumers to locate key information, such as the interest rate, monthly payments, and costs to close the loan. The forms also provide more information to help consumers decide whether they can afford the loan and to compare the cost of different loan offers, including the cost of the loans over time.

In developing the new Loan Estimate and Closing Disclosure forms, the Bureau has reconciled the differences between the existing forms and combined several other mandated disclosures, such as the appraisal notice under the Equal Credit Opportunity Act and the servicing application disclosure under RESPA. The Bureau also has responded to industry complaints of uncertainty about how to fill out the existing forms by providing detailed instructions on how to complete the new forms and examples. This should reduce the burden on lenders and others in preparing the forms in the future.

SUMMARY OF THE FINAL RULE

SCOPE OF THE FINAL RULE

The final rule applies to most closed-end consumer mortgage loans. It does not apply to home equity lines of credit, reverse mortgages, or mortgage loans secured by a mobile home or by a dwelling that is not attached to real property. The final rule also does not apply to loans made by a creditor who makes five or fewer mortgages in a year.

THE LOAN ESTIMATE

The Loan Estimate form replaces two current federal forms. It replaces the Good Faith Estimate designed by the Department of Housing and Urban Development (HUD) under RESPA and the "early" Truth-in-Lending disclosure designed by the Board of Governors of the Federal Reserve System (Board) under TILA.

Provision by mortgage broker. Recognizing that consumers may work more closely with a mortgage broker than with the creditor, even if the mortgage broker provides the Loan Estimate, the creditor remains responsible for complying with the all requirements concerning provision of the form.

Timing. The creditor or mortgage broker must provide the form to the consumer no later than three business days after the consumer applies for a mortgage loan.

Limitation on fees. Consistent with current law, the creditor generally cannot charge consumers any fees until after the consumers have been given the Loan Estimate form and the



consumers have communicated their intent to proceed with the transaction. There is an exception that allows creditors to charge fees to obtain consumers' credit reports.

Disclaimer on early estimates. Creditors and other persons may provide consumers with written estimates prior to application. A disclaimer must be provided to prevent confusion with the Loan Estimate form and is also required for advertisements.

THE CLOSING DISCLOSURE

The Closing Disclosure form **replaces the current form used to close a loan, the HUD-1**, which was designed by HUD under RESPA. It **also replaces the revised Truth in Lending disclosure designed by the Board under TILA**. The final rule and the Official Interpretations (on which creditors and other persons can rely) **contain detailed instructions as to how each line on the Closing Disclosure form should be completed**. The Closing Disclosure form contains additional new disclosures required by the Dodd-Frank Act and a detailed accounting of the settlement transaction.

Timing. The creditor must give the Closing Disclosure form to consumers so that they receive it at least three business days before the consumer closes on the loan. If the creditor makes certain significant changes between the time the Closing Disclosure form is given and the closing – specifically, if the creditor makes changes to the APR above 1/8 of a percent for most loans (and 1/4 of a percent for loans with irregular payments or periods), changes the loan product, or adds a prepayment penalty to the loan – the consumer must be provided a new form and an additional three-business-day waiting period after receipt of the new form. Less significant changes can be disclosed on a revised Closing Disclosure form provided to the consumer at or before closing, without delaying the closing. This requirement will provide the important protection to consumers of an additional three-day waiting period for the three significant changes, but will not cause closing delays for less significant costs that may frequently change.

Provision of disclosures. Currently, settlement agents are required to provide the HUD-1 under RESPA, while creditors are required to provide the revised Truth in Lending disclosure under TILA. Under the final rule, **the creditor is responsible for delivering the Closing Disclosure form to**

the consumer, but creditors may use settlement agents to provide the Closing Disclosure, provided that the settlement agents comply with the final rule's requirements for the Closing Disclosure. *The final rule acknowledges settlement agents' longstanding involvement in the closing of real estate and mortgage loan transactions, as well as their preparation and delivery of the HUD-1. The final rule avoids creating uncertainty regarding the role of settlement agents and also leaves sufficient flexibility for creditors and settlement agents to arrive at the most efficient means of preparation and delivery of the Closing Disclosure to consumers.*

LIMITS ON CLOSING COST INCREASES

Similar to existing law, the final rule restricts the circumstances in which consumers can be required to pay more for settlement services – the various services required to complete a loan,

Continued on page 8



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such as appraisals, inspections, etc. – than the amount stated on their Loan Estimate form. Unless an exception applies, charges for the following services cannot increase: (1) the creditor's or mortgage broker's charges for its own services; (2) charges for services provided by an affiliate of the creditor or mortgage broker; and (3) charges for services for which the creditor or mortgage broker does not permit the consumer to shop. Charges for other services can increase, but generally not by more than 10%, unless an exception applies.

The exceptions include, for example, situations when: (1) the consumer asks for a change; (2) the consumer chooses a service provider that was not identified by the creditor; (3) information provided at application was inaccurate or becomes inaccurate; or (4) the Loan Estimate expires. When an exception applies, the creditor generally must provide an updated Loan Estimate form within three business days.

EFFECTIVE DATE

The final rule is **effective on August 1, 2015**. The final rule applies to transactions for which the creditor or mortgage broker receives an application on or after that date, except that new provisions concerning pre-disclosure activity of creditors and revisions to existing regulations concerning the rule's effect on State laws and State exemptions will be effective on that date without regard to whether an application has been received.

The information above was excerpted from a CFPB Publication

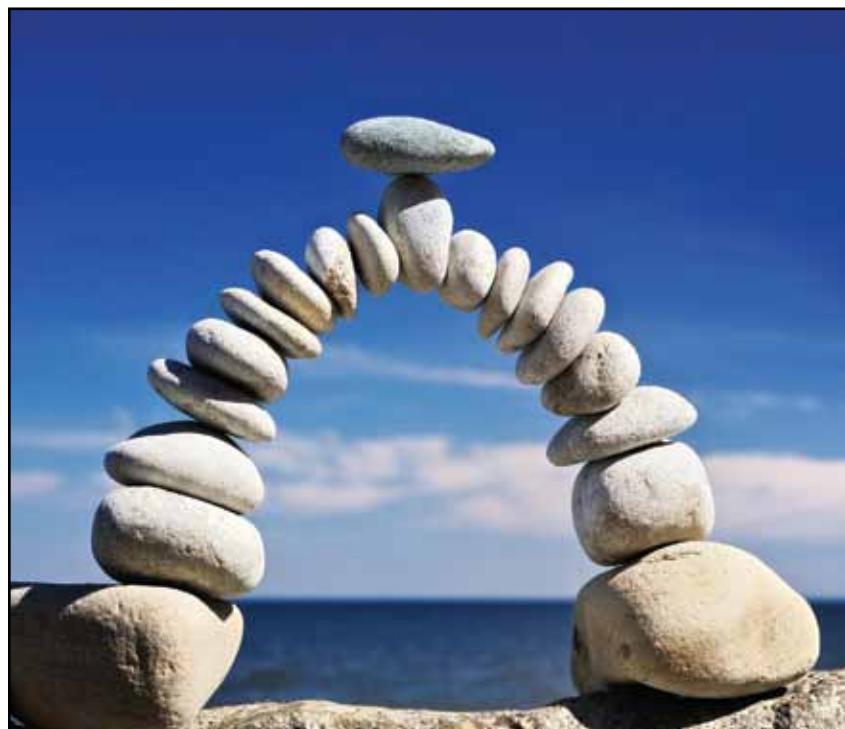
dated November 20, 2013 titled "Final rule on simplified and improved mortgage disclosures – DETAILED SUMMARY OF THE RULE".

The August 1, 2015 effective date gives the mortgage, title and settlement services industries 21 months to get production software and computer updates completed, along with training staff on use of the new forms. The title industry was particularly pleased to see the requirement to deliver the Closing Disclosure to the consumer 3 days prior to closing – something we have been hoping for over many years! In addition, the CFPB acknowledged and recognized settlement agent's long time involvement in real estate closings and the preparation of the HUD I, which I believe served to help retain "our place at the closing table".

The rest of retaining "our place at the closing table" is now up to us and the best way to continue our role in settlement services is to prepare our offices by adopting the American Land Title Association's (ALTA) Best Practices.

ACCORDING TO ALTA:

The ALTA Best Practices Framework has been developed to assist lenders in satisfying their responsibility to manage third party vendors. ALTA published these best practices for the mortgage lending and real estate settlement industry. These Best Practices are designed to protect consumers, promote quality service, provide for ongoing employee training, and meet legal and market requirements. These practices are voluntary and designed to help members illustrate to consumers and clients the industry's professionalism and best practices to help ensure a positive and compliant real estate settlement experience.



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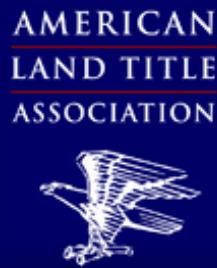
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ALTA BEST PRACTICES CAN HELP LENDERS MEET OCC RISK-MANAGEMENT GUIDANCE

Best Practices Framework Highlights Policies Title Professionals Follow to Reduce Settlement Risk

by Jeremy Yobe, American Land Title Association

The Office of the Comptroller of the Currency (OCC) issued updated guidance on Oct. 30 to national banks and federal savings associations for assessing and managing risks associated with third-party relationships.



Banks are expected to practice effective risk management regardless of whether the bank performs the activity internally or through a third party, according to the guidance.

"A bank's use of third parties does not diminish its responsibility to ensure that the activity is performed in a safe and sound manner and in compliance with applicable laws," the OCC guidance said.

The OCC reported that banks continue to increase the number and complexity of relationships with both foreign and domestic third parties. The agency also is concerned that the quality of risk management over third-party relationships may not be keeping pace with the level of risk and complexity of these relationships. The OCC guidance follows a bulletin released last year by the Consumer Financial Protection Bureau that said lenders need to increase oversight of their service providers. The memo indicated that financial institutions under Bureau supervision may be held responsible for the actions of the companies with which they contract.

To help lending institutions supplement their risk-management programs, ALTA developed its "Title Insurance and Settlement Company Best Practices" framework. The Best Practices highlight policies and procedures the industry uses to help ensure a positive and compliant real estate settlement experience.

"Today's risk-management guidance released by the OCC is another example of the value of the ALTA Best Practices framework for lenders trying to manage risk related to third-party relationships," said Michelle Korsmo, ALTA's chief operating officer. "As our lender clients work to develop their own risk management systems, the land title industry continues to lead by example. The Best Practices framework will continue to be a responsive product to meet market needs."

ALTA's Best Practices framework includes guidance on seven pillars, Assessment Procedures, a Certification Package, an Assessment Workbook and a Policy and Procedure Creation Guidance. More information is available at www.alta.org/bestpractices.

The Assessment Procedures can be used by title professionals to help lenders decide if a third-party service provider meets different pillars of the Best Practices. A Certification Package also is available and can be used by title professionals to warrant and attest to lenders that they have implemented ALTA's Best Practices.

In October, ALTA released its Best Practices Policy and Procedure Creation Guidance to help members draft formal written policies and procedures for the Best Practices.

"Drafting formal policies and procedures is the centerpiece of ALTA's Title

Insurance and Settlement Company Best Practices," said Michelle Korsmo, ALTA's chief executive officer. "The purpose for any policy or procedure document is to be simple, consistent and easy to understand. ALTA has developed a template to serve as a standard format and aid in the process of formalizing Best Practices."

The Policy and Procedure Creation Guidance includes detailed instructions and tips on how to draft policies and procedures that fit a company's practices, an example of what written policies and procedures should look like, and a policy and procedure template.

"Having a set of written policies and procedures are a critical element for any organization as they provide guidance and direction to the staff, help ensure consistency in operations and assist in training new personnel," said Rob Chapman, ALTA's president. "The model creation tool will help guide agents as they create written procedures necessary to adhere to Best Practices."

A policy statement is important as it sets the company's direction on what needs to be accomplished. The procedures are the sets of instructions describing how policies will be implemented.

"Procedures should have sufficient detail that employees will readily



understand how to comply with the policy mandates and how to carry out specific tasks," Korsmo said.

She added that policies and procedures should be written in clear, concise language, be understandable to employees, lenders and customers, and be clear in the objectives.

ALTA's Best Practices Workbook can be used to help identify policies and procedures that title and settlement companies should adopt, as well as any gaps in existing policies and procedures. ALTA members can discern this information by using the Action Items Report found with each chapter of the Workbook. ALTA has provided a Workbook for each pillar of the Best Practices.

"The policy building guide used in conjunction with the Workbook, Assessment Procedures and Certification Package provide members with a powerful set of tools enabling them to highlight the policies and procedures exercised to protect lenders and consumers," Chapman said. "Providing professional service to consumers and lenders is a core function of the land title insurance industry and the Best Practices framework provides a national standard to safeguarding the real estate transaction."

Jeremy Yobe is the director of communications for the American Land Title Association. He can be reached at jyobe@alta.org.

Education Committee

by Pam McGowan
eTitle Agency, Inc.



And thus meet again the proud minions of the title industry, thirsty for the knowledge that the 2013 MLTA Fall Education Seminar has to offer.

Our new president, Bob Wuerfel (Lighthouse Title), opened the seminar by welcoming everyone... and breaking the Marriott Hotel's microphone. Upon settling in, he updated us on the 2013 MLTA Summer Convention and the change of board members, the 2014 MLTA Summer Convention which is to be held at Mission Point Resort on Mackinac Island, and the wonderful business cards and brochures recently created by the PR/Communications Committee. He also recommended that we all join TAN (Title Action Network). The last topic Bob discussed was the National Convention, which he said did not relay much new information but did premiere a video made by Donald Rump (Capital Title Agency) and Regina Slowey (eTitle Agency) who were in attendance. We all got to view this fun and informative video about the importance of keeping customer information safe and private.



Cami Pendell (Michigan Legislative Consultants) was next on the podium. Once again, the seminar date fell on the day after Election Day, but there was not much election of news to share, besides Mike Duggan winning the Detroit mayoral race. "But next year will be a really big year," she said. Cami informed us of some of the legislation recently signed or in the works: a bill was signed to discontinue the Court of Claims and instead have the Michigan Court of Appeals preside over major litigation against the state, and bills regarding digital records are also on the move. She emphasized the importance of the relationship of between the MLTA and the legislators.

After the Lansing update, we began the informative marathon "Title Meets Escrow: Working Together in a Changing Market". Debbie Wiley (First American Title Insurance Company) moderated the title-people-turned-actors and encouraged audience participation. First up: obtaining and opening an order. Gregg Nathanson (Couzens Lansky) played the role of customer and/or attorney and added a nice level of comic relief to the presentation. James Powell (First American Title Insurance Company) gave us the title examiner perspective in the various scenarios, such as Duck Dynasty's Si and his girlfriend buying some property. Some of the major points discussed regarding new orders were: identifying the "customer", confidentiality and privacy aspects, information helpful to open a new order, and types of coverage. Perhaps everyone was just in a playful mood, but somehow the conversation took a brief, weird turn to "touching customers". You had to be there.

The presentation continued with processing the order and also some of the problems that may arise with the order—legal description and name issues being the most common. Not surprisingly, the discussion soon found its way to examining the order and the many challenging issues inherent to that process, and then to delivering the title

product. We got the title commitment (or search or guarantee or ...) to the customer just in time for us to break for a delicious Marriott lunch, but not before a quick yet informative debate about what constitutes legal advice, which we all know is a no-no unless you are a real estate attorney retained by a customer.

After lunch, Amber VerBurg (Safe Title, Inc.) and Pam Archibald (Attorneys Title Agency) really got their chance to shine as Residential/Commercial Escrow Officer and REO Escrow Officer, respectively, when the topic moved to closings. The importance of revisions/updates before the closing was emphasized, as was communication between title and escrow teams. There is so much to do to prepare for a closing: title clearance, review and verification of instructions and documents, closing fees, and marked-up commitments/pro forma policies, to name a few. And if the prep goes well, then hopefully so will the actual closing, but keep an eye out for the red flags telling you when you should halt a

closing (name, legal description, or marital status conflicts, for instance). Natural progression lead the subject to recording and other post-closing items, such as property transfer affidavits, principal residential exemption affidavits, and following up on HELOC closed accounts. The finale of the presentation: issuing the policy. Not very exciting, I know, but isn't that our special purpose?

After a couple very brief committee updates, Dawn Patterson (First American Title Insurance Company) took to the podium for "Policy Review 101". She explained the intricacies of all the information on policy jackets and endorsements, and also the different types of policies and the characteristics of each one. Her presentation also included information on pro forma policies, filed rates, and duty to defend. We even got to hear an interesting story about "the nightmare on Bass Lake" claim file. Dawn did an excellent job of turning very dry material into something easier to swallow and, therefore, understand. She broke it all down into just what we needed to know, in terms we could understand. Note: Allan Dick gets an "assist" for peppering Dawn's presentation with extra facts and comments. As Dawn said, "I think we all learn best from each other."

Just as the tryptophan from my turkey sandwich was kicking in, the last speaker of the day stepped to the broken microphone: Michael Alberty of Certified Exchange Specialists. In great detail, Michael explained the 1031 exchange process. He even made us do some math in our heads when discussing the Three Replacement Property Rules. Michael is obviously an expert in his field and, fortunately, he came with plenty of reference materials, for those of us that are less than familiar with 1031 exchanges.

All in all, another great education seminar put on by the MLTA. If you missed this one (and even if you didn't), look for the next one in spring of 2014!

SIXTH CIRCUIT REJECTS HUD'S TEST REGARDING AFFILIATED BUSINESS ARRANGEMENTS

by Phillip J. Neuman, Esq., COUZENS, LANSKY, FEALK, ELLIS, ROEDER & LAZAR, P.C.



On November 27, 2013, the Sixth Circuit Court of Appeals in Cincinnati, Ohio issued a published opinion rejecting a ten-factor test proffered by the Department of Housing and Urban Development ("HUD") in connection with determining whether an affiliated business arrangement violates the anti-kickback provisions of the Real Estate Settlement Procedures Act ("RESPA"). The case is Carter, et al. v Welles-Bowen Realty, Inc., et al., Case No. 10-3922.

Section 8 (a) of RESPA prohibits any person from giving or accepting any fee, kickback, or thing of value for the referral of settlement service business involving a federally related mortgage loan. 12 U.S.C. § 2607(a). Congress specifically stated that the purpose of this provision is to eliminate kickbacks and referral fees that tend to increase unnecessarily the costs of settlement services. 12 U.S.C. § 2601(b)(2). A problem arises when a real estate agent refers a client to a title company that the real estate agent owns in part. The referral gives the title company more business, which presumably increases the title company's profits and the dividend paid to the agent. This indirect benefit could be considered a prohibited referral fee. However, Congress provided a safe-harbor for certain affiliated business arrangements like these. The safe-harbor provision covers arrangements in which the person making the referral "has either an affiliate relationship with or a direct or beneficial ownership interest of more than 1 percent in" the settlement-service provider receiving the referral. Id. § 2602(7). An arrangement qualifies for the safe-harbor if it meets three conditions: (1) The person making the referral must disclose the arrangement to the client; (2) the client must remain free to reject the referral; and (3) the person making the referral cannot receive any "thing of value from the arrangement" other than "a return on the ownership interest or franchise relationship." Id. § 2607(c)(4). Carter, *supra*, slip opinion, p. 4. In 1996, HUD issued a policy statement declaring that in addition to the three conditions delineated in the statute, affiliated business arrangements must also satisfy a fourth requirement, that the entity providing settlement services under a controlled business arrangement must be a "bona fide provider of settlement services." 61 Fed. Reg., at 29262. HUD then listed a ten-part test that it indicated it would use in determining whether an entity is a "bona fide provider." *Ibid.*

In the Carter case, the plaintiffs contended that even though the defendants satisfied the three-factor safe-harbor test, they failed to satisfy the additional ten-factor test promulgated by HUD, and thus should be liable for the violation of RESPA. The defendants in the case were Welles-Bowen Realty, Inc. ("Welles-Bowen"), Welles Bowen Title Agency, LLC ("WB") and Chicago Title Insurance Company ("Chicago Title"). Welles-Bowen has offices throughout northwestern Ohio. Half of WB was owned by the owners of Welles-Bowen and the other half was owned by Chicago Title. As the Court noted, "Welles-Bowen often refers prospective buyers to WB for title services. WB in turn contracts some of the referred work out to Chicago [Title]. In the main Chicago [Title] gather evidence relating to the title, and WB evaluates this evidence to determine the title's validity." Carter, *supra*, slip opinion, p. 3. The lower court found that

this arrangement satisfied the three safe-harbor conditions, and held that HUD's ten-factor test does not apply. The Sixth Circuit Court of Appeals affirmed the lower court's ruling. The Court stated that "a statutory safe harbor is not very safe if a federal agency may add a new requirement to it through a policy statement." *Id.*, slip opinion, p. 6. The plaintiffs, as well as the government, which intervened in the case, argued that the policy statement should be entitled to deference, and thus should be applied to the facts of this case. The Court rejected this argument, noting that the policy statement is not a binding interpretation of RESPA, and doesn't really add anything beyond "non-binding advice about how to separate genuine providers from shams." *Ibid.* Therefore, the ten-factor test should not be utilized to determine whether an affiliated business arrangement violates the anti-kickback provisions of RESPA. As long as the affiliated business arrangement satisfies the three-factor safe-harbor provision, there is no violation of RESPA by the referring provider. Because Michigan is part of the Sixth Circuit Court of Appeals, this opinion is binding on all lower courts in this state.

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ALTA Annual Convention Recap

(October 9-12, 2013)

by Bob Wuerfel – MLTA President; Lighthouse Group



I reported the below information to the MLTA Board of Directors in October and wanted to share with the membership as well.

- 850 people attended convention: 12 from Michigan, 10 members that are also members of the Michigan Land Title Assn.

- Liberty Title – 4: Tom & Michelle Richardson, Teresa Parker, Christina Kass
- Capital Title – 2: Tom Lico and Donald Rump (Capital also won ALTA Best Practices Video)
- Transnation – 2: Marcy Welburn and Sharlene Shineldecker
- Fidelity National Title Group – 1: Sarah Maddox Sutton
- MLTA Representation – 2: Lisa Cincinelli and myself

- Newly-branded MLTA business cards were useful when networking. Several states liked the MLTA state branding business cards and brochures. The New Mexico Land Title president will be bringing that up with his state association. ALTA liked the idea and wants to connect further with MLTA on industry branding and awareness. MLTA is at the cutting edge again.

Wednesday AM sessions were state-geared

- ALTA education opportunities for state associations (tested in 3 states)
 - Referral to state associations for ALTA courses
- CFPB Spokesperson, Brian Webster spoke
 - Interaction with ALTA is helpful. No timeline on the RESPA/TILA ruling other than “by end of year”. (Editor Note: it came out November 20, 2013.) When rolled out, it is very unlikely to have FAQ’s as they are not legally binding. It will likely include bulletins and bulletin updates. No implementation timeline has been finalized either. (Editor Note: effective August 2015.)
- NAIC Aaron Brandonberg spoke
 - NAIC Title Section is working on a “Consumer Shopping Guide”. Some ALTA members again asked how one guide can work with 50 different states. Aaron is open to ALTA members accessing the monthly calls to be transparent.

- Late AM Session consisted of Alfred Pollard of the FHFA speaking about an eminent domain issue on a foreclosure in California (Richond, CA case); Matt Gaul of the New York State DFS spoke of forced insurance cases in the State of New York.

Thursday AM – ALTA and Tommy Spaulding

- Michelle Korsmo spoke of a larger and stronger ALTA with over 4,300 members and over a 62% increase in 5 years. 5,000 individuals have signed up for TAN; 33 state associations have endorsed TAN; Michigan one of a handful of states recognized for signing up over 175 individuals in 2013.

- Frank Pellegrini, outgoing ALTA president, spoke of the compelling story we as ALTA have and need to share... sounds like some of my summer comments. We as an industry have been entrusted to handle large sums of money, financial and transactional instruments, and private consumer information. To have a Best Practices in place only make sense. ALTA needs to collaborate WITH the CFPB, and when we do, we'll be stronger.

- MLTA recognition at ALTA: Sarah Sutton and 19 others for the NTP Award; Capital Title for the Best Video for Best Practices ... a spoof on “clean desk policy”.

- Tommy Spaulding – author of “It’s Not Just Who You Know: Transform Your Life (and Your Organization) by Turning Colleagues and Contacts into Lasting, Genuine Relationships”, about taking sales from transactional to transformational – the sales process.

- 5 Floors to get there:
 - 1st – Small Talk
 - 2nd – NSW (News, Sports, Weather)
 - 3rd – Interests/Hobbies
 - 4th – Shared Interests/Personal
 - 5th – Genuine/Authentic; Servant, Caring and Transparency
- Go for ROR (Return on Relationships) to get to your ROI.

Friday AM – Stan Humphries/Zillow and Richard Horn of the CFPB

- Stan Humphries – Zillow. Nationally, homes are back up to 2004 levels of \$162,100 in value. We are seeing signs of appreciation slowdown, which is okay, as over 100 years housing appreciation is at 3% per year (the sharp increases in 1995-2005 were not healthy). Mortgage rates are expected to rise to 5% by end of 2014, and in the next 5 years, home values are projected to increase 4.5% per year. www.zillow.com/research

- No Michigan cities in the top 12 “bubble market/ issues” (CA has 6)
- Detroit home prices from the 2011 bottom have come up 20.3% (8th best of 30 markets). Still negative equity by 37% (27th of 30 markets).

- Nationally, negative equity (or homes with less than 20% equity) is at 44%.
- Rich Horn/CFPB – New Era for Closings. The Final Rule is not yet out on the RESPA/TILA but will be by the end of year. (Editor Note: came out November 20, 2013). Implementation period has not yet been defined. (Editor Note: effective August 2015). It will be work for lenders, title providers and software vendors, and will not roll out Q&A, but rather official bulletins and updates. Basically, he was stating/reaffirming what Brian Webster mentioned to the state leadership Tuesday.

Saturday AM - Jeff Noel from the Disney Institute - “Selecting, Training and Engaging”

- Three experiences of a customer:

1. Amazing = Praise
2. Satisfaction = Expected/Nothing
3. Underperform = Warn/Tell others

Doing the expected will never engage the customer... need to develop a culture that strives for the amazing.

- O4E (Overmanage for Engagement). Overmanage the details to create a culture and workforce to demonstrate the appropriate behaviors. Intentional by design vs. “just happening” requires HIGH quality communication to reinforce vs. LOW quality communication which will erode. Reinforce culture... emotional buy-in = commitment vs. compliance.



Saturday AM - swearing in of Rob Chapman as ALTA President wrapped up the session

- We need to share who we are... again sounds familiar. While we provide jobs to over 156,000 Americans, best practices are key for title providers to implement, adhere, and follow in 2014 and beyond. We’re entrusted to do so. Back office (internal) is just as vital as the consumer and customer confidence. Rob looks forward to working with Michelle and the ALTA team in 2013-14 to “better articulate our value”.

ALTA and the MLTA mirror each other in many ways: get our story out to be heard and sharing the importance of the product, service and what we do! Lisa and I were proud to represent our state association at the Annual Convention!



Analyzing complex federal law for real estate professionals

HUD's 10-factor AfBA test deemed invalid by federal appeals court

By Angela Rulffes

The U.S. Department of Housing and Urban Development (HUD) formulated a 10-factor test in 1996 to determine whether an affiliated business arrangement (AfBA) is bona fide. The 6th U.S. Circuit Court of Appeals invalidated the test on Nov. 27, determining that it creates too much uncertainty. HUD used its test to determine whether certain AfBAs violated RESPA. More recently, the Consumer Financial Protection Bureau (CFPB) has been relying on the test in its RESPA enforcement actions. In a recent action against Borders & Borders PLC, the attorneys for the law firm questioned the CFPB's use of the 10-factor test because a district court had found it unconstitutional. The 6th Circuit's holding validates the concerns surrounding the test and question whether the CFPB should be using it at all.

"The ruling is undoubtedly significant for our case, and it underscores what we explained to the CFPB about the Borders firm's compliance with the law," said **T. Morgan Ward**, a member of Stites & Harbison PPLC and one of the attorneys representing Borders.

The case is *Carter v. Welles-Bowen Realty Inc., et al.* (No. 10-3922).

Erick and Whitney Carter bought a home in 2005, using Welles-Bowen Realty Inc. as their real estate agent. Welles-Bowen referred them to Welles-Bowen Title Agency LLC. Welles-Bowen Title then contracted some of the Carter's title work to Chicago Title Insurance Co.

The owners of Welles-Bowen Realty also own a holding company. That holding company and Chicago Title both own half of Welles-Bowen Title. Welles-Bowen Realty refers prospective buyers to Welles-Bowen Title for title services. In turn, Welles-Bowen Title contracts some of the referred work to Chicago Title. According to the 6th Circuit, Chicago gathers evidence relating to the title and

Welles-Bowen Realty evaluates the evidence to determine the title's validity.

The Carters were unhappy with the arrangement. Believing that Welles-Bowen Title was a shell corporation used to funnel referral fees between Chicago Title and Welles-Bowen Realty, they filed suit. The Carters alleged that Welles-Bowen Title was a sham AfBA and that the arrangement violated RESPA's Section 8 prohibition on the payment of referral fees in exchange for settlement service business.



The plaintiffs relied on HUD's 10-factor sham AfBA test, arguing that Welles-Bowen Title did not meet the test's requirements and was not bona fide. The defendants argued that the court should not rely on HUD's test because it was unconstitutional. Judge Jack Zouhary of the U.S. District Court for the Northern District of Ohio agreed, determining that the test was unconstitutionally vague and finding in favor of the defendants.

The decision was appealed to the 6th Circuit. The appeals court affirmed the lower court's decision.

RESPA Section 8 prohibits the giving or receiving of any fee pursuant to an agreement that business incident to a settlement service will be referred. The appeals court indicated that when RESPA was enacted in 1974, there was uncertainty about its application to referrals between affiliated companies. Congress added an AfBA safe harbor in 1983 in order to provide more guidance.

The provision, Section 8(c)(4), states that an AfBA qualifies for the safe harbor if it meets three conditions: 1) the person making the referral must disclose the arrangement to the client; 2) the client must remain free to reject the referral; and 3) the person making the referral cannot receive any thing of value from the arrangement other than a return on the ownership interest.

Analyzing the case using just the safe harbor, the appeals court determined that Welles-Bowen Realty qualified for the safe harbor because it met the three requirements.

The court found that HUD's Statement of Policy 1996-2, which set up the 10-factor test, added an additional standard, muddying the issue.

"The statement announced that, despite the three safeguards already contained in Section 2607(c)(4), AfBAs must satisfy a fourth requirement: 'The entity receiving the referrals of settlement service business must be a . . . bona fide provider of settlement services,'" the

6th Circuit wrote. In addition, the statement continues, 'the department will consider' a series of factors 'and will weigh them in light of the specific facts' when separating bona fide providers from shams."

The court determined that HUD did not have the authority to add an additional requirement to the safe harbor and said an AfBA that meets the three factors set forth in the RESPA statute qualifies for the exemption.

"The short answer to this claim is that a statutory safe harbor is not very safe if a federal agency may add a new requirement to it through a policy statement," the court said. "The long answer is that the policy statement is not entitled to Chevron deference or Skidmore consideration, and as a result, compliance with the three conditions set out in the statute suffices to obtain the exemption."

The RESPA statute establishes additional safe harbors from its ban on referral fees. For example, Section 8(c) allows for the payment of a bona fide salary or payments for goods or services actually furnished. The court noted that the statute uses "bona fide" in the salary exception but omits the phrase in the AfBA exemption. Because of this, the court determined that the AfBA exemption does not require courts to determine whether the affiliated business is bona fide. Instead, only the test written in the statute needs to be used.

"As the policy statement itself explains, the statute as first enacted created legal uncertainty about profiting from referrals to affiliated companies," the court said. "Congress created the AfBA safe harbor to eliminate this uncertainty. The statute's precision in defining the boundaries of this exception reflects this objective. A multi-factor inquiry that seeks to distinguish bona fide providers from shams in new ways would reintroduce much of the uncertainty the safe harbor meant to eliminate."

The appeals court affirmed the lower court's decision in favor of the defendants and, because it ruled for the



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defendants on the merits of the case, it declined to consider the plaintiffs' challenge to the district court's denial of class certification.

HUD's 10-factor test has long been controversial, with many arguing it is unconstitutional. The CFPB filed a complaint against Borders & Borders in October, alleging the law firm and its principals used a network of sham AfBAs to pay kickbacks in return for referrals of business. The bureau's compliant relied heavily on the 10-factor test. T. Morgan Ward, a member of Stites & Harbison PLLC and one of the attorneys representing Borders, questioned the bureau's use of the test.

"We don't feel that our client should have to litigate compliance with a policy that has been declared to be unconstitutional, particularly while an appeal is pending before the 6th Circuit," Ward told *RESPA News* when the complaint was filed. "We are surprised and disappointed that the CFPB decided to file this lawsuit instead of

awaiting a determination by the 6th Circuit as to the constitutionality of the rules that it is trying to enforce. The rules are not in RESPA — our client complied with the requirements that Congress included in the statute — but are instead contained in a policy statement that was declared unconstitutional by a U.S. District Court and which is now on appeal before the 6th Circuit."

According to the 6th Circuit's holding, if the company was in compliance with the requirements set forth in the RESPA statute, it should qualify for the AfBA exemption. The CFPB's suit against Borders was filed in the U.S. District Court for the Western District of Kentucky, which is within the 6th Circuit — the 6th Circuit covers Kentucky, Michigan, Ohio and Tennessee. This recent decision could significantly weaken the CFPB's suit against Borders.

RESPA News will keep you updated with further AfBA issue developments.



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Strategic People Reminders for the Busy Executive

by Scott Patchin, The trU Group

What I'm hearing

"The time I spent being mentored by our vice president was great. I wish they would give me another mentor like that this year."

What it means

Our time and attention is a gift we give. Yes, a gift!

Leaders often forget the impact that they have on people. I've observed that, when asked, most leaders are quite willing to spend time with someone, listen a little, and share some of their own experiences. It's often a welcome break from their packed schedules and decision-a-minute pace.

Mentoring works, especially with a specific goal in mind. It can work in a broader leadership program or standing alone, but it needs a development plan to drive the most effective outcomes for the individual and the organization.

What you should do

FOR INDIVIDUALS IN SEARCH OF MENTORING:

This summer, I presented my *5 Tips for Managing Your Career and Performance*. Tip #1 was "Own it."

1. Own it. Here are your choices: (1) Stay the course for the year, do your best in your role, and take learning as it comes. (2) Set some goals for yourself, make a commitment to achieve those goals, and find a path to achieving them. If you choose (1), mentoring is probably not needed

this year.

2. Find a mentor. When you have some goals, leverage your network to find someone you respect professionally and has achieved some of the things you want to achieve. For example, if you're moving into a sales leadership role and want to transition from selling to leading a sales team, look for an experienced sales leader.

3. Google it. Advice for starting a mentoring relationship is plentiful. Find a couple of articles and you will become an expert. Use the advice when you approach potential mentors.

4. Own it. I have experienced both sides of this relationship — as a mentor and a mentee. The characteristics I look for in a mentee are a passion for personal growth and follow-through. As a mentor, I'm always surprised how much benefit I get out of the relationship.

FOR LEADERS:

I was involved in several employee surveys in 2013, and all three identified "investing in growth and development" as something people wanted more of. Providing support for your people in creating development plans for themselves is a great gift. Benefits of supporting the professional growth of your people include:

- Your people see you as someone who cares about their development.
- You connect with a valued colleague or leader in your organization and s/he helps you build your business by developing a key team member.
- Your budget impact is a few lunches.

What's the ROI of mentoring to your organization? A big number that will make your CFO smile.



Interested in becoming more intentional about developing your people? Are you seeing business goals that make you wonder whether you have the right team to get there? Making a connection — from development-planning to mentoring — could be a part of the answer. This is a conversation I always look forward to having, and this is a great gift to give. Contact me. Scott@thetrugroup.com

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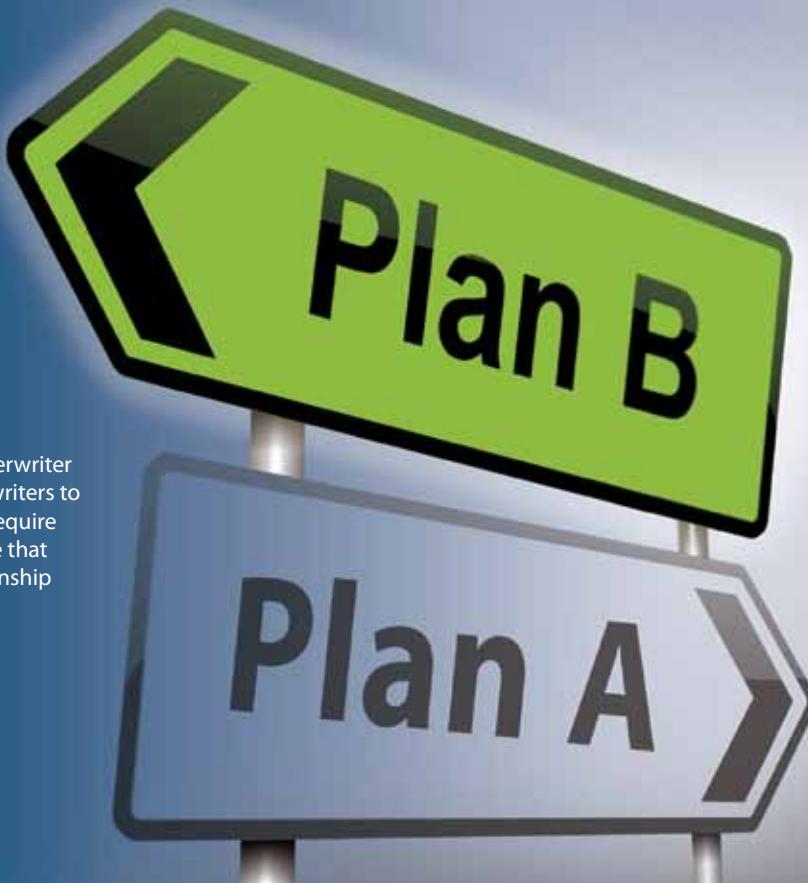


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Residential Sales Statistics September 2013

Local Association	2013 YTD # Sales	2012 YTD # Sales	13-12 YTD % Change	2013 YTD Avg Price	2012 YTD Avg Price	13-12 YTD % Change	2013 Sep Sales	2012 Sep Sales	13-12 % Change	2013 Sep Avg Price	2012 Sep Avg Price	13-12 % Change
Ann Arbor Area Board of REALTORS®	2,501	2,542	-1.61%	\$255,737	\$216,834	17.94%	338	278	21.58%	\$257,998	\$214,059	20.53%
Antrim Charlevoix Kalkaska Association of REALTORS®	436	444	-1.80%	\$202,476	\$178,672	13.32%	62	56	10.71%	\$251,665	\$154,991	62.37%
Battle Creek Area Association of REALTORS®	1,155	1,047	10.32%	\$88,405	\$80,330	10.05%	138	130	6.15%	\$82,308	\$108,486	-24.13%
Bay County REALTOR® Association	915	1,042	-12.19%	\$74,360	\$72,421	2.68%	123	97	26.80%	\$79,263	\$71,229	11.28%
Branch County Association of REALTORS®	342	370	-7.57%	\$104,797	\$82,619	26.84%	46	53	-13.21%	\$153,091	\$97,781	56.57%
Central Michigan Association of REALTORS®	775	730	6.16%	\$97,143	\$93,496	3.90%	78	88	-11.36%	\$95,557	\$86,444	10.54%
Clare-Gladwin Board of REALTORS®	634	578	9.69%	\$67,879	\$65,676	3.35%	118	84	40.48%	\$81,173	\$75,938	6.89%
Detroit Board of REALTORS®	4,306	4,796	-10.22%	\$20,848	\$16,473	26.56%	415	479	-13.36%	\$24,018	\$17,125	40.25%
Down River Association of REALTORS®	859	1,257	-31.66%	\$104,523	\$84,716	23.38%	85	111	-23.42%	\$115,631	\$110,757	4.40%
Eastern U.P. Board of REALTORS®	306	358	-14.53%	\$99,904	\$89,633	11.46%	41	51	-19.61%	\$94,060	\$105,217	-10.60%
Emmet Association of REALTORS®	591	497	18.91%	\$282,893	\$229,220	23.42%	84	78	7.69%	\$249,978	\$252,613	-1.04%
Genesee County	4,449	4,727	-5.88%	\$88,792	\$78,011	13.82%	567	484	17.15%	\$94,029	\$78,546	19.71%
Grand Rapids Association of REALTORS®	9,873	9,139	8.03%	\$153,800	\$131,920	16.59%	931	819	13.68%	\$155,648	\$139,319	11.72%
Greater Kalamazoo Association of REALTORS®	3,491	2,888	20.88%	\$151,371	\$139,253	8.70%	384	337	13.95%	\$161,559	\$139,133	16.12%
Greater Lansing Association of REALTORS®	4,780	4,464	7.08%	\$115,092	\$104,671	9.96%	528	424	24.53%	\$114,055	\$113,317	0.65%
Greater Shiawassee Association of REALTORS®	240	438	-45.21%	\$77,248	\$66,653	15.90%	21	55	-61.82%	\$79,210	\$58,997	34.26%
Greater Wayne County	12,055	12,266	-1.72%	\$124,598	\$97,676	27.56%	1,372	1,373	-0.07%	\$136,782	\$106,950	27.89%
Hillsdale County Board of REALTORS®	323	301	7.31%	\$98,284	\$78,937	24.51%	41	46	-10.87%	\$103,414	\$86,876	19.04%
Huron County	94	103	-8.74%	\$108,187	\$109,117	-0.85%	10	9	11.11%	\$123,423	\$102,944	19.89%
Jackson Area Association of REALTORS®	1,637	1,538	6.44%	\$106,548	\$93,013	14.55%	189	141	34.04%	\$112,330	\$107,151	4.83%
Lapeer County	818	783	4.47%	\$130,150	\$110,304	17.99%	109	89	22.47%	\$126,910	\$119,897	5.85%
Lenawee County Association of REALTORS®	752	808	-6.93%	\$110,173	\$94,084	17.10%	75	85	-11.76%	\$111,923	\$88,877	25.93%
Livingston County	2,257	2,027	11.35%	\$196,628	\$171,894	14.39%	290	228	27.19%	\$203,508	\$181,148	12.34%
Oakland County	14,618	13,842	5.61%	\$211,597	\$172,943	22.35%	1,755	1,493	17.55%	\$223,035	\$187,621	18.88%
Macomb County	9,080	8,841	2.70%	\$122,688	\$98,540	24.51%	1,033	968	6.71%	\$133,693	\$104,688	27.71%
Mason-Oceana-Manistee Board of REALTORS®	708	716	-1.12%	\$168,530	\$112,971	49.18%	94	83	13.25%	\$132,081	\$119,295	10.72%
Midland Board of REALTORS®	798	764	4.45%	\$154,154	\$139,196	10.75%	105	80	31.25%	\$173,771	\$144,958	19.88%
Monroe County Association of REALTORS®	1,097	1,011	8.51%	\$128,286	\$121,356	5.71%	136	125	8.80%	\$124,257	\$113,240	9.73%
Montcalm County Association of REALTORS®	78	81	-3.70%	\$97,407	\$99,202	-1.81%	9	5	80.00%	\$111,833	\$74,480	50.15%
Northeastern Michigan Board of REALTORS®	541	518	4.44%	\$81,178	\$84,006	-3.37%	84	68	23.53%	\$92,819	\$81,602	13.75%
Paul Bunyan Board of REALTORS®	1,172	1,134	3.35%	\$93,570	\$86,277	8.45%	172	150	14.67%	\$98,218	\$106,316	-7.62%
Saginaw Board of REALTORS®	1,559	1,551	0.52%	\$83,222	\$77,253	7.73%	196	171	14.62%	\$78,860	\$73,560	7.21%
Sanilac County	131	135	-2.96%	\$81,826	\$68,868	18.82%	15	21	-28.57%	\$137,518	\$83,789	64.13%
Southwestern Michigan Association of REALTORS®	2,320	2,119	9.49%	\$181,254	\$168,359	7.69%	301	254	18.50%	\$201,586	\$209,423	-3.74%
St. Clair County	1,175	1,044	12.55%	\$120,028	\$104,310	15.07%	154	117	31.62%	\$124,728	\$103,227	20.83%
St. Joseph County Association of REALTORS®	423	471	-10.19%	\$104,597	\$101,441	3.11%	52	60	-13.33%	\$117,581	\$91,356	28.71%
Traverse Area Association of REALTORS®	2,180	1,963	11.05%	\$214,568	\$201,192	6.65%	330	281	17.44%	\$243,621	\$238,786	2.02%
Tuscola County	226	201	12.44%	\$70,375	\$61,293	14.82%	23	24	-4.17%	\$64,261	\$55,544	15.69%
Upper Peninsula Association of REALTORS®	1,542	1,516	1.72%	\$105,902	\$100,257	5.63%	202	200	1.00%	\$102,090	\$95,181	7.26%
Water Wonderland Board of REALTORS®	1,558	1,426	9.26%	\$115,182	\$95,576	20.51%	198	197	0.51%	\$118,892	\$109,906	8.18%
West Central Association of REALTORS®	970	940	3.19%	\$86,579	\$82,367	5.11%	128	129	-0.78%	\$99,738	\$90,721	9.94%
West Michigan Lakeshore Association of REALTORS®	3,277	2,924	12.07%	\$154,356	\$137,993	11.86%	380	305	24.59%	\$175,034	\$146,394	19.56%
TOTALS	97,042	94,340	2.86%	\$124,646	\$109,501	13.83%	11,412	10,326	10.52%	\$132,408	\$115,426	14.71%

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MLTA Upcoming Events

April 9, 2014	Spring Education Seminar <i>Soaring Eagle Resort - Mt. Pleasant</i> <i>(Note change in location)</i>
May 14, 2014	Spring Education Seminar <i>Livonia Marriott</i>
July 13-15, 2014	2014 Summer Convention <i>Mission Point, Mackinac Island</i>

ALTA Upcoming Events

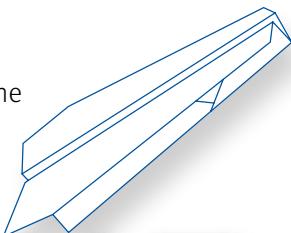
March 12, 2014	Business Strategies Conference <i>Omni Nashville, Nashville, TN</i>
May 5-7, 2014	ALTA Federal Conference <i>Grand Hyatt Washington, Washington D.C.</i>
October 15, 2014	ALTA Annual Convention <i>Westin Seattle, Seattle, WA</i>

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