



# FLTA Tallahassee Report

*Serving Title Professionals Throughout Florida*

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## In this Issue:

- [Message from the President](#) - 1
- [Upcoming Webinars](#) - 3
- [Agent Section Report](#) - 4
- [Sue Geigle Receives Denham Award](#) - 5
- [The 2012 Convention -- What You Missed if You Weren't There](#) - 6
- [Employee Morale-Boosting Tips from Dr. Seuss](#) - 7
- [The Year in Review](#) - 8-
- [New Committee Chairs](#) - 10
- [New Officers & Directors Elected](#) - 12
- [Welcome New Members](#) - 17
- [FDIC Drops Coverage for Trust Accounts](#) - 18
- [Agent Section Lobby Fund](#) - 18

## A Message from the President

Jim Russick, Esq.  
Old Republic National Title Insurance Co.



*[Ed: the following is the new President's message as presented at the 2012 FLTA convention:]*

Thank you all for being here, supporting the Association and the work we do that is so fundamentally important to our industry and to our country. I'm honored and humbled to be

selected as this year's president. They don't spring this on you at the last minute, so I have to admit that I have stressed over this presentation for some time. I've written and rewritten it countless times over the last year, always trying to perfect the words. Those of you who know me, know that things like concepts, ideas, theories, and the words that express them are very important to me.

By way of example, allow me to share with you a conundrum presented to a linguistics conference in London recently. An attendee was confronted with the difficult question – what is the difference between the word COMPLETE and the word FINISHED? Think about that for a moment. It is not an easy issue to address. But I do

think the definitive answer was given. The gentleman responded –

When a man is married to the right woman, he is COMPLETE.

When a man is married to the wrong woman, he is FINISHED.

And when a man is caught by the right woman with the wrong woman, he is COMPLETELY FINISHED.

Yes, words and ideas are important, so the words for this year's convention brochure were chosen with some thought. They were selected to make you think about the fundamental importance of the work that we do as title professionals.

I'm not sure how many of you saw them in this electronic age, so I'll share them with you. The brochure reads "Winning in America" and has the tag line "Life, liberty and the pursuit of property."

How many of you thought that this was a typographical error? How many of you thought that this was an affront to a document held sacred by all Americans -- the Declaration of Independence? I don't need to remind you that on July

4, 1776, the Second Continental Congress approved that document. It reads in part, “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness”

No mention of Property here. Only happiness flowed from Jefferson’s pen.

But roughly two weeks earlier, the Virginia State constitution, drafted by George Mason, referred to “the means to acquiring and possessing property” as “one of the fundamental rights of mankind.”

And clearly, both Jefferson and Mason were heavily influenced by the 17<sup>th</sup> century British philosopher and thinker, John Locke. Locke also included the concept of property in his writings, entitled “Two Treaties on Government.”

Scholars have debated for many years the source of Jefferson’s inspiration, but there is no doubt that he was familiar with Locke’s work and that concepts of property ownership were of great importance in his thinking. The evolution of our legal history relating to real, personal, and intangible property tells the story. Property is fundamental to our society.

I turn to Hernando De Soto to give us some sense as to how important property, particularly real property, became to the United States. No I’m not talking about the explorer De Soto. I’m talking about the world acclaimed Peruvian economist. That Hernando De Soto published a book titled “the Mystery of Capital” in 2000. It was subtitled “Why Capitalism Triumphs in the West and Fails Everywhere Else.”

The book is the culmination of years of research by De Soto and his team. Its focus was on the subtitle. Why does capitalism triumph in the West and fail everywhere else. His research ended up focusing on real property: how it is treated in various third world countries as distinguished to its treatment in the United States. What he found was a series of contrasts, but not in one key respect. His research established that the intrinsic value of real property in each country he studied was significant. So after concluding that there was value, De Soto went on to examine the way that real property is treated by the law in each country he studied. What he found were arcane, complex, and expensive hurdles in third world countries.

“Imagine a country,” writes De Soto, “where nobody can identify who owns what, addresses cannot be verified, people cannot be made to pay their debts, resources cannot

be conveniently turned into money, ownership cannot be divided into shares, descriptions of assets are not standardized and cannot be easily compared, and the rules that govern property vary from neighborhood to neighborhood or even from street to street.”

This is the commonplace treatment of real property in third world countries.

De Soto writes,

“Applying for permission to build a house in Peru: (requires) 207 administrative steps involving 52 government departments, taking six years and eleven months.

Ownership of the land requires an additional 728 steps.

Legalizing an informal property development in the Philippines: 168 steps, 53 public agencies, 13-25 years.

Buying land in Haiti: 111 bureaucratic steps, taking 19 years.

It’s little wonder that people don’t bother, and fall back on extra-legal structures instead. What this means however is that although people have wealth, ‘what they possess is not represented in such a way as to produce additional value.’ Informal property rights do not allow people to monetise their assets. In a Western country, you have property deeds, and this allows you to use your assets to raise capital.”

Now consider what we do here.

We have unequivocal, unique legal descriptions founded on Sections established by government surveyors.

We have a system of public records where we display, for all to see, who owns what property.

We support those public records with a clear and unequivocal and recognized way of conveying real property interests.

We surround real property with a body of law that brings predictability to the marketplace.

We have created a system that allows an owner to borrow against his property, thereby UNLOCKING THE CAPITAL tied up in that property so that it can be used for

other economic purposes.

We insure the various ownership and lender interests created.

And we do this all in a very efficient and affordable way.

Allow me to rephrase that.

**YOU DO ALL OF THIS!** It is real property lawyers. It is title insurance agents. It is title insurance underwriters. It is **US COMBINED!** Us, the title insurance industry, that are at the fundamental foundation of the economic success of the United States of America. We are the protectors of the laws. We are the ones that implement the use of our real property laws. We are the protectors of the Public Record. We are the essential neutral intermediaries in all real property transactions. We are the insurers.

In short, we are the differentiators. Be proud of what you do. We are professionals, utilizing technical skills that are the bedrock of our economy. Be extraordinarily proud.

But don't merely be proud. Be protective. We unfortunately live in a world where there are misguided people. Some are legislators. Some are regulators. They trumpet the cause of the consumer, but don't truly understand what the consumer needs or wants.

These misguided people think that protection of the consumer translates into merely saving the consumer money. There is absolutely no understanding by these misguided people of the fact so fundamental to English Common law -- as adopted in this country -- **LAND IS UNIQUE.** No two pieces of property are the same. This shallow thinking fails to appreciate the skill and professionalism each of us in this room bring to the table to deliver on the consumer's expectation -- the quiet

enjoyment of his property. Think of this as the consumer's, the landowner's pursuit of happiness. The unfettered ownership and enjoyment of their real property without interference.

Think about how some of the provisions of the draft CFPB rule would adversely impact our work, compromise our principals of property. Think about the importance of the debate we must have on who should be licensed and what should be the licensing prerequisites and the best way to implement them so that the breadth and strength of the agent delivery network is preserved. Use our fundamental concepts of real property law to guide you forward as we do the essential work of this Association.

We will challenge you over the coming year to do so, as we review legislation, as we work on draft rules, and as we consider lending our support on various judicial issues. As we do so, remember, the Florida Land Title Association is where we come together to debate and consider all interests.

It is where we come to find common ground. It is where we come to forge the essential strength of togetherness.

Because if we do not achieve this; if consensus eludes us; if we are divided; our enemies will prevail and I don't even want to consider the catastrophic results of our failure, or the harsh impacts on our business, our economy, and our country.

I pledge to do my very best during my term as your President to guide this Association towards a consensus and success founded upon an uncompromising pride in our profession. May we all have a meaningful and successful convention. Thank you all very much for your help going forward.

## Upcoming Webinars

### 2012 Legislative Update (Repeat)

January 8, 2013

[Registration Now Open](#)

### Homestead Part II Liens & Creditors

February 7, 2013

Watch for the Announcement

### Did You Know ....

That under §162.09, a code enforcement lien becomes a lien against the land on which the violation exists AND to ALL real and personal property owned by the violator.



### Happy Holidays fellow FLTA agents.

I hope your business has enjoyed a little pick up in 2012. Some of our markets have begun to heal while interest rates remain low, and homes actually are appraising. Many agents have reported difficulty in finding experienced talent to join their agencies. Most people I hear from are feeling good about what 2013 looks like.

Last month FLTA hosted the annual convention in Tampa. By many measures, it was a huge success. Great information was delivered and a record number of agents were in attendance. My personal highlight of the convention was the debate held during the Agent Section meeting. A special thank you goes out to both **Rosa Peck of Title Connection of Naples** and **Aaron Davis of Hillsborough Title/Tampa Bay Title**; Rosa and Aaron did a great job of debating whether FLTA should encourage legislation to “Raise the Bar,” or raise the standards to become a Florida Title Agency. The heart of the debate was whether legislation should be proposed to FLTA Tallahassee Report -- Fall 2012

raise bonding levels. Many agents in the audience spoke up and offered opinions.

I was very pleased that our association took this discussion head on in a professional manner. We addressed an issue that many agents had been discussing for years (some agents have told me this is 20 year discussion). Many agents felt more legislation was not the answer; conversely some agents supported the higher limits as a means to strengthening the agent model in order to deal with industry changes impacting all agents on a national level.



**Rosa & Aaron – Still Friends after a Rousing Debate**

After the debate, a poll was taken and Agents present at the meeting voted against supporting legislation to raise the bar. There was a consensus that the Agent section should await the outcome of ALTA’s efforts to define “Best Practices” as a means to address raising the bar.

Stay tuned to see if ALTA’s “Best Practices” will help us deal with the Vetting issue that has arisen this year

as well. In fact, immediate past president, Beverly McReynolds presented an update to agents at the convention on the components of ALTA’s “Best Practices.” Many agents felt they currently employ these practices, although they may not be as well documented as they should be.

One of the presentations that I thought was most interesting for Agents was Chris Abbinante’s – *Title Industry 2012 National Update*.

**Chris mentioned at least three times that the events occurring in our industry throughout the US do not support the current agent model.** These events involve courts holding underwriters liable for agent actions for things such as Strict Liability, marketing actions and escrow theft. In addition recent fines by the CFPB assessed to lenders for the actions of their third party vendors raise the issue of the relationship between lender, settlement agent and underwriter. *[Chris’ excellent materials can be reviewed on [FLTA’s Members Only Page](#) - Ed]*

You may recall previous newsletters commenting on how the nation’s largest mortgage lenders have asked ALTA and the major underwriters to look at the agent model and to insulate lenders from escrow theft by creating a centralized funding mechanism – this is the “**One throat to choke**” request. Let’s not forget Class-action suits on whether reissue rates are being applied properly.

Finally some other states have either instituted change or are proposing changes that will have significant

impact on Agents; Texas now requires Agents to have a minimum capital of \$1 Million and Washington has a rule requiring agents to report expenses annually to your underwriter.

Stay tuned and if you are not actively involved with FLTA, I recommend you get engaged.

When I hear Chris's words – **“these changes do not support the current Agent Model”**-- several thoughts come to mind, such as rate splits and underwriter scrutiny. These are the

changes FLTA has been saying would be coming. You can be assured your leadership team at FLTA is doing its best stay in front of these issues on behalf of its members.

## Sue Geigle receives Raymond O. Denham Award

Past President Sue Geigle was presented with the prestigious Raymond O. Denham award during the 2012 FLTA Convention for extraordinary service to the title industry. Sue has served the FLTA and the title industry selflessly over the years, often at great personal expense. Even after her year as FLTA President, Sue was appointed and served on the Title Insurance Study Advisory council, chaired by Lt. Governor Jeff Kottkamp, and continues to serve on the hard-working committee creating the data call format for title agencies and committee drafting legislative proposals to restructure Florida Statutes regarding agencies.

Barry Scholnik, himself a past Denham award recipient, had the honor of creating a humorous “roast” for Sue. He concluded: “Our honoree has great passion for the cause of independent title agents. She has persistently advocated for them, as well as our entire industry, to be both regulators and legislators. She has helped establish a dialogue with our regulators that will continue to benefit our industry and the public for years to come.”

Congratulations Sue – This honor is so well deserved!



**Our Special Thanks to Gibbs Wilson,  
Alpha-Omega Title for his Professional  
Quality Pictures of the 2012 Convention**

## The 2012 Convention What You Missed if You Weren't There

Great Engaging Speakers, Lots of CE, a little FLTA business and discussion about the future of our industry and how to survive coming challenges – and a WHOLE LOT OF FUN!

If you weren't there:

- **You Missed --**

An amazing presentation by **Chris Abinnante**, the immediate past president of the American Land Title Association and



Chris Abinnante

former Eastern Division President of Fidelity, in which he explained the lender's concerns about the title industry, the pressure they are under from CFPB and their other regulators and shared his insights as to ways the industry might deal with the legitimate concerns. He was so engaged and engaging that many of us wished his presentation had been scheduled for two hours. His very detailed Power Point presentation is posted on the [Members Only page](#) of the FLTA Website. It was like an old vampire movie – scary, but so good you didn't want to miss anything. We thank Chris for his hard work and dedicated service as ALTA President, If you haven't filled that role, you can't imagine the thousands of hours of dedicated service it requires.

- **You Missed – Beverly McReynolds** of North American Title updating us on ALTA's ongoing project to deal with vetting companies and CFPB liability concerns through the development of "Best Practices"

- **You Missed -- Aldon Asher**, of the Florida Department of Financial Services, explaining that title agents can be fined and even lose their licenses if they fail to annually turn over stale, unclaimed escrow balances. Mr. Asher explained the rules, the time-lines and how to comply in great detail. Fortunately, compliance isn't difficult, if you know and follow the rules.

- **You Missed – Michael Cohn and Marty**

**Awerbach**, two of Florida's highly-regarded title litigators, discussing how your agency can negotiate important protections into your E&O policy.



Michael Cohn and Marty Awerbach

- **You Missed –** a rigorous debate between agents **Rosa Peck** and **Aaron Davis** and among all agents, about future direction for the title industry -- whether we should try to raise the standards for being an agent by increasing bonding, increasing education, more testing, more financial commitment and how we might make that happen.

- **You Missed -- Barbara Burke**, of First American, who in her spare time serves on the Florida Bar's UPL committee, talking about the ethical and legal boundaries of what a non-lawyer title agent may do on behalf of their customers. She was followed closely by **John Redding**, a Tampa attorney, on how to "partner" with a law firm to handle the issues you can't. His first message, find an attorney that agrees not to steal your deals!!

- **You Missed – Peter Rice**, the Title Insurance Coordinator at OIR and **Michael Schefstad** CFO of Westcor teaching us how to get ready for the upcoming data call.

**You Missed –** Great Food, great times with your underwriter, vendors with the latest products to help your business run better, singing, dancing and a President's suite that went into the wee hours of the morning. **Most of all you missed the opportunity to participate in making the title industry stronger and better!**



Peter Rice

OIR Title Insurance Coordinator

## 5 Employee Morale-Boosting Tips From Dr. Seuss

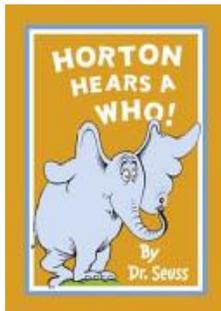
Rebecca Barnes-Hogg, MA, SPHR  
CEO, YOLO Insights



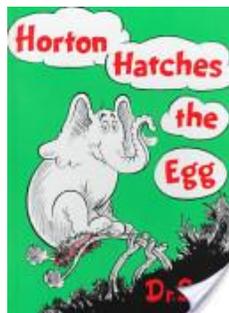
**Summary:** Keeping employees engaged and satisfied isn't kid stuff. But there are some serious lessons to be learned on the subject from author Theodor Geisel, aka Dr. Seuss.

Many associations struggle to improve performance, reduce turnover, and attract and retain talented staff. Employee morale has a significant impact on all of those things. The good news is that building an association with high morale does not have to be time consuming or expensive. We can all learn a little something from the simple principles of Dr. Seuss.

**1. "A person's a person, no matter how small." (*Horton Hears a Who*)** Sincere communication and respect go a long way and cost nothing. Executives and managers need to speak with and get to know employees. Know the names of their spouses, kids, even their pets. Find out what motivates your staff; what motivates you is different from what motivates my next-door neighbor, which is different from what motivates me. Make it a habit to say thank you often and mean it: Go deeper and describe what the person did that was above and beyond their duties, and why it was appreciated.>



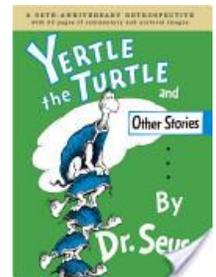
**2. "I meant what I said, and I said what I meant. An elephant's faithful, one hundred percent." (*Horton Hatches the Egg*)** Build a culture of trust and transparent operations. Demonstrate ongoing leadership behaviors that show employees they are valued. For example, be open about the association's results, challenges, and future plans, and ask employees for input on improving operations or generating revenue growth.



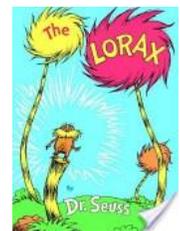
An executive I know told me the best move she ever made was standing in front of employees and telling them the times they were going through, as she put it,

"sucked." She told them she understood they were taking the hardest hit from the customers and she wished they didn't have to. She outlined the plan for everyone to work together to get out of that situation and asked for their help. Employees were stunned that management was so brutally honest. They appreciated it and committed to make a difference. In tough times, the connection that makes a difference must come from senior management.

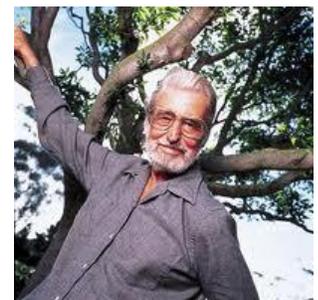
**3. "I know up on the top you are seeing great sights, but down at the bottom we, too, should have rights." (*Yertle the Turtle and Other Stories*)** Where you can, give employees a voice. Create focus groups or task forces to develop new policies, draft strategy, benefits, wellness, safety, and so on. Solicit feedback from your employees. Invite five to 10 staff members to have lunch with the CEO every quarter. The employees get to bend the boss's ear for an hour or so and make suggestions and ask questions. This can do more for morale than a birthday card or cake ever will.



**4. "Unless someone like you cares a whole awful lot, nothing is going to get better. It's not." (*The Lorax*)** Employees today are committed to corporate social responsibility and environmental sustainability. Green initiatives and volunteer opportunities to give back to the greater community are readily available and easily implemented. Organize events like "Waste-free Wednesdays" to reduce trash and encourage employees to come up with ideas to promote environmental sustainability in your association. Allow employees to use work time to help others by collecting school supplies, winter coats, canned food, and so forth. Activities in this arena create a sense of pride in the organization and build strong relationships within the community.



**5. "I like nonsense, it wakes up the brain cells," Dr. Seuss once said. "Fantasy is a necessary ingredient in living. It's a way of looking at life through the wrong end of a telescope—which is what I do—and that enables you to laugh at life's**



Theodor Geisel

**realities."** Smile more. Make work fun. A good sense of humor goes a long way. Bring levity and laughter into the workplace to alleviate stress and build camaraderie. You can do things like hosting days where staff wears crazy socks, their favorite team jersey, or their college colors. Hold trivia contests with small prizes to compete against other departments or locations. Hand out fun things like kazoo's or Hacky Sacks with instructions for a stress-reducing wellness activity.

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## The Year in Review

Alan B. Fields  
Executive Director



If you attended this year's convention, you've seen an abbreviated status report.

During 2011, our focus was on building our infrastructure, setting up a new website, building lots of content, adding tools to better communicate with our members – and of course staying on top of everything happening in Tallahassee that might

affect our industry.

During 2012, our focus has been on using those tools to expand the services and benefits we offer members and offering webinars, all the while maintaining a strong Government Affairs front.

**1. Legislatively**, we had our largest-ever Lobby Days in Tallahassee. Our members carried our message to dozens of legislators. For the second year, past-President Shelley Stewart coordinated the joint insurer contributions to the House, Senate and CFO leadership campaigns – this year raising over \$75,000 -- and more importantly, dramatically raising the visibility and credibility of the title industry in Florida.

That credibility positioned us to pass our data call bill; to maintain unchanged the current \$35,000 surety bond; to pass legislation allowing a subsequent owner to obtain mortgage payoff information and a "Real Estate Carve-out" from transferee tax liability.

But as is so often the case, our biggest successes come in "What Didn't Happen." There were a number of legislative proposals that would have been harmful to the industry that we managed to avoid. We negotiated a carve out to a proposal that would have required all title agents to take a "one-size-fits-all CE program" for most of

their hours. We also managed to head off a bill which would require insurers to pay "damages" if a claim wasn't totally resolved within 90 days; and to require an earliest public records search for every policy.

We worked closely with our friends at ALTA to encourage the extension of the Federal Flood Insurance program for an additional five years.

**2. Before the Courts**, FLTA has been very active this year. We filed *amicus* (friend of the court) briefs in two cases before the Supreme Court, and are currently working on a draft in a third. We have been asked to consider participating in another.

- a. The first was [Wells Fargo v. City of Palm Bay](#). That case concerned the all too common practice by local governments of creating liens that they claimed had a priority on a par with taxes and thus could take priority over a previously filed mortgage. Under Florida Law, a local government can impose a fine of up to \$500 per day until a violation has been cured. So it doesn't take long for the accumulated fines to exceed the value of most properties. Having those liens take priority over filed mortgages would trigger title claims and potentially cause Florida mortgages to be uninsurable by Fannie Mae and Freddie Mac. [More on that case here.](#)
- b. Through the generosity of some of our insurers, FLTA was funded to engage former Supreme Court Justice and Board Certified Real Estate Attorney, Ken Bell to represent the industry in filing an Amicus Brief in [Pino v. Bank of New York – Mellon](#). That case arose out of an allegedly fraudulent assignment of mortgage filed in a foreclosure case. FLTA felt that there was a risk that the Supreme Court might attempt to deal with the problem of alleged frauds on the court broadly and inadvertently call into question the title to all REO properties. More about that case, and the FLTA Amicus Brief, can be found [here](#).

c. Through the generosity of First American, FLTA has engaged outside counsel to draft an amicus brief to be filed in Bleich & Elder v. Chicago Title. That case is currently on appeal to the Third District Court of Appeal. The court is being asked to hold that a title insurance agent has an affirmative duty to actively search out any prior policies (even if not provided by the parties) in order to qualify a transaction for reissue rate credit. We believe that to be a major change in the law, and more importantly a burden that would be almost impossible to meet.

**3. With our Regulators,** we are working closely on the development of a proper data call and on a complete reworking of the title insurance rule to increase clarity and simplify our rate structure. The data call form is essentially complete. Peter Rice, the Title Insurance Coordinator from the Office of Insurance Regulation briefed us on its progress at the convention, and Michael Schefstad from Westcor offered tips for agencies to prepare to implement it.

We've also been working closely with our regulators on possible solutions to the National Title Receivership so that the industry won't have to deal with perpetual and repeating assessments and consumer surcharges. We also expect to be actively involved in the K.E.L. receivership.

**4. Industry Trends and Issues.** This has been a year in which every time we turn around, the title industry is under attack. For the last 8 months or more, FLTA has been working to address a whole host of issues arising out of concerns by lenders, regulators and others about the financial stability and solvency of agencies – “who handles our money?” and “how do I know it's safe?”

The Vetting Companies are just one symptom of these broader concerns. Lenders have also been increasing their expectations as to the responsibilities (and liabilities) that should be assumed by insurers for their agents, and making more claims under Closing Protection Letters. On a related track, ALTA has been working on “Best Practices” as a partial response. We have been told to expect the final, detailed version to be released about the time this newsletter comes out.

Within FLTA, we've been having an intense (some would say too intense) discussion about “Raising the Bar” for becoming a licensed agent. That discussion continued in a debate and discussion during this year's convention.

Many of us wish the discussion could have continued for several more hours. While we deferred any decision on specific proposals pending further clarification of the lender expectations and ALTA's Best Practices, we

continue to believe that -- working together -- we can come up with even better solutions to our lender's legitimate concerns about our industry.

**5. New Directions.** We're spruced up our newsletter with more color, more pictures and more content. The frequency of our communication has remained strong, with formal bulletins coming out about twice a month and other information coming out regularly. We're reached out to our members more for feedback about our events and the directions in which we should go. During the legislative session, we used our Government Affairs Blog to communicate legislative developments in nearly real time. We hold agent section calls (almost) every month and the activity level of our committees continues to rise.

**According to Google Analytics,  
in the 18 months since we  
started the new FLTA website,  
we've had more than 13,000  
unique visitors**

The popularity of our website continues to astound me. According to Google Analytics, in the 18 months since we started the new website, we've had more than 13,000 unique visitors. Even though Google counts each computer as a separate visitor, that's still a lot of visibility for a small association.

On a single day, we had 822 visitors. But the truly impressive measure is that our average visitor stays on our website 5:07 minutes while visiting 5.78 pages per visit – These statistics are all well above national averages. We've added a huge amount of useful content (so much that I sometimes have trouble finding things that I posted). So we are working on “remodeling” the website to be more intuitive and to make that content easier to find.

Last summer, we began offering **Free** For-Credit Webinars for our members and employees of members. The feedback on this program has been tremendous! Our first program attracted more than 130 participants, and attendance has increased on every webinar. We are planning to offer a new webinar (with no overlap of the convention CE topics) every other month – and offering some “repeat” presentations beginning in January. We've even had new members join FLTA specifically to take advantage of this member benefit. This is a major benefit of your membership, so we urge you to take advantage of these programs.

We put out a call for volunteers to serve on our committees, and more than 130 of you volunteered -- Many for more than one committee. So we have greatly expanded the size of our committees, and perhaps more importantly, added members who have not previously been active in FLTA. Welcome to all the new faces!

We're looking forward to great things from our committees.

Over the summer, FLTA ran a membership drive, in which we deputized the agency reps from each of our underwriters to help spread the word about all of the good things FLTA is doing for the industry. We learned a lot from that exercise and Elaine Black-Christensen, our membership committee chair is leading the charge to begin a new membership drive starting in January.

Jay Hansli and Nancy Baumann have agreed to co-chair our new agent marketing committee. Their job is to develop marketing materials, programs and ideas that our member agents can use to promote their own businesses – thus bringing even more value to your FLTA membership.

Bottom line: We've had another busy year, and FLTA has continues to grow and improve.

### Did You Know ...

That the Florida Constitution uses the term “Homestead” to refer to three very different legal concepts? The first is the \$25,000 exemption from *ad valorem* taxation for homestead. The second is that many types of involuntary liens and judgments will not attach to homestead property. The third concerns the limitations placed on devising or conveying homestead property. No wonder it's so confusing!

To learn more listen to the recorded [Homestead Part I - Conveyancing](#) Webinar and watch for our upcoming for-credit webinars **Homestead Part II - Liens & Creditors** and **Homestead Part III – Probate & Estates**

## New Committee Chairs

One of the goals for 2013 is to really re-invigorate our committees and increase their levels of activity. In October, we asked our members to indicate their interest in various committees – and the response was overwhelming. 131 people stepped forward and volunteered to get more involved with FLTA – many on more than one committee. We have a lot of new faces on the committees and, for many committees, new chairs for the coming year.

Here are your committee chairs for 2013:

Agent Marketing	Nancy Baumann – Sun Title Insurance Jay Hansli – Fidelity National Title
Allied Industries	Shelley Stewart – Southern Title
Claims Roundtable	Marty Solomon – Carlton Fields Mario Ruiz -- Cohen-Ruiz
Convention	Robin Cardella – Old Republic
Education	Barbara Burke – First American
Finance	Charles Combs – First American
Forms	Karla Staker – Fidelity National Title
Fraud Prevention	Peggy Williams – The Fund
Government Affairs	Homer Duvall, III – Fidelity National Title Skip Straus – Enterprise Title
Legislative Action	Pat Hancock – Fidelity National Title
Membership	Elaine Black-Christensen – North American Title
Nominating Committee	Beverly McReynolds – North American Title
Suspicious Activities & Persons	Greg Hall – Stewart Title Guaranty

Please join me in congratulating each of them. We expect great things from our committees as they gear up for the New Year! [Learn more about FLTA Committees](#)

## Recent FLTA Bulletins

- [FDIC Coverage drops to \\$250,000 on December 31](#)
- [Phase out of Short Sale Tax Exemption](#)
- [National Title Surcharge deferred to Feb. 4](#)
- [US Attorney Prosecutes Mortgage Fraud](#)
- [More Policies Covered by the Treaty](#)

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## New Officers & Directors Elected

FLTA has long been blessed with exceedingly talented and dedicated officers and directors. We're grateful for every one of them. At this year's convention, we had a number of great people elected to serve in new positions with FLTA and because of our two year terms of office, others carried over. These are the people who dedicate many, many hours every year to guiding our association and protecting our industry.

### Meet the 2012-2013 FLTA Board of Directors

	<p><b>Deborah Boyd</b>  <b>Zone 5 Vice President</b>          First American Title Insurance Company          729 S. Federal Hwy.          Suite 103          Stuart, FL 34994          (772) 286-0850  <a href="mailto:deborboyd@firstam.com">deborboyd@firstam.com</a></p>	<p>Deborah Boyd is Underwriting Counsel with First American Title Insurance Co. and a Florida Board Certified Real Estate Attorney.</p> <p>Deb created and Chairs FLTA's Fraud Prevention and the Caveat Sharing Committees and is very active with the Florida Bar. She serves on the Real Estate Certification Committee of the Florida Bar, which she chaired in 2010-2011, and is an active member of the Executive Council of Real Property, Probate and Trust Law Section (RPPTL), where she also serves as vice-chair of the Homestead Issues Study Committee and as a member of the Problem Studies, Residential Real Estate, Title Insurance and Condo committees.</p> <p>She earned a B.S. in theoretical mathematics from The Honors College at Michigan State University and a J.D. from the Thomas M. Cooley School of Law.</p>
	<p><b>Vincent J. Cassidy</b>  <b>Chair, Agents Section</b>          Majesty Title Services, LLC          4006 S MacDill Avenue          Tampa, FL 33611          (813) 831-3885  <a href="mailto:vcassidy@majestytitle.com">vcassidy@majestytitle.com</a></p>	<p>Vincent J. Cassidy is the CEO and owner of Majesty Title Services, LLC. Prior to forming Majesty, Vince spent 25 years with JPMorgan Chase &amp; Co., in various leadership positions</p> <p>Vince is a graduate of the State University of New York at Stony Brook with a Bachelor's Degree in Economics, and the University of Virginia's Graduate School of Retail Banking, with honors.</p> <p>In addition to his service for FLTA, Vince serves on the boards of Tampa Metropolitan YMCA, The Greater Tampa Chamber of Commerce and an organizing Board Member of GulfShore Bank.</p> <p>He resides in Tampa Florida with his wife and two daughters.</p>

	<p><b>Charles Combs</b>  <b>Zone 1 Vice President</b>  First American Title Insurance Company  2082 Summit Lake Dr  Tallahassee, FL 32317  (850) 296-3074  <a href="mailto:ccombs@firstam.com">ccombs@firstam.com</a></p>	<p>Charles Combs is Director of Finance for the Eastern Division of First American Title Insurance Company. As a graduate of the University of North Florida with a degree in Corporate Finance, Charles currently oversees the Financial Reporting Group and Centralized Escrow Services groups for First American. His departments are responsible for budgeting, forecasting, expense and revenue analysis, verification of financial statements, process review, and various escrow services. Charles has been employed with First American for 6 years and has over 20 years' experience in the Finance field. As Chairperson for the Finance Committee for FLTA, his experience and help have been integral in strengthening the financial structure of FLTA. Charles currently works and lives in Tallahassee but calls Jacksonville his home. He is married and has 2 children.</p>
	<p><b>Aaron M. Davis</b>  <b>Zone 4 Vice President</b>  Hillsborough Title  1605 S Alexander St - Ste 102  Plant City, FL 33563  (813) 754-4440  <a href="mailto:aaron@hillsboroughtitle.com">aaron@hillsboroughtitle.com</a></p>	<p>Aaron Davis is the President and Owner of Hillsborough Title and has been with the company since 1992. He graduated from the University of Florida with a Bachelors degree in Business Administration, with a Major in Finance and Minor in Economics.</p> <p>When not working with FLTA, Aaron is involved with numerous groups, charities, Chamber of Commerce, and his Rotary Club. Aaron is happily married to his wife Leslie, and they have two boys, Aiden and Jackson.</p>
	<p><b>Charles L. Ferguson</b>  <b>Chair, Certified Land Title Institute</b>  Old Republic National Title Insurance Co  1410 N Westshore Blvd - #800  Tampa, FL 33602  (800) 342-5957  <a href="mailto:cferguson@oldrepublictitle.com">cferguson@oldrepublictitle.com</a></p>	<p>Charles L. (Chuck) Ferguson is the Tampa and Lakeland Title Plant Manager for Old Republic. A longtime title professional, Chuck earned and holds the highly regarded Certified Land Searcher (CLS) designation. Since that time he has been active with FLTA and was recently selected to chair of Florida's Certified Land Title Institute (which grants the CLC/CLS designations). In that capacity, Chuck intends to expand and build on the recognition of the designations and to explore the possibility of an entry level designation.</p> <p>Chuck has two very bright and talented daughters, Katie and Lindsay, both of whom have earned FLTA scholarships to further their education.</p>
	<p><b>Beverly McReynolds</b>  <b>Immediate Past President</b>  North American Title Company  700 NW 107 Ave Ste 100  Miami, FL 33172  (305) 229-6500  <a href="mailto:bmcreynolds@nat.com">bmcreynolds@nat.com</a></p>	<p>Beverly McReynolds is a Regional President for North American Title Company, a title agency with fifteen offices in the State of Florida. She is a graduate of Rollins College where she received a B.A. in English and Spanish literature. She also completed the course work for an M.A in Spanish Literature through New York University's campus in Madrid, Spain.</p> <p>She is past president of The Association of Title Agents of Dade County and very active with FLTA. She was appointed by Speaker Marco Rubio to serve on the Title Insurance Study Advisory Council.</p>

	<p><b>Vickie Rianda</b>  <b>Zone II Vice President</b>  Island Title of St Augustine LLC  2085 A1A South, Suite 206  St Augustine, FL 32080  904-471-7272  vrianda@islandtitlellc.com</p>	<p>Vickie Rianda is the Managing Member and Owner of Island Title of St. Augustine LLC. She developed her business in October 2010. Since that time she has been active with FLTA and was recently nominated as Zone 2 Vice President. She has been in all facets of the title insurance business for 10 years.</p> <p>Other than Vickie’s passion for her title insurance business, she is committed to Home Again St. Johns, Inc., a Florida not-for-profit (an initiative of business, civic and agency leaders to address the issue of homelessness); Monique Burr Foundation for Children, St. Johns County Chamber of Commerce. She is also active with the St. Augustine/St. Johns County Board of Realtors and StaR St. Augustine Regional Council.</p>
	<p><b>James C. Russick</b>  <b>FLTA President</b>  Old Republic National Title Insurance Co.  1410 N Westshore Blvd – Ste 800  Tampa, FL 33607  813-228-0555  jrussick@oldrepublictitle.com</p>	<p>Jim Russick is Vice President, Florida State &amp; Governmental Affairs Counsel for Old Republic Title. He has been Board Certified in Real Property Law since 1997. Jim received his B.A. in political science from Denison University in Granville, Ohio in 1974. He earned his J.D. from Pepperdine University School of Law in Malibu, California in 1977. Jim was sworn in as a member of both the Ohio Bar (inactive) in 1977 and the Florida Bar in 1980.</p> <p>Jim brings over 28 years of experience to the title insurance community. He is currently serving as President of the Florida Land Title Association (FLTA). He also serves on the Executive Committee of the Real Property, Probate and Trust Law Section of the Florida Bar (RPPTL) and on the Forms Committee for the American Land Title Association (ALTA). Jim served as Chairman of the Florida Title Underwriters Bureau and was a member of the Department of Insurance Sunset Working Group that revamped the Florida Statutes related to the issuance of title insurance in Florida.</p>
	<p><b>Raymond M. Suarez</b>  <b>Zone VI Vice President</b>  Universal Land Title LLC  1555 Palm Beach Lakes Blvd Ste 500  West Palm Beach, FL 33401-2333  561-459-0809  rsuarez@universallandtitle.com</p>	<p>Ray Suarez was born and raised in Queens County, New York. Ray went on to attend Inter-American University of Puerto Rico where he graduated Magna Cum Laude. Ray went on to receive his law degree from Delaware School of Law of Widener College located in Wilmington, Delaware. In 1979, Ray was admitted to practice law in both Florida and New York.</p> <p>In 1996, Ray moved his family to Parkland, Florida and went to work for Universal Land Title. Soon thereafter, he was named General Counsel. As General Counsel, Ray has been able to rely on his diverse background to assist in numerous matters as Universal grew to have a national presence. Ray’s duties included overseeing litigation, corporate governance, mergers and acquisitions, rules and regulations, employment issues, and other in-house management issues.</p> <p>In addition to those duties of General Counsel, Ray is involved in underwriting and closing issues working closing with all Universal’s underwriters and associates to uphold the highest professional and ethical standards of the title insurance industry.</p>

	<p><b>Jason R. Somers</b>  <b>Zone 3 Vice President</b>  Fidelity National Title Group  2400 Maitland Center Pkwy  Ste 200  Maitland, FL 32751  407-618-2932  <a href="mailto:Jason.Somers@fnf.com">Jason.Somers@fnf.com</a></p>	<p>Jason R. Somers was born into the title insurance business and grew up working in his father’s agency in Clearwater. While in College, Jason interned for a national underwriter, learning additional escrow and title components of the business and ultimately joining its internal audit department.</p> <p>From there, Jason worked his way up the ladder with various insurers in both the title plant and agency sides of the business, and today is the North/Central Florida Area Agency Services Manager for Fidelity National Title Group.</p> <p>Jason is a proud graduate of Florida State University with a B.S.BA and a minor in accounting. Jason and his wife, Ana, have two daughters, Tyler and Nicole.</p>
	<p><b>Jeff Stein</b>  <b>Chair, Insurer Section</b>  Alliant National Title Ins. Co.  1318 Town Plaza Court  Winter Springs, FL 32708  <a href="mailto:jstein@alliantnational.com">jstein@alliantnational.com</a></p>	<p>W. Jeffry Stein is Florida Counsel and Vice President for Alliant National Title Insurance Company, responsible for Florida state underwriting and agent education. Jeff brings to this position over 14 years of industry experience, which includes both underwriting and claims positions. Prior to coming to the title industry, Jeff was in private practice as an attorney-agent and abstract examiner.</p> <p>When not working as FLTA’s Chair of the Insurer Section, Jeff can be found racing cars, taking professional quality pictures and helping with his wife’s horses.</p>
	<p><b>Shelley Stewart, CLC</b>  <b>Chair, Past Presidents Council</b>  Southern Title Holding Co., LLC  2335 Beville Rd  Daytona Beach, FL 32119  386-760-9010  Sstewart@stitle.com</p>	<p>Shelley Stewart, CLC, is President of Southern Title Holding Company, LLC; Southern Management Services, LLC; and Southern Technology Group, LLC, headquartered in Daytona Beach, Florida. She has more than 30 years’ experience in title, getting her start in 1976 as a “runner” for a local title agency.</p> <p>Shelley oversees six Southern Title branch office locations and continues to pursue new lines of business to support her current customers and develop new revenue streams.</p> <p>A former president of FLTA, Stewart has remained active in the association and currently chairs the Allied Industry Committee. In addition, she is a member of ALTA’s Government Affairs Committee and is the agent liaison to the National Association of Insurance Commissioners (NAIC).</p>
	<p><b>Richard S. Yankowski</b>  <b>Zone 7 Vice President</b>  Stewart Title Company  18501 Murdock Circle - Ste #403  Port Charlotte, FL 33948  (941) 255-0377  <a href="mailto:rsyankowski@stewart.com">rsyankowski@stewart.com</a></p>	<p>Richard S. Yankowski is Florida Group Vice President with Stewart Title Company. They have recognized his talent and contribution with awards of Stewart’s highest achievement awards, including “Magnificent Manager” over several successive years.</p> <p>Rich previously served as President and CEO of Executive Title Insurance Services, Inc. of Southwest Florida and has been in the title insurance industry since 1989.</p> <p>He earned a BSBA from the University of South Florida and an MBA from Florida Gulf Coast University. Rich is also a certified Life Coach.</p> <p>Rich was a previously Zone Vice President of the Florida Land Title Association, 2001-2002.</p>

Who needs reRequire? **Everyone.**  
**No one is immune to the cost of title clean-up!**



**36%**  
of all paid-off mortgages remain unreleased after state mandated timelines.



**5.8%**  
of all HELOCs that are supposed to be terminated remain open and active after closing.

**37%**  
of all payoffs are HELOCs. In many cases releases go to the former homeowner instead of the courthouse.

## Benefits all PARTIES

reRequire Release Tracking Benefits all Parties Associated with the Real Estate Transaction

- On-time closings
- Enhanced customer service
- Identification of open lines of credit
- A review of release accuracy
- Compliance with warranty deeds
- Fewer claims
- Lower risk
- Updates and reports to any and all participants in the closing
- Enhances the marketability of title

As the leading lien release tracking and reporting service in the real estate settlement services industry, our goal is to help settlement companies, law firms and underwriters improve operations, fulfill their commitments, and increase profitability through innovative solutions.

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## Welcome New Members - We're so glad to have you with us!

### **Aloma Title Company**

William Primo  
Winter Park FL

### **Anchor Title Services, LLC**

Anthony Fowkes  
Tampa FL

### **Associated Title & Escrow Corp**

Bonnie L. Phillips  
Pembroke Pines FL

### **Bay National Title Company**

Evan Grimm  
Clearwater FL

### **BridgeTrust Title Group**

Valerie Carpenter  
St Petersburg FL

### **Christmas Spano & Owen PA**

Karen LoMoglio  
Riverview FL

### **Clear Choice Tax and Lien Service, Inc**

Alvin Sherman  
Tamarac FL

### **Coral Reef Title Company**

Carla Bahn  
Islamorada FL

### **Elite Title & Escrow**

Robert Dykes  
Ponte Vedra Beach FL

### **eRecording Partners Network**

Jerry Lewallen  
Minneapolis MN

### **Flagship Title of Tampa, LLP**

Alberta Bland  
Lutz FL

### **International Fidelity Insurance Company**

Christopher R. Gagnon  
Maitland FL

### **Iron Lion Title LLC**

Maurice Campbell  
Orlando FL

### **Landsel Title Agency, Inc.**

Joseph E. Hall  
Fort Myers FL

### **Masterpiece Title**

Laura VanHise  
Tampa FL

### **Moore, Hill & Westmoreland, P.A.**

Margaret Stopp  
Pensacola FL

### **RAS Title, LLC**

Tracey Lynn Williams  
Boca Raton FL

### **Resort Title Agency, Inc.**

Theresa O'Connell  
Boca Raton FL

### **Secure Land Title & Escrow Services, Inc.**

Karen Flynn-Meisel  
North Palm Beach FL

### **South Tampa Title Company**

Kristopher E. Fernandez  
Susan Fernandez  
Tampa FL

### **Starwood Vacation Ownership**

Jessica Crisco  
Winter Garden FL

### **State Title**

Tom Stallard  
Melbourne FL

### **Sun Title Insurane Agency, Inc.**

Nancy Baumann  
St. Petersburg FL

### **The Closing Company**

Yvette Betancourt  
Miami FL

### **The Title Insurance Team, LLLP**

Jennifer Varrasse  
Orlando FL

### **Title Exchange of Pinellas, Inc.**

Wayne Holland  
Seminole FL

### **Title Insurors of Florida**

Linda Esielionis  
St. Petersburg FL

### **Trident Title, LLC**

Jonathan Weber  
West Palm Beach FL

### **Unlimited Title Group**

Emelinda Moran  
Miami FL

### **Did You Know ...**

Language like "Subject to restrictions and reservations of record" will not prevent the Marketable Record Title Act (Ch. 712, Fla. Stat) from eliminating those interests. To be preserved under MRTA, the reference must be specific –to the O.R. Book and Page or to the plat by name.

## FDIC Coverage for Trust Accounts Drops December 31

The *ALTA Advocacy Update* recently reported that the proposed extension of unlimited FDIC insurance failed in the Senate. So as of December 31, 2012, the FDIC coverage on your trust account will revert back to \$250,000.

Because attorneys and title agents hold funds belonging to many different customers in a single escrow account, we routinely far exceed these limits. And have always been very concerned about the safety of our customer's moneys. So, as we continue to see bank failures in the news, this reduction in FDIC coverage is cause for concern.

While we would all hope that no court would impose liability on an escrow agent for having held its trust account in a failed bank, if the worst happens, your customers and clients will make exactly that claim – probably naming both the firm/agency and its insurer(s). We can all envision unhappy results for the escrow agent in this situation. Regardless of the ultimate ruling, this will be an expensive case to defend and devastating to an agent's ongoing business and reputation.

While the specific duties owed by an attorney or title agent in selecting a bank are far from clear – and fortunately haven't been tested in Florida courts -- this bulletin summarizes the FDIC coverage rules and suggests a four part approach to reduce an attorney's or title agent's exposure in the event of a bank failure.

### OUR RECOMMENDATIONS:

1. Advise your customers where their deposit will be held and the limits of FDIC coverage.
2. Move your trust accounts to a "Safe" Bank – Easier said than done, right?
3. Structure the Account to Maximize the Extent of your FDIC coverage. There are ways to qualify your trust account for \$250,000 of coverage for each of your customers, instead of \$250,000 for your agency and all of your customers (sometimes referred to as "Pass-through coverage"). Even with Pass-Through coverage, amounts held in your trust account will be aggregated with your customer's other accounts to limit how much is covered.
4. Expressly limit your liability to customers in your escrow agreements for matters beyond your control – like a bank failure.

As is always the case, you should consult your own legal counsel for specific guidance on this subject and your unique fact situations.

More detail about these recommendations is contained in [2012 Bulletin 26](#)

## Agent Section Lobby Fund

The Florida Land Title Association is unique in retaining a political consulting firm in Tallahassee specifically to advise and represent the Agents Section. The cost of these professionals is paid from voluntary contributions to the Agent Section Lobby Fund.

We thank the following for their support during 2012:

### **Chairman's Club (\$1,000 or more)**

Alliant National  
Alpha-Omega  
Enterprise Title  
Fidelity National Title  
First American Title

First Service Title  
Hillsborough Title  
Majesty Title  
North American Title Company  
Old Republic National Title  
Stewart Title Co (agent sec)  
The Association of Title Agents  
Universal Land Title Co

### **President's Club (\$500-999)**

DHI Title  
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Heritage Title  
Integrity First Title  
Island Title  
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### **Ambassador's Club (\$250-499)**

Clear Title Solutions  
Community Land Title  
Frontier Title  
M&M Title  
Treasure Title

### **Gold (\$100 – 249)**

First Boston Title  
Master Title  
Ryan and Marks  
Title Company of Brevard