



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY



News

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DIRT LAWYER

Well, fall is here and I am eating apples that were picked by friends in North Carolina. Football and baseball are in high gear and I just returned from my grandchild's first birthday party. Sometimes I realize I am truly blessed to have all of this and especially the good friends I get to work with every day. I hope you are enjoying the season as much as I am.

The news on the real estate theater seems to be mixed. Most people are saying that refinances are up, which they are happy about. They also say that many of the closings have to be scheduled several times because it is so hard to get the documents out of the lenders. I have read the lenders have let so many go, that when they started making loans they did not have enough people to handle the closings. I also know that the requirements are much stricter so they are doing some very difficult underwriting.

On the sales front, I have heard from one attorney that his clients are buying acreage and from other attorneys they are closing some sales. Most of the sales may be foreclosed property but I understand there may be some real bargains out there. This is good news and I expect the rest of the year will be more of the same. I will soon have to draw up a budget for next year so I may call upon you for predictions.

It has not turned cold yet and I hope all of you are getting ready for a wonderful holiday season. We are working on our Ethics Seminar, our holiday cards and chocolate orders. May all of us stay warm with good food and friends!

Dirt



Check Fraud & Forgery Awareness

I was recently in the office of an agent who had someone come into their office asking if anyone in the office wanted a car wash. The agent had his car washed and the person who did the work returned to the office for payment. The agent obtained an operating account check and paid for the car wash.

A few weeks later, the person returned to solicit more car wash business and was told that no one needed a car wash that day.

As it turns out, the person returned to the agent's office during lunch and took some blank checks.

This story ends favorably since one of the checks was presented to the agent's bank and the teller did not recognize the signature as being the agent's. The teller then proceeded to call the agent; the person in possession of the stolen check left the bank (after having his picture taken) and was soon after apprehended.

All suspicions that a check may have been issued without proper authorization must be taken seriously. These suspicions can include forgery, alteration or unauthorized use of a bank account.

Report such suspicions to the bank immediately. Prompt action can prevent further losses.

Losses can generally be prevented or limited by prompt review and reconciliation of the bank statement.

If unauthorized activity shown on the bank statement is not reported to the bank within a certain time period determined by the bank (some specify 30 days from the date of the statement), the bank will not be responsible for any loss due the unauthorized activity.

Please remember:

Keep checks in a secure location and verify check numbers on a daily basis.

★ SPOTLIGHT ★

Welcome to our new agents:

- ★ Robinson Law Firm, P.A.
- ★ Evelyn M. Angeletti, Esquire
- ★ Josephs Law Firm, P.A.
- ★ John W. Howard, III, P.A.
- ★ Klok Law Firm, L.L.C.
- ★ Zimmerman & Shealy, L.L.C.
- ★ John D. Medlin, Esquire
- ★ William E. Smith, Jr., Attorney at Law, L.L.C.
- ★ Maring Law Firm, P.A.
- ★ Schwartz, McLeod, Durant & Jordan
- ★ Giardino Law Firm, L.L.C.
- ★ Law Office of Angela Theodoridis, P.L.L.C.

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e-Report

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YOUR SOURCE FOR UP-TO-DATE 1031 EXCHANGE NEWS

EXCHANGERS BEWARE OF YOUR CLOSING DATE

Is your IRC §1031 relinquished property closing scheduled anytime between October 18th and December 31st?

If so, your normal exchange period of 180 days will be shortened. Why? The Treasury Regulations – specifically §1.1031(k)-1(b)(ii) – provide as follows:

(ii) The exchange period begins on the date the taxpayer transfers the relinquished property and ends at midnight on the earlier of the 180th day thereafter or the due date (including extensions) for the taxpayer's return of the tax imposed by chapter 1 of subtitle A of the Code for the taxable year in which the transfer of the relinquished property occurs.

In other words, an exchanger has the earlier of 180 days or the due date of the exchanger's tax return – i.e. April 15th (for most taxpayers), to complete their §1031 exchange. An exchanger, may, however, file for an extension to obtain the benefit of the entire 180 days. For information on filing for an extension, and for the application Form 4868, please visit the IRS website: <http://www.irs.gov/taxtopics/tc304.html>. IRS 2010 forms should be available after January 1, 2011.

So – exchangers – don't lose out on your full 180 day exchange period. Make sure you file for an extension on or before April 15, 2011.

Taxpayers contemplating an exchange should always consult their tax or legal advisor.



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to handle your next exchange.
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serve you and/or your client's
exchange needs.*

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Greetings my friends!

I hope everyone is looking forward to the upcoming holiday season and bright start to the new year!

If you are not already using EZ Jackets, they are fabulous and I know you will like them much better. There is a little work up front to get you authorized to go on the site, but it should only take about 5 minutes and then you will be good to go. Once you get a chance to get signed up, let me know and I will come pick up your paper inventory. Below, please find the steps necessary to get you set up.



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Set Up Process:

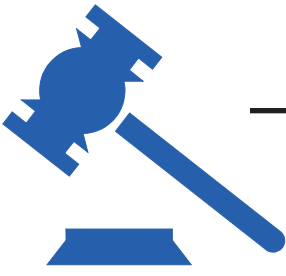
1. Go to Old Republic's (South Carolina) website
2. On the left hand side of the page, choose StarsLink
3. On the StarsLink site, choose "not yet a registered user"
4. This will bring you to a short questionnaire (You can use any user id and password you would like, your agent ID is your agency number and put in your agency name where it asks for Agent's name). Then hit submit
5. An email will be sent to our office to authorize you to go on the site
6. Once you are authorized, you will then go back to the StarsLink site and across the top of the page you will see Agent Services as one of the choices
7. Choose the Agent Services dropdown and choose EZ Jacket/EZ Remit
8. The first time you go to the site it will ask you to verify that the information in our database is correct. Once you approve it, there will be one more email sent to our office for verification
9. Finally, you can get to the jacket generator site

Generating Jackets:

1. You will see that your agency information automatically appears
2. Next, you enter basic information, such as: the county where the property is located, your file number, type of policy or policies you are issuing, loan amount, sales price, and policy effective date. The payoff/prior liability is for reissue credit, this is where you would enter the face amount of the prior policy.
3. The premiums will then be calculated for you including the split to ORT
4. If you have a 2nd Loan you can hit that button to enter the information of the 2nd and it will calculate the premiums and generate a jacket for it as well.
5. Right now, the only endorsements we charge for are zoning, so if you need to include that endorsement, just push the button.
6. Finally, on the upper right corner there is a button to Generate Jacket, once you hit this the jacket will appear on your screen for you to print.
7. Once you generate a jacket, it will move the information to the non remitted policies tab
8. This tab keeps track of all jackets generated and when you are ready to remit at the end of the month, you will hit remit selected policies and it will upload the pertinent information to our database and it will generate a report of what you have remitted
9. Those policies now will move to the remitted policies tab
10. **You will still need to send in the guts of your policies along with a check at the end of the month!**

If you have any trouble signing up for the site or navigating it once you are registered, please do not hesitate to contact us for help. We will walk you right through it!

Jenny



CASE LAW

Matrix Financial Services Corporation v. Louis M. Frazier and others (Opinion No. 26859 Filed August 16, 2010) The case deals with equitable subrogation requested by a foreclosing lender and it is based on a refinance of its own mortgage. The Supreme Court reversed the Master's decision which had granted equitable subrogation to the lender. The Court discussed the requirements for equitable subrogation and stated that a lender doing a refinance was not secondarily liable on the initial mortgage and was a mere volunteer in disbursing funds and therefore not entitled to equitable subrogation. The Court also found the refinance loan had been closed without an attorney and therefore the lender had unclean hands and was not entitled to an equitable remedy.

Sara Mae Robinson and others v. The Estate of Eloise Pinckney Harris and others (Opinion No. 26864 Filed August 16, 2010) This is one of four cases with the same parties, different land and the same facts. They all involve a 20 acre parcel of land in James Island that was owned by Simeon B. Pinckney. In 1946, three individuals with the last name of Pinckney executed cross-deeds which divided up the property. In 1966, one of those individuals passed away and one of the others brought a quiet title action on a 4.3 acre parcel which had been part of the original tract. This action was successful and gave title to Laura Pinckney Heyward and the 4.3 acre parcel was divided up into 4 lots. None of the petitioners in the current action or their predecessors-in-interest filed responsive pleadings in the 1966 proceeding. The Petitioners started this action in 2005, claiming they were the rightful heirs of Simeon Pinckney and therefore the owners of the property. The circuit court granted summary judgment in favor of the defendants saying the action was barred by the three year statute of limitations; the Respondent was a bona fide purchaser for value and the doctrine of laches. The Court of Appeals affirmed the lower court decision on the same theories. The Supreme Court affirmed the other decisions based on the doctrine of laches. They stated the parties waited 39 years to challenge the quiet title action and that was too long.

The Huxfield Cemetery Association v. Bobby L. Elliot and others (Opinion No. 26866 Filed August 16, 2010) This is a case about control of a cemetery that was dedicated as a Public Burying Gound in 1881. It is a good review of the law concerning cemeteries and it distinguishes between a statutory dedication and a common-law dedication. The first is a conveyance of title and the second is just an easement to the public. The Supreme Court reversed the lower court and found the party who had been maintaining the cemetery over the years was still vested with control of the property.

The Linda McCompany Inc. v. James G. Shore and Jan Shore (Opinion No. 26878 Filed Spetember 7, 2010) This case has many different factors but the main item is the ten year limit on the enforcement of judgments. The judgment holder had brought supplemental proceedings against the Shores prior to the ten years having run. Prior to all the proceedings being concluded, the ten year limit was reached but the Shores did not move to have the defense heard. The lower court said the defense was not preserved and did not rule on it. The Supreme Court agreed the matter was not preserved but it would effect future litigants and therefore it set forth a ruling. It stated as long as a party takes steps within the ten year period to enforce the judgment, such as bringing an action to enforce a judgment or filing supplemental proceedings, the active energy of the judgment will last until the conclusion of those proceedings even if the final disposition occurs after ten years. This is a change in prior case law and there was a dissent by two justices. We suggest all real estate attorneys read this case for themselves but it may add to the work of the abstractors in the court house.
