

Traverse Area Title Service, Inc.

Fall Issue 2008



THIS ISSUE:

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Traverse Area Title
Service, Inc.

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Meet the staff



From left to right,

Donna, Melissa, Terry, Theresa and Debbie

Meet our Staff

Kenneth T. (Terry) Bovee is the owner and founder of Traverse Area Title Service, Inc. He graduated from the University of Tulsa College of Law in 1976. He passed the Oklahoma bar exam in 1976 and the Michigan bar exam in 1977 and is presently a member of the State Bar of Michigan.

Donna Knopf has been employed with Traverse Area Title Service, Inc. for 13 years. She works in the Escrow Closing Department where she walks the realtors and the customers through the closing process. Donna will do everything in her power to make sure the actual closing goes as smooth as possible. Donna has worked in the industry for 16 years, performing many jobs for Traverse Area Title Service, Inc., starting with the receptionist position and moving up from there. Donna's other experiences include typing policies & commitments as well as processing construction draws. Donna is a licensed insurance agent.

Debbie Wendt was a Licensed Realtor for 6 years in Midland, MI. She moved to Traverse City in 2001, and started working in the Title Industry at that time. Her duties include Receptionist, Order Entry, Typing Legal descriptions and procuring Tax Information. Debbie has been with Traverse Area Title Service, Inc. for 4 years.

Melissa Novak is our new closing agent at Traverse Area Title Service Inc. She has 6 years of experience in the title insurance industry, and is already well known to many of the realtors and lenders in the Traverse City area. Melissa will be acting as marketing director and Senior Escrow Officer for Traverse Area Title Service, Inc.

Theresa Reising has worked in the title industry for over 20 years. She has experience in many different areas of title insurance, including residential and commercial processing and closing, as well as title examination. Theresa started working in the Detroit area, and moved to Traverse City 3 years ago to join Traverse Area Title Service, Inc. Theresa mainly works as a title examiner, but also helps out with processing and closings.

Petroleum Abstract and Title Service, Inc. is located in the back of Traverse Area Title Service, Inc. This family owned company will work on your oil and gas related Title searches and create for you a Land Title Abstract for Northern Lower Michigan properties.

HUD's Proposed Changes

With expected changes to the Good Faith Estimate, HUD is trying to implement other changes as well, which will greatly affect all of us in the Title Insurance Industry. The largest change that will affect both Closing Agents and Realtors is the proposed Closing Script. The rule proposes to create a new addendum to the HUD -1 or a closing script, which the closing agent will read aloud to the customer, the script will also be provided in a hard copy format, which the customer will have to acknowledge with a signature. With the script added to the closing process, HUD is expecting this will increase the time of closing by 45 minutes with an expected increase in the closing fee.

So why did HUD propose such a change? Well they are saying this will benefit the customer and simplify the mortgage loan and settlement process. Some feel this will only cause more confusion in the process that is already lengthy with procedures and requirements. The title insurance industry is working with members of Congress and other trade associations to deal with other issues raised by the proposal. For more information regarding this proposal go to www.alta.org

RIPARIAN RIGHTS, TITLE INSURANCE and DUE DILIGENCE



The Birthday Corner

9-7 Pam Benjamin from Leibenguth
Boos & Associates

9-17 Bob Reamer from IRR Residential
Veri-Tech Appraisal

10-2 Theresa Reising from Traverse
Area Title

10-12 Dean Baker from Re/Max
Bayshore Properties LTD

10-15 Mike Nagy from Northwestern
Mortgage Company

10-17 Bob Doriot from Coldwell
Banker Schmidt 548

10-28 Dan L. Stoudt from Traverse
City State Bank

11-9 Kathy Nagy from Northwestern
Mortgage Company

11-12 Dan G. Stoudt from Huntington
National Bank

Your title insurance policy neither insures nor *guarantees* riparian rights! The very reason you paid big bucks for a little piece of dirt, and now that you spent your money you find out that you are self insured as far as riparian rights are concerned. Shoulda read the fine print!! So now what do you do?

Don't panic! After all, most lakefront owners suffer no loss as a result of riparian title defects or even the complete lack of riparian rights. There's no guarantee that you gain anything by spending money on a due diligence riparian record search before buying the property. It's possible to quietly and peacefully possess land forever even with defective or fatally flawed riparian title.

But if you're concerned and really want to spend a lot of money, any title insurance agent can prepare a so-called "due diligence riparian record search" for your attorney to examine. Just ask the title agency that sold you your title insurance policy.

Ask about cost first because the riparian search costs more money to produce than the high profit, no brainer record search usually required to issue a title insurance policy. We'd all rather spend our time on the most profitable stuff. You have to be persuasive to get a title agency to devote high profit time to low profit business.

If you're dealing with a small title agency, your dollars speak loudly. But if you're a captive customer of one of the title agencies with lawful profit sharing arrangements with banks and real estate companies (we don't), you're low profit riparian search is not as important to their bottom line. Consequently your powers to persuade are, well, forget it. Your buyer will probably have to accept the riparian title blindly, as is, and with all faults or even accept the property with a complete lack of riparian rights. The only protection they'll get is the seller's (you) title covenants in the Warranty Deed.

But, like any other inspection, buyers should make sure their purchase agreement reflects their concerns.



Do you need to get your clients in and out? We can do that. Just let us know in advance and we can have 2 closing agents available, one to sign with the buyer and the other to sign with the seller. We know about that busy schedule and we are here to help you in any way possible, just ask.

Serving the community since 1992, our dedicated staff has over 100 years combined experience in the Title Insurance field. Attorney-owned, we are prepared to assist you with any type of title concern you may have.

Customer satisfaction is top priority with Traverse Area Title Service, Inc. If you or your clients have a special need or a unique title or closing issue, please let us know so we can discuss helpful options with you.

Traverse Area Title Service Inc., is online go to <http://www.traverseareatitle.com/>
To view our website

This newsletter was created by Melissa Novak of Traverse Area Title Service Inc. If you have any suggestions for our Newsletter please contact me at Melissa@traverseareatitle.com If you choose not to receive this newsletter you may contact me at Melissa@traverseareatitle.com and type unsubscribe in the contact line.

Conditional Rescission of Homestead

There has been inquiries recently regarding the Conditional Rescission of Principal Residence Exemption, so I thought I would give you a few facts.

1. What is conditional rescission?

A conditional rescission allows an owner to receive a PRE on his or her current property and on previously exempted property simultaneously if the previous principal residence (all must apply)

- Is not occupied
- Is for sale
- Is not leased
- Is not used for any business or commercial purpose.

2. How do I apply for conditional rescission?

To apply for a conditional rescission, the owner must submit a Conditional Rescission of Principal Residence Exemption (Form 4640) to the assessor for the city or township in which the property is located on or before May 1 of the first year of the claim, For example, to qualify for a PRE in 2008 under a conditional rescission, the form must be submitted on or before May 1, 2008.

3. How long is a conditional rescission effective?

An owner may receive the PRE on the previous principal residence for up to three years if the property is not occupied, is for sale, is not leased, and is not used for business or commercial purposes. The owner must annually submit the Form 4640 on or before December 31.

FYI-Governor Granholm signed a new bill in July 2008 for any homeowner who missed the deadline of May 1, 2008 for the 2008 tax year may now file an appeal with their township's July or December board of Review. The homeowner should contact the local assessor for meeting dates and additional information on the conditional rescission of PRE.

For more information regarding this you can contact Donna at 231-946-8881 or you can visit our website at www.traverseareatitle.com and click on the links.

Thank you!!

As a thank you to all of our loyal customers and to our future customers. Mention the Fall edition of Title Wave when ordering your title work to receive \$50.00 off of your closing fee.

Offer expires 12-31-2008

Traverse Area Title Service,
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