



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY



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2711 Middleburg Drive
Suite 304
Columbia, SC 29204-2413
Phone: (803) 799-9495
Toll Free: (800) 922-8811
Fax: (803) 771-7941
Email
ihart@oldrepublictitle.com
dkadlowec@oldrepublictitle.com
jking@oldrepublictitle.com
nbuczynski@oldrepublictitle.com
jsarvis@oldrepublictitle.com

∞ 2009 Awards ∞

#1 Premium & Policy Producer

Talley A. Lattimore



Circle of Excellence Premium Producers

Tracey H. Reynolds

Robert C. Clawson

Buist, Moore, Smythe & McGee

David G. Ingalls



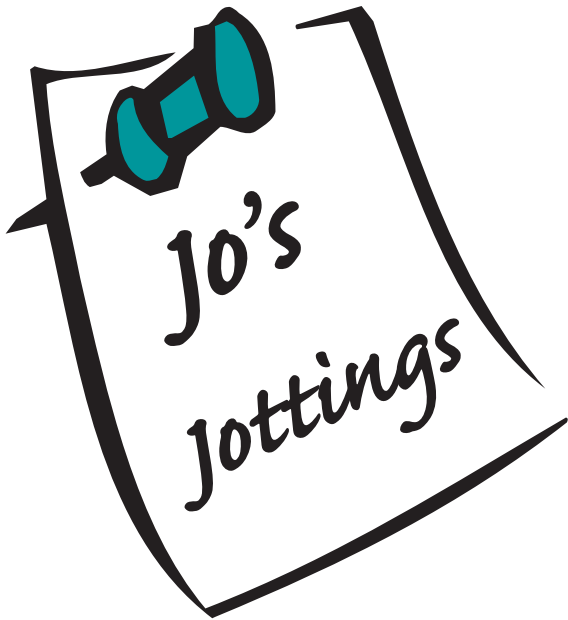
Circle of Excellence Policy Producers

David G. Ingalls

Tracey H. Reynolds

Robert C. Clawson

R. Allen Beverly



The holidays are over and the decorations have been put away. I hope your holidays were filled with love, peace and joy. My family spent the holidays between Greenville and Fripp Island and it was most enjoyable.

We know the outcome of the Super Bowl and the Winter Olympics have just begun. Can March Madness be far behind? That means it won't be long until spring! I am looking forward to spring's warm, sunny days. It is my favorite time of year, seeing the first crocus and daffodils popping up.

I sincerely love working here in South Carolina, my home state. Towns that I knew of but had never been to—Abbeville, Camden, Gaffney, Laurens, Lexington, Newberry, Prosperity, Sumter, Walterboro, Williamston, and those I did not know of—Elgin, Hemmingway, Johnsonville, Saluda and Winnsboro, I have now visited.

The people are delightful and if possible, I take a few minutes to walk around the town square, admiring the courthouse and anything historic I might find. I have also enjoyed going back to Aiken, Anderson, Beaufort, Charleston, Columbia, Conway, Georgetown, Greenville, Greer, Myrtle Beach, Pawleys Island, Seneca, Spartanburg and Walhalla. If I didn't mention your town, I will see you soon!

It is a pleasure working with you and your offices' staff during the Agency Review process. I hope that my visit has been helpful for those of you I have seen. Should any questions arise concerning my visit, please do not hesitate to contact me. You can reach me by phone at the Columbia office, 803.799.9495 or by cell at 803.622.7173. Also, you may email me at jking@oldrepublictitle.com. For everyone, including those of you I have yet to visit, please feel free to contact me with any questions you may have about the agency review procedure. I don't have all of the answers, but I will know where to get them and would be very happy to assist you in any way.

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Happy New Year to everyone! I hope this year is getting off to a good start.

I know we have ushered in 2010 with quite a bit of change, primarily with the new HUD-1 and GFE. This has been a learning experience for all of us. I know many of you are frustrated and trust me, we feel your pain. We just want you to know that we are here for you and we want to help you. We will do our best to assist you in any way that we can. Just hang in there and eventually we will get all of the kinks worked out. Don't give up, we are all in the same boat!

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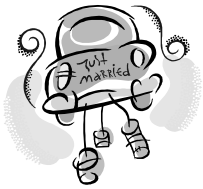
On another note, we are preparing for our spring seminars and will be hosting them on May 12 in Columbia, May 13 in Charleston and May 18 in Greenville. Please mark your calendars. They will offer 4 hours of CLE. This year we will provide a full breakfast so come hungry. This will be instead of the luncheon afterward as we know you will all be anxious to get back to work.

Finally, I am ready for spring! I have had enough of this cold weather. We need some sunshine and warmth and hopefully we will get some in the next month. Until then, keep warm and try not to let the new HUD drive you insane! It might be too late for me but best of luck to all of you.

spotlight



Congratulations to Jack Scoville as the newly elected mayor of Georgetown!



Megan Bauman with Warner, Payne & Black got married on December 14, 2009. Congratulations to the new Mrs. Megan F. Roche!



Jessica Sapanic with Toni Pennington's office is the proud mother of a bouncing baby boy!

Lori Bates with Rogers, Townsend & Thomas is also a proud mother! Travis Wayne Bates was born on January 12, 2010. Welcome, Travis!

DIRT LAWYER

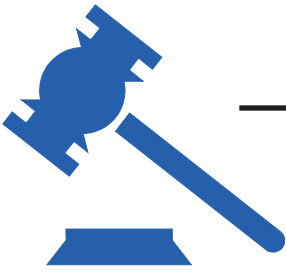
Yes, I am now a grandfather and it is a feeling like no other. The whole family was with us for Christmas and I have to tell you a story. We were all attending the candlelight service at the Home church and my daughter and son-in-law were taking turns holding Siena. She was a little talkative and so they were walking her in the hall. I decided that Siena needed her grandfather and so I took over for the next 40 minutes walking her up and down the hallway. I found she likes her grandfather's singing and I went through all my favorite Christmas carols. It was the best Christmas present this dirt lawyer has had in a long time. Afterwards, I got to show her off and everybody agreed she was beautiful and did not look anything like her grandfather.

It is cold and wet outside but I am looking forward to warmer weather and the coming of spring. We are planning our mission trips and it is always fun to see what tools I will need. I know two of our attorneys are going with us and there is always room for more. It is interesting with all the aid going to Haiti, that some of our people were contacted and asked if we were going back to Nicaragua. It is the second poorest country in the Americas behind Haiti, so, yes, we will be going back. We hope to start the building of a home while we are there and the cost of the home will be \$2,500. It is a small concrete home where a mother and her children can be reunited and live.

I know most of us are dealing with the new HUD and we may want to pull out what hair we have left. One banker responded when he was asked for the GFE, "What do you need that for and what do you mean new GFE?" However, we will survive this and it will get smoother as we go along. We hope to share lots of stories at our spring seminars.

Please try to stay dry and warm and know real estate attorneys will always be needed.

Dirt



CASE LAW

Eddie Wayne Eldridge and others v. South Carolina Department of Transportation (Opinion No. 26726 Filed September 21 2009) The case deals with damages after a taking of property and whether the property could be used for signs. The reason the use of the property was important because if the owners could not use it for signs then the property had no value and no damages. The Supreme Court gives a definition of “on premises” so that the property was contiguous to the fee parcel even if there was a road between the parcels. Once the definition is established then the property has value and then damages.

Ten Woodruff Oaks, LLC, v. Point development LLC, and others (Opinion No. 4612 Filed August 31, 2009) The case deals with the existence of an easement. The prior owners had signed a letter agreement spelling out the terms of the easement. They had also had numerous recorded plats prepared showing the easement including the ones referenced in the parties deeds. They also had curb cuts installed for the easements. The defendants had taken title subject to all easements of record. Based on those facts the Court of Appeals found the plaintiff had an easement.

U.S. Bank Trust National Association and others v. Clifford E. Bell, Jr. and others (Opinion No. 4614 Filed August 31, 2009) This is a foreclosure case that has gone through a reinstatement agreement, a bankruptcy and two foreclosures. The parties are arguing over the terms of the reinstatement and the signed agreement has been lost. The Master denied the foreclosure and restructured the loan but the Court of Appeals reversed and remands it so the foreclosure could proceed. We may see more of these as the appeals of foreclosures work their way through the court.

Plantation A.D. LLC, v. Gerald Builders of Conway, Inc. and others (Opinion No. 4632 Filed November 10, 2009) This case deals with terms of a Memorandum of understanding between the parties and whether it should be enforced. The lower Court granted a summary judgment to the defendant based on lack of consideration and conditions precedent. The Court Of Appeals reversed and remanded it back for trial. They stated there was enough evidence of some possible consideration and a question of whether there were conditions precedent that the matter should go to trial.

Wendy McDaniel, formerly known as Wendy Sue Kendrick v. Carolyn Kendrick (Opinion No. 4643 Filed December 31, 2009) The case deals with adverse possession and a constructive trust alleged by a step mother. She had been living on the property 19 years with the blessing of her step daughter, the owner of the property. She was asked to pay rent or leave and this action ensued. The trial court and the Court of Appeals found the element of hostility was not proved for adverse possession. She had living with everybody on the property and later they moved out and she did not. The parties knew that she did not own the property. The court found no evidence of wrong doing to create a constructive trust and the court ruled with the daughter.



Real Estate Agents: Three Simple Steps You Can Take to Protect Your Client's 1031 Exchange

As a real estate agent, you are faced with a myriad of issues to resolve during the course of any transaction. And, your clients expect you to have all the answers and to have them quickly. One common issue agents face is dealing with the popular tax saving procedure – the IRC §1031 exchange.

Arming yourself with information about the exchange process will help your client avoid common pitfalls such as a failure to properly comply with the IRS requirement that the purchase and sale contract – whether it be for a client's relinquished property (property to be disposed of in an exchange) or replacement property (property to be acquired in an exchange) – be assigned to the Qualified Intermediary ("QI") and that the other party to the contract receives written notice of the assignment. Although your client's QI should provide the appropriate form of assignment and notice, you need to know to ask for it.

If the purchase contract is not assigned to the QI and notice thereof not given to the other party at or before the transfer of the property, the taxpayer will be treated as if they transferred the property directly to the other party with no involvement of a QI. See, Treas. Reg. §1.1031(k)-1(g)(4)(v) .

The IRS reiterated this requirement in Private Letter Ruling 200130001, wherein the taxpayers were required to pay tax on their gain from the sale of two properties because no notice of their assignment to the QI was given to the purchasers of their relinquished properties. This is a harsh result, but one that is easily avoided by taking these three simple steps:

First, if your client is selling non-owner occupied property, determine whether they intend to do an exchange and, if so, make sure that they engage the services of a reputable QI well before closing.

Second, inform the other parties to the contract about the exchange and that the contract will be assigned to the QI. You should also inform the other party that, notwithstanding the assignment to the QI, your client remains the real party in interest and their rights to enforce the contract remain unaffected by the assignment. Additionally, you should add a clause in the contract (your QI can provide this language) – by way of an addendum – whereby the other party agrees to cooperate in the exchange. This additional clause notifies the other party that your client is doing an exchange and – more importantly – helps protect against the possibility of that party later refusing to cooperate in the transaction (e.g. refusing to acknowledge the assignment).

Third, confirm with your client's QI and the closer to confirm that they have obtained – before transfer of the property – a written assignment and acknowledgment thereof. Both the assignment and the acknowledgment are typically executed by all parties at closing.

In short, by following these three simple steps, you will not only impress your client, but you will help ensure the smooth handling of their exchange.

Choose OREXCO to handle your next exchange. We have offices nationwide to serve you and/or your client's exchange needs. For more information about OREXCO and its QI services, please go to <http://now.eloqua.com/e/er.aspx?s=792&lid=10&elq=1ab2e04b96b640f7b731ff884687d7e1>.

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