



Carolina Update

NCLTA's Exclusive Report to its Members

Contents

3
New Executive
Committee Members

3
Convention
Calendar

3
Committee Chairs
announced

5
Legislative Report

8
Executive Committee
August meeting

10
2008 Annual
Convention
Highlights

13
Executive Director's
Annual Report

14
Convention
manuscripts available

15
Welcome New
Members

President's Message

Candice E. Williams



We are at the beginning of a new administrative year and although the economy has slowed down, the North Carolina Land Title Association has not. Our Loss Prevention Committee is continuing to make strides in the areas

of consumer protection and loss prevention. The Forms Committee has been charged with the task of finalizing the 1-P and 1-F forms and drafting a standard lien waiver that would address our current market and the Study Guide Committee is hurrying to finalize the 2008 edition of the *Title Agent's Licensing Exam & Underwriting Study Guide* to meet consumer demand.

In addition, our association was represented at a hearing before the Subcommittee of Railroad Corridor Management of the House Select Committee on Comprehensive Rail Service Plan for North Carolina on Tuesday, August 26th. Nick Long, David Ferrell and Kim Rosenberg attended. Nick presented our concerns over proposed legislation by the railroad industry that could negatively impact our industry and consumers. Many other groups also voiced concerns that were similar to ours. These groups include: the Real Property Section of the North Carolina Bar Association, the North Carolina Realtors Association, and the North Carolina Surveyors. Nick, David, and Kim along with Nancy Ferguson and Chris Burti jumped into action by developing a comprehensive list of concerns that had to be formally submitted by Friday, September 5th.

The Subcommittee requested our proposed legislation be submitted by no later than Friday, September 19th.

On a less formal note, our Annual Convention was held in Asheville at The Grove Park Inn Resort and Spa from August 14th-16th. We may have started a tradition with a band at the Annual Banquet (two years running) and it seems to be a success. Although some of us danced more than others! Penney DePas surprised us with a touching tribute to John Noblitt, whose brother, Steve Noblitt, a wine importer in Asheville, provided wine at dinner in memory of John.

We had a diverse but informative CLE program. Pat Hetrick graciously missed an engagement at Campbell Law School to provide us with our annual case law update. Anne Anastasi represented the American Land Title Association and gave us an impressive presentation on the current state of our industry on a national level. Continuing the discussion of national trends, Jennifer Rosse and David DeCiantis with Fidelity National Title Group gave an overview of claims.

Ed Urban of Attorneys Title/United General updated us on important developments with federal liens and mechanics' liens, and Larry Maitin of Maitin Law Firm presented the basics for conducting a proper Power of Sale Foreclosure. Robert Allen, the current President of the Real Property Section of the North Carolina Bar Association presented his plan for the upcoming year, and David Ferrell discussed

continued on page 15



Whatever You Need,



**Whenever
You Want,**



Wherever You Are,



No Matter Your Size.

SoftPro is there FOR YOU.

The Nation's leading Closing and Title Software Solutions Company not only offers the most comprehensive and feature-rich Title and Closing Software Solution, but we offer it coast-to-coast for more successful businesses than any other. So give us a call at 800-848-0143 or visit us at www.softprocorp.com today for more info.

Closing More Properties Coast-to-Coast Than Anyone!

A Division of
Fidelity National
Information Services

FIS
FIDELITY NATIONAL
INFORMATION SERVICES



SOFTPRO
Closing and Title Software Solutions

Call SoftPro at 800-848-0143 or visit us on the web at www.softprocorp.com

New 2008-2009 Executive Committee Members

The following new officers were elected by the NC Land Title Association membership during the August 16, 2008, annual meeting:

President - Candice Williams, The Title Company of North Carolina, Charlotte

Vice President - Carolyn Clark Snipes, Fidelity National Title Insurance Co., Asheville

Treasurer - Tabatha L. Cruden, LandAmerica/Lawyers Title Insurance Corp., Raleigh

Secretary - Ryan Wainio, Investors Title Insurance Company, Chapel Hill

In addition, the NCLTA Attorney Section elected James L. Gale of Smith Moore Leatherwood LLP, Raleigh, as its Representative on the Executive Committee. Continuing on the Executive Committee as Immediate Past President is Kimberly B. Rosenberg, Attorneys Title (division of United General Title Insurance Co.), Raleigh. Chris Burti of Statewide Title,

Greenville, has agreed to remain on the Executive Committee for another year as General Counsel and Legislative Committee Chair.



2008-2009 NCLTA Officers (l. to r.): Jim Gale, Taby Cruden, Candice Williams, Chris Burti, Ryan Wainio, and Kim Rosenberg. Not pictured: Carolyn Clark Snipes.

Convention Calendar

NCLTA 2009 Annual Convention

September 17-19, 2009
Wild Dunes Resort
Isle of Palms, SC
www.wilddunes.com

2009 ALTA Annual Convention

October 21-24, 2009
The Breakers, Palm Beach, FL
www.alta.org/meetings/meeting.cfm?meeting=SAM2009Ann

NCLTA 2010 Annual Convention

September 16-18, 2010
Hilton Garden Inn
Kitty Hawk, NC
<http://hiltongardeninn.hilton.com/en/gi/hotels/index.jhtml?ctyhocn=ORFKHGI>

2010 ALTA Annual Convention

October 13-16, 2010
Manchester Grand Hyatt, San Diego, CA
www.alta.org/meetings/meeting.cfm?meeting=SAM2010Ann

2008-2009 Committee Chairs announced

President Candice Williams has appointed the following chairs to NCLTA's Committees for the 2008-09 administrative year:

- Awards & Nominations – Kim Rosenberg
- 2009 NCLTA Convention – Carolyn Clark; Convention Sponsorship – Debbie Brittain
- Editorial/Newsletter – Ryan Wainio
- Education/Study Guide – Jay Williams
- Forms – Taby Cruden
- Legislative – Chris Burti
- Loss Prevention – Kim Rosenberg
- Membership – Jim Gale
- Regulatory – Nick Long

In addition, Ryan Wainio will serve as the Association's liaison to the NC Land Records Task Force, and Debbie Brittain will chair the NCBA Real Property Section Convention's Title Insurance Sponsorship Committee. Three members of the NCLTA Executive Committee, President, Vice President, and Past President serve on the NCBA Real Property Section Council as well.



We Cover the Carolinas.

Efficient & effective service wherever our clients need us.

Our title litigation group travels throughout the area to represent title companies, attorneys, owners, lenders, buyers & sellers.

HORACK•TALLEY

Coverage counsel, reformation actions, lien priority disputes, complex foreclosures, mechanics' lien issues, contract disputes, restrictive covenants, zoning disputes, bankruptcy implications, easements, and access issues

2600 One Wachovia Center • 301 South College Street • Charlotte, NC 28202
704.377.2500
www.horacktalley.com

Legislative Report – NC General Assembly

Short Session 2008

By David Ferrell, Vandeventer Black, LLC, and NCLTA Lobbyist

The legislature adjourned the 2008 short session on July 18, 2008, and will convene the 2009 legislative session on January 28, 2009. Lawmakers gave final legislative approval to 229 bills and passed 31 joint resolutions in 2008. In the 2007-2008 biennium, lawmakers filed 4,991 bills—the second highest number in a century.

This article contains a summary of the legislation of interest from the 2008 legislative session and issues that may be studied before the beginning of the 2009 legislative session. The statutory changes described in this article are effective now unless an effective date is provided. For more information about legislation described in this article, contact NCLTA Lobbyist David Ferrell at dferrell@vanblk.com or (919) 754-1171. Information is also available on the General Assembly's website: www.ncga.state.nc.us.

Railroad Corridor Study

The House Select Committee on a Comprehensive Rail Service Plan for NC is considering railroad corridor management legislation proposed and drafted by the North Carolina railroad industry, specifically the North Carolina Railroad. The President of the NC Railroad ("NC RR") informed the Committee of their need to clear, maintain and protect right of ways and to remove encroachments on their right of way. As you may know, the NC RR is obtaining licensing agreements from current "encroachers." The NC RR president stated that since each "encroachment" situation is different, they do not believe that past issues/problems can be fixed with legislation, but their proposed legislation is intended to apply prospectively.

NCLTA has a number of concerns with this legislation which we have shared with a subcommittee that has been appointed to solicit "stakeholder input" on the draft bill with the hope to have a revised bill to present to the legislature in 2009. The members of the subcommittee are: Rep. Sutton, Chair (D-Robeson) – attorney; Rep. Carney (D-

Mecklenburg); Rep. Ross (D-Wake) – attorney; Rep. Stiller (R-Brunswick) – attorney; Rep. Barnhart (R-Cabarrus); Rep. Dickson (D-Cumberland).

We have participated in the subcommittee meetings, offered our views and insights to the subcommittee, and will offer specific legislation changes to the subcommittee to address NCLTA concerns with the legislation. The subcommittee is to report its recommendations back to the full House Railroad Corridor committee by October 2, 2008.

Partition Sales of Real Property Study

House Bill 2431, Studies Act of 2008, among other things, creates the Partition Sales Study Committee to address the issue of the impact of partition sale procedures on the economic use and loss of heir property and farmland by heirs in North Carolina. This is the issue we expected to be studied after the 2007 legislative session, but it was not studied. We will monitor the activities of this study committee.

Liens on Mobile Homes Not Enacted Into Law

House Bill 2476 and Senate Bill 1878, Property Tax Modifications, would have treated mobile homes considered "personal property" the same as other homes with respect to property tax liens. The bill would also have allowed the tax lien to attach to other unrelated real property owned by the owner in the county. The apparent goal of the provision is to address the situation where there are unpaid taxes and a person sells a mobile home considered "personal property" before it can be seized. Senate Bill 1878 was considered and enacted during the short session, but the tax liens on mobile home provisions were removed from the bill. So the tax liens on mobile home provisions were not enacted into law this session.

continued on page 6

Home Foreclosure Relief

In addition to providing funding (as described in the summary of the State Budget Bill below), the legislature enacted several bills aimed at curbing mortgage fraud and assisting those facing foreclosure. The bills include:

- **House Bill 2188, Earlier Notification of Mortgage Servicer Fee**, makes changes to the mortgage servicer law as recommended by the House Select Committee on Rising Home Foreclosures. The bill makes a technical change to the notification provision, and provides that the servicer would not be required to send such a statement for a fee that: (i) results from a service that is affirmatively requested by the borrower, (ii) is paid for by the borrower at the time the service is provided, and (iii) is not charged to the borrower's loan account. The bill changes the definition of the term "points and fees" to include all compensation paid to a mortgage broker from any source. The bill prohibits a mortgage lender or broker from receiving compensation that changes in connection with a rate-spread loan or from receiving bonuses for putting borrowers into inflated loans, such as rate-spread loans.
- **House Bill 2463, Regulate Mortgage Servicers**. The bill establishes a licensure process for "mortgage servicers" under the Mortgage Lending Act recommended by the House Select Committee on Rising Home Foreclosures. "Mortgage servicers" are those who engage in the business of receiving scheduled periodic payments from borrowers pursuant to the terms of a loan and make the payments of principal and interest and other payments, including escrow payments. Mortgage servicers are required to obtain a license like mortgage brokers and bankers. The bill establishes certain minimum requirements for mortgage servicers, describes the duties of mortgage services in financing transactions, and prohibits certain acts by mortgage servicers.

The bill provides that if the Commissioner of Banks has evidence that a material violation of the law has occurred in the origination or servicing of a loan that is being foreclosed or is in threat of foreclosure, and that a claim or affirmative defense would affect the validity or enforceability of the

underlying contract or the right to foreclose, then the Commissioner may notify the Clerk of Superior Court and the Clerk of Superior Court shall suspend foreclosure proceedings on the mortgage for 60 days from the date of the notice. If the violation by the servicer is cured or the information satisfies the Commissioner that no material violations occurred, the Commissioner shall notify the Clerk of Superior Court so that the foreclosure proceeding may be resumed.

- **House Bill 2623, Emergency Foreclosure Reduction Program**, creates a program to reduce foreclosures and to authorize the Commissioner of Banks to use funds for home foreclosure prevention. The bill provides that at least 45 days prior to the filing of a notice of hearing in a foreclosure proceeding on a primary residence, mortgage servicers of subprime loans shall send written notice by mail to the last known address of the borrower to inform the borrower of available resources to avoid foreclosure, including an itemization of all past due amounts causing the loan to be in default; itemization of any other charges that must be paid in order to bring the loan current; a statement that the borrower may have options available other than foreclosure; the contact information for the mortgage lender, the mortgage servicer, or the agent for either of them; contact information of counseling agencies; and other relevant information.

Within three business days of mailing the pre-foreclosure notice described above, mortgage servicers must file certain information regarding the subprime loan with the Administrative Office of the Courts. The bill provides that no later than October 1, 2008, the Administrative Office of the Court shall establish an internal database to track information provided by mortgage servicers. The Commissioner of Banks shall design and set up a database to promote the efforts of the State Home Foreclosure Prevention Project and shall review the information provided in the database described above to determine which subprime loans are appropriate for efforts to avoid foreclosure. Under certain circumstances and after making certain

findings, the Commissioner of Banks shall have the authority to extend one time the allowable filing date for any foreclosure proceeding on a primary residence by up to 30 days beyond the earliest filing date established by the pre-foreclosure notice. Effective November 1, 2008, and expires October 31, 2010.

State Budget Bill

The bill increases the filing fee for filing deeds of trust, mortgages, and cancellation of deeds of trust and mortgages with the Register of Deeds Office from \$12.00 to \$22.00 for the first page of the document. The \$3.00 fee for additional pages remains the same. The additional \$10.00 per filing will be forwarded by the county finance officer monthly to the North Carolina Department of Crime Control and Public Safety to be used by the Floodplain Mapping Fund to prepare floodplain maps and perform other similar duties of the program.

The State Budget Bill appropriates in excess of \$14 million in funding to support initiatives to help stabilize the housing market, including for counseling services to assist homeowners at risk of foreclosure, to provide affordable housing to low-income citizens, to provide additional independent and supportive living apartments for persons with disabilities, to provide operating cost subsidies for independent and supportive living apartments for individuals with disabilities, to provide counseling services and mortgage assistance to citizens who are at risk of foreclosure due to job loss, and provides \$200,000 in recurring funds to the North Carolina State Bar to provide legal assistance to low-income consumers in cases involving predatory mortgage lending, mortgage broker and loan services abuses, foreclosure defense, and other legal issues that relate to helping low-income consumers avoid foreclosure and home loss. Of the State Bar funds, \$100,000 recurring is provided to the Land Loss Prevention Project and \$100,000 recurring is provided to the Financial Protection Law Center.

The bill amends N.C. Gen. Stat. 7A-474.3(b) (regarding eligible cases for legal services under the Civil Justice Act) to allow the use of a portion of the estimated \$1.7 million in increased revenue generated from an increase

in certain court fees to provide access to legal assistance to homeowners in cases involving predatory mortgage lending, mortgage broker and loan services abuses, foreclosure defense, and other legal issues that relate to helping consumers avoid foreclosure and home loss.

Bills Of Interest Enacted Into Law

House Bill 2287, Service Of Process/Electronic Or Fax Receipt. The bill provides that when service of process is performed by a designated private delivery service under Rule 4 of the Rules of Civil Procedure, an electronic or facsimile receipt can be used as proof of service. The bill adds a new subsection “(j6)” to Rule 4 specifically to state that service by electronic mailing (e-mail) is not authorized.

House Bill 545, Clarify And Amend Various Provisions amends various statutes, including:

Register Of Deeds Changes:

The bill makes several changes to the statutes related to the verification, recordation, and indexing of documents presented to the Register of Deeds. These changes are recommendations of the North Carolina Association of Register of Deeds.

The bill eliminates from N.C.G.S. § 47-14 the apparent permission to re-record documents that have been altered after they have been acknowledged. To re-record an original document, the person presenting the document must mark the first page as a re-recording, which will serve as a representation that it is the same unaltered document as previously recorded. The register has no responsibility to check for alterations. The bill makes similar changes to the statute governing the re-recording of certified copies.

The bill adds language to N.C.G.S. § 47-14 to address the verification of electronic documents. The bill adds a new subsection (a1) to N.C.G.S. § 47-14 to clarify the verification requirements for electronically submitted documents. Generally, the register’s verification responsibilities involves four steps: (i) checking the submitter’s authorization to record electronically, (ii) checking for

Executive Committee winds up very active year during August meeting

The NCLTA Executive Committee met on August 14, immediately prior to the opening of the annual convention in Asheville. NCLTA leaders had been very active over the summer, holding three conference call meetings as well as participating in a number of face-to-face meetings with representatives of the North Carolina Department of Insurance, Lawyers Mutual, North Carolina State Bar, and the Real Property Section Council of the North Carolina Bar Association on multiple matters.

Loss Prevention Efforts

The primary focus for the meetings was collaborative development of measures to stem the title claims and losses incurred by the recent misappropriation of funds by a few attorneys and to prevent future losses on the same scale. As a result of these meetings, the following actions have been taken:

- a) President Kim Rosenberg appointed a Loss Prevention Committee, consisting of NCLTA representatives Rosenberg, Candice Williams, Jeff Hrdlicka, Nancy Ferguson, and Steve Brown, to work with Real Property Section Council members Robert Allen, Tom Steele, etc., and the staffs of the NC State Bar, NC Department of Insurance, and Lawyers Mutual Liability Insurance Co. in a multi-pronged, consumer protection initiative.
- b) An *amicus curiae* brief was filed by NCLTA in the appealed case of Johnson v. Schultz, heard without oral arguments on August 18.
- c) The NC State Bar has amended its web site [www.ncbar.com/discipline/dhcsrch.asp] to add a searchable database for attorneys who are enjoined from handling entrusted funds and/or serving as fiduciaries. A list of attorneys who had already been issued preliminary injunctions was disseminated to the NCLTA title company members' key leaders.
- d) NCLTA has discussed potential legislation with the NC Department of Insurance to allow title insurance companies to share information and conduct optional audits of attorney trust accounts in situations when there is reason to believe there may be misappropriation of funds. NCLTA has also hired antitrust counsel to provide advice in this matter.

Title Agent Exam and Study Guide Updates

NCLTA will be working with the NC Department of Insurance to update the NCDOI title agent licensing exam in early 2009. NCLTA members interested in participating in the exam revision, may contact NCLTA President Candice Williams at cwilliams@tnc.biz or Executive Director Penney De Pas at exec@nclta.org to volunteer. Meanwhile, the 2007 *Title Agent's Exam Study Guide and Underwriter Manual* has undergone a revision for 2008 and will be available to NCLTA members only via a password-protected system. Non-members may purchase copies on compact disk through the NCLTA web site at www.nclta.org.

Other Initiatives

- NCLTA, with the input of the Real Property Section Council, urged North Carolina Congressional Representatives to sign onto a "Dear Colleague" letter circulated in Congress to have HUD reconsider its most recent RESPA proposals.
- In response to a request from the staff of the NC Bar Association to increase the title company sponsorship level for the 2009 RPS Annual Convention, Debbie Brittain will chair a joint NCLTA-RPS committee to plan the RPS cocktail party at The Homestead to attempt to keep costs down.
- In addition to the ongoing process of revising the Preliminary Opinion on Title (1-P) and Final Opinion on Title (1-F), the NCLTA Forms Committee, chaired by Taby Cruden, is revising the residential lien waiver forms, adding separate documents with instructions and a schedule of addenda for commercial lien waivers.
- The NCLTA Regulatory Committee, chaired by Nick Long, is revising the *ALTA Regulatory Survey*.
- The NCLTA Legislative Committee, chaired by Chris Burti, is preparing its 2009 legislative agenda, including new legislation for recording powers of attorney that would

continued on page 9

compliance with any agreements with the register, (iii) verifying completion of the same notary elements as are checked with paper documents, and (iv) verifying that trusted submitters have placed a statement on the document image about the submitter's identity and recording requirements compliance.

The new language authorizes registers who wish to accept electronic notarizations requiring acknowledgements to do so if they can confirm that the acknowledgements have been completed. They can accept electronic documents from two kinds of submitters: the government or a "trusted submitter." Under this new provision, registers are not required to accept electronic submissions, nor does it require registers who decide to accept electronic documents, to accept them from anyone except those who are authorized.

The bill changes the available methods for recording a document about typographical or minor errors by eliminating the use of statements of explanation and authorizing the use of an affidavit to explain and show corrections. Any person may submit an affidavit of correction to make a record of typographical or minor errors. The affidavit may include any exhibits to explain or show the correction, including a marked-up copy of the corrected document. Registers will verify the notary certificate in the same manner as with any other affidavit. The subsection provides that if an affidavit is conspicuously identified as a "corrective" or "scrivener's" affidavit in its title, the register is required to index the affiant's name, the names of the original parties to the document, and the recording information for the document being described.

The bill makes various changes to the indexing statutes, N.C.G.S. § 161-21 and 161-22. Legislative staff reports that there are many indexing statutes, not all of which provide registers with clear guidance about what is reasonable indexing. A strict interpretation of current law would seem to suggest that if a document is not indexed according to all applicable rules, it is not registered at all, which could significantly affect the rights of owners and creditors. The North Carolina courts have not taken

such a strict approach. Rather, they have held that indexing is sufficient if a reasonably careful and prudent examiner would find the document in the index, even if the indexing does not technically comply with all the indexing rules. The language in this subsection adopts this judicial interpretation. These subsections make other clarifying changes to address inconsistencies in the statutes that have arisen over the years as the result of changes to parts of the statutes without corresponding changes to related statutes. The bill also provides that registers will no longer be required to maintain personal property indexes for UCC filings. The bill also repeals the Class 1 misdemeanor penalty for violations of the indexing statute.

Validation Of Certain Notarial Acts

The bill provides that electronic documents filed in the Mecklenburg County Register of Deeds office that purport to be notarized in the Commonwealth of Virginia and that contain the typed name of a Virginia notary together with the notary's expiration date shall be given the same legal effect as if the person performed a lawful notarization in Virginia. The provision in the bill validates these notarial acts performed on or before May 1, 2008.

Executive Committee winds up very active year during August meeting

continued from page 8

require notice of recordings in other counties and allowing for recording after the fact.

- A contract was signed with the Hilton Garden Inn, Kitty Hawk, for the 2010 annual convention.

Next Executive Committee Meetings

The NCLTA Executive Committee will meet for its regularly scheduled meetings at the association's offices on Wednesday, October 29, 2008; Tuesday, February 10 and May 5, 2009; and on Thursday, September 17, 2009, at The Boardwalk Inn. Meetings are open to the membership, but interested persons should contact Executive Director Penney De Pas in advance to be sure of time, directions, space, and materials, since the schedule and location are subject to change.

Capacity attendance at 2008 Annual Convention

Even before the registration flyers were mailed, the NCLTA room block for the 2008 annual convention at the Grove Park Inn Resort and Spa, Asheville, NC, was full. By the time the actual convention arrived, we had reached the seating capacity for the educational sessions. Although this was not NCLTA's highest overall attendance with 117 people (last year's 30th anniversary broke previous records at 125 attendees), it was still higher than anticipated in light of soaring gasoline prices, the Real Property Section holding its own convention at the Grove Park only three months earlier, and the toll on the title industry caused by the weakened economy, real estate economic crisis, and attorney defalcations.

The convention provided plenty of opportunities for everyone to collaborate and socialize for both business and pleasure while learning some solutions for the latest trends in the industry, and maybe even to forget for a while about some of the current concerns. Certainly, no one was afraid to party!

We hope you will mark your calendar for the 2009 NCLTA Annual Convention, September 17-19, at The Boardwalk Inn, Wild Dunes Resort, Isle of Palms, SC.

Socializing at the Welcome Reception



Chris Burti (l.) and Stewart Morris



Gary Chadwick (l.) and Chip Killian



Lee Ott (l.) and Denise Lee



(l. to r.) Marc Jacobs, Candice Williams, Kim Rosenberg, and Ed Urban



Jeff Johnson (l.) and Carolyn Snipes

Some of our speakers



Jennifer Rosse (l.) and Candice Williams



David DeCiantis (l.) and Randy Underwood



Larry Maitin (l.) and David Ferrell



Margaret Burnham (l.) and Robert Allen

Friday night's festivities



Far left: (l. to r.) Sponsorship Chair Debbie Brittain, Kathy Speight, and Convention Chair Candice Williams



(l. to r.) Attorney Section Representative Ned Manning, Candice Williams, and Joe Bowers



Far left: (l. to r.) John Hodges, Alice Bracey, Stacie and Marc Jacobs



(l. to r.) Chris Vaughn and Joe Ritter enjoy the banquet.



Above: Al Gardner and Nancy Ferguson



Linda & Alton Russell (l.), Chris and Linda Carol Burti (c.), and Jay & Susan Hedgpeth



Far left: Dance Band Co-sponsor Chip Killian and Debbie Brittain



Left: Marc & Stacie Jacobs

Golf tournament winners



Far left: Longest drive – Linda Russell with Golf Chair Chris Burti



Above: Second place team – (l. to r.) Marcus Garren, David Ferrell, ALTA Rep Anne Anastasi and her spouse, John Younglove



Left: First place team – (l. to r.) Ryal Tayloe and Greg Eudy. Not pictured: Tom and Dick Archie.

Thanks to our Sponsors!

Golf Tournament

Pendergrass Law Firm, LLC

Welcome Reception

SoftPro Corporation

Breakfasts & Refreshment Breaks

Horack Talley, Pharr & Lowdnes, P.A.

Roberts & Stevens, P.A.

Musical Entertainment

Nelson Mullins Riley & Scarborough, LLP

Paragon Commercial Bank

President's Reception

Johnston, Allison & Hord, P.A.

Binders

Carruthers & Roth, P.A.

Friday Reception

White & Allen, P.A. & NCLTA

Registration Packets & Golf Box Lunches

Poyner & Spruill, LLP

Audio-Visual

Boxley, Bolton, Garber & Haywood, LLC

Speakers

Brooks, Pierce, McLendon, Humphrey & Leonard, LLP

Nexsen Pruet, PLLC

Roberson, Haworth & Reese, PLLC

Smith Moore, LLP

Ward and Smith, P.A.

Wishart, Norris, Henninger & Pittman, P.A.

Wyatt, Early, Harris, & Wheeler, LLP

Wyrick, Robbins, Yates & Ponton, LLP

Executive Director's Annual Report

Penney De Pas, CAE, NCLTA Executive Director

For 2008 the number of Underwriter members stayed the same at 13 (although during the year there has been some consolidation which will likely be reflected in 2009) while two new Agency members were added. The consolidation was most obvious in the number of Branches—78 for a loss of 9, and in Additional Staff Directory Listings—46 for a loss of 4. Attorney membership growth was substantial with the addition of 15 attorneys, loss of three, for a net of 93. The Association has three Company Associate members and three Individuals Associate members (an increase of two), plus three Honorary members.

In 2007 when the *Title Insurance Agent's Study Guide and Underwriting Licensing Manual* was first published, NCLTA sold six copies. Thus far in 2008, 16 copies have been sold and four more distributed to new member title companies.

All 2008 ALTA form filings have been approved by the NC Department of Insurance.

In 2004 NCLTA suffered a severe year-end loss of \$23,500, and a "going concern" note by our independent CPA firm. In the last three years, the association has increased its revenues to a point that as of 12/31/07, we had \$98,513 in total net assets. However, in 2008, we have hired two law firms—one to prepare an *amicus* brief and the other to render an opinion about potential antitrust issues with information sharing—both of which are expected to reduce our cash surplus.

NCLTA has mounted a section to both its home web page and its FAQs web page, entitled "Are Closings the Practice of Law?" with links to the state statute and the NC State Bar's "Prevention of Unauthorized Practice" web page. Also mounted are ALTA's "Principles of Fair Conduct," a link to ALTA's guidance for homeowners at www.homeclosing101.com and ALTA title forms approved by the NC Department of Insurance.

Convention manuscripts available

The following five manuscripts from the 2008 convention held in Asheville are available for the price of copying, shipping and handling.

Please send me the 2008 Convention manuscripts (*quantities are limited*):

No. _____ "Property Law Things that Make You Go 'Hmmm'" (Property Law Update) – **Patrick K. Hetrick** @ \$12.50

No. _____ "Federal Liens & Mechanics' Liens" – **Ed Urban**@ \$12.50

No. _____ "Title Insurance Claims 2008" – **Jennifer Rosse & David DeCiantis** @ \$7.50

No. _____ "Power of Sale Foreclosures" – **Lawrence Maitin**@ \$7.50

No. _____ "So You've Been Appointed State Bar Trustee" – **Margaret Burnham** @\$12.50

No. _____ Entire Package – One of each manuscript listed above. @ \$52.50

Total = \$ _____ enclosed.

Please make checks payable to "NCLTA" and enclose with your order. Mail to:

NCLTA, 1500 Sunday Drive, Suite 102, Raleigh, NC 27607-5151.

Name _____

Company _____

Mailing Address _____

City, State, Zip _____

Phone _____ Fax _____

Email _____

For office use only:

NCLTA 100-3300

Welcome New Members

During the August 14 Executive Committee meeting, the following attorney members were approved for membership in NCLTA:

Zipporah Basile Edwards

Horack Talley Pharr & Lowdnes, P.A.
301 S. College St., Suite 3600
Charlotte, NC 28202-3068
Mecklenburg
Ph: (704) 377-2500
Fx: (704)372-2619
Em: zedwards@horacktalley.com

Amy P. Hunt

Horack Talley Pharr & Lowdnes, P.A.
301 S. College St., Suite 3600
Charlotte, NC 28202-3068
Mecklenburg
Ph: (704) 377-2500
Fx: (704)372-2619
Em: ahunt@horacktalley.com

John W. King, Jr.

Stubbs & Perdue, PA
P.O. Box 1654
New Bern, NC 28563
Craven
Ph: (252) 633-2700
Fx: (252) 633-9600
Em: jking@stubbsperdue.com

Charles H. "Dusty" McCreary

Womble Carlyle Sandridge & Rice, PLLC
301 S. College St., Suite 3500
Charlotte, NC 28202
Mecklenburg
Ph: (704) 331-4918
Fx: (704)444-9968
Em: cmccreary@wcsr.com

Ryal W. Tayloe

Ward and Smith, P.A.
127 Racine Dr. (28403)
P.O. Box 7068
Wilmington, NC 28406
New Hanover
Ph: (910) 794-4828
Fx: (910) 794-4877
Em: rwt@wardandsmith.com

Michael M. Thompson

Van Winkle Law Firm
422 S. Main St.
Hendersonville, NC 28792-5304
Henderson
Ph: (828) 697-6196
Fx: (828) 693-3999
Em: mthompson@vwlawfirm.com

Jeffrey J. Walker

Jeffrey J. Walker, P.A.
783 W. King St.
Boone, NC 28607
Watauga
Ph: (828) 268-9640; (800) 451-4299
Fx: (828) 262-3699
Em: jwalker@jjwpa.com
www.lawyernorthcarolina.com

Carolina Update is the official publication of the North Carolina Land Title Association. It is distributed quarterly to title insurance company members, attorney members, and other persons interested in the title insurance industry. Readers are encouraged to submit articles to the newsletter. The opinions and statements of guest writers do not necessarily reflect the policies or opinions of NCLTA.

North Carolina Land Title Association

1500 Sunday Drive
Suite 102
Raleigh, NC
27607-5151
(919) 861-5584
(919) 787-4916 Fax
www.nclta.org

Editorial Committee Chair

Ryan Wainio

Executive Staff

Penney De Pas, CAE
Executive Director
pdepas@firstpointresources.com

Nicole Shore
Membership Services
nshore@firstpointresources.com

©2008. NC Land Title Association. All rights reserved.

President's Message

continued from page 1

present and future legislation that could impact our industry. Last but certainly not least, Margaret Burnham of Nexsen Pruettt wrapped up the two-day program with an entertaining but realistic look at the duties and challenges a State Bar Trustee faces after appointment. We need to thank and support our sponsors who made this convention possible. (see *page 13*)

During the next administrative year our goals are to finalize and obtain approval for the 1-P and 1-F forms; develop a new lien waiver form

for mechanics liens; support the Loss Prevention committee, revise the Study Guide and plan the cocktail reception for the Real Property Section's Annual Meeting in 2009. Debbie Brittain has agreed to plan the reception.

I am going to attend the American Land Title Association's Annual Meeting in Koala, Hawaii, from October 15th-18th. I am honored to represent our association at this year's convention and look forward to reporting back to our members in the next newsletter.