



Title Matters
Volume 17 • No. 1 Summer 2010

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A publication of

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The Other Side of the Fence

Wayne Trapp, Vice President and State Manager

It's warm weather time in Tennessee. This means garden, fresh vegetables, baby calves, rain and more rain and more rain.

Never in our lives have we seen flood waters like that of May 2010. What devastation Mother Nature brought us. Everywhere we look there is sadness. We see personal belongings strewn across yards and piled along roads waiting to be picked up and disposed of. Houses were destroyed and lives lost. Most all of us know or know of someone that lost everything. Let's continue to keep our neighbors in our thoughts and prayers.

Out on the farm things are fine. The flood waters tore down some fences and deposited someone's TV on my property. Well, I guess I can watch "Survivor" while putting up a new fence. There are 20 new calves running around, playing and getting fat on all the grass and mama's milk. For me it's relaxing to walk down to the pasture and watch the animals. Late in the evening standing around the pasture watching the calves grab some supper is neat. No matter where the cow may be she knows exactly where she left her baby. She will bawl for it and in just a minute they are reunited. The calf is nursing and everybody is happy. To see this sight and then to look around and see the sunset, green grass and trees full of leaves along with the smells of nature is a wonderful creation.

The garden has been planted. This year we only have two big long rows of beans instead of four. We also have squash, cucumbers, okra, bell peppers and 36 tomato plants. If everything hits this year we'll have enough to feed all of y'all. We still have no telling how many jars of beans from last year and to be honest we even have a few from 2008. They won't hurt though, we ate some the other night and they were as good as if they had just been picked. For those of you that have gardens, wouldn't you agree that it's neat to see things grow?

Enough of my silliness right now. I'll hush so you can enjoy the real meat of this newsletter; the articles on the inside that really mean something. I do, however, want to again thank everyone for your continued support of Old Republic Title. Our company is working for you as our agents and want you to always keep in mind that we are not in competition with you but a member of your team. Thanks for your business and I'll see you next time....on the other side of the fence.

FRUSTRATED WITH THE NEW GFE/HUD-1 FORMS?

Pamela L. Zimmerman, Assistant Vice President and Agency Manager

If you are frustrated with the new GFE/HUD-1 forms, you are not alone! The American Land Title Association recently conducted a poll on issues causing the most difficulty or frustration in closings with the new form. Responses were received from more than 300 ALTA members identifying various concerns as follows:

- Being asked to change HUDs to satisfy the conditions for funding and closing: 15.96%
- Not getting sufficient information to complete the comparison chart on page 3 of the HUD-1: 13.55%
- Figures provided by the lender on the GFE and for page 3 of the HUD-1 are inconsistent: 12.95%
- Trying to explain the new forms to consumers: 12.05%
- Pressure to lower fees in order to satisfy tolerance violations: 7.83%
- Lenders using loan worksheets instead of the GFE: 5.12%
- Lenders requiring tolerance violations to be cured with a credit on page 1 of the HUD-1, even for tolerance violations relating to the cannot-change bucket: 4.52%
- Not being advised whether the actual service providers were identified by the lenders: 3.61%
- Other: 24.40%

The fact that the “Other” category received the most votes would seem to confirm that individual experiences are many and varied . . . just like interpretations of the new regulations. The most frequently mentioned “Other” issue was inconsistency among different lenders' interpretation of the rules.

If you're still confused and frustrated, refer to the RESPA Reform Resources link under “Agent Services” on our StarsLink website (www.starslink.com) for additional information . . . and join us in Nashville on August 13 for our Annual Seminar when Anne Anastasi, President-Elect of ALTA, will give a presentation on the RESPA Reform aftermath. (See registration form on Page10.)

— QUIZ —

Take this quiz (information compiled from www.bankersonline.com and www.realtor.org) to test your knowledge of the new RESPA regulations, designed to lend more transparency to the real estate transaction process! Answers appear on Page 8.

1. Which of the following is NOT a settlement service covered by RESPA?
 - Mortgage loan origination
 - Real estate brokerage services
 - Moving furniture
 - Lender's credit report
2. Under RESPA, a real estate professional, in return for the referral of real estate settlement service business, may give:
 - A thank you
 - Something of value
 - A kickback
 - A fee
3. RESPA requires that the HUD-1 form be provided to the:
 - Tax assessor
 - Real estate salesperson
 - Buyer
 - Next-door neighbor
4. RESPA rules do NOT cover this type of purchase transaction:
 - Small warehouse financed with a Small Business Administration loan
 - Condominium with a federal Housing Administration mortgage
 - Single family home with a Veteran's Administration loan
 - Duplex that the owners plan to live in and rent the other unit that is financed with a conventional loan
5. A borrower may be required to pay for the _____ selected by the lender to represent the lender's interests:
 - Attorney
 - Real estate broker
 - Title company
 - Home inspector

continued on next page

continued from page 2

6. One exception to the rule of not allowing a real estate professional to pay fees for the referral of business is:
 - A mortgage broker who refers a buyer who has been pre-approved
 - A previous customer who refers a neighbor
 - Another licensed real estate broker who refers a buyer from another part of the country
 - A relative who overhears a customer saying he or she is moving
7. The affiliated business provision, an exception to the general RESPA rule regarding compensation for referrals, allows:
 - The real estate professional making the referral to receive a small referral fee
 - The party making the referral to receive a return on its ownership interest in the company receiving the referral
 - The buyer to avoid having to pay real property transfer taxes
 - The seller to require buyers to use the seller's attorney
8. RESPA is merely a disclosure statute. It does not specify what you can charge for; it just governs how you document your charges and fees. True or false?
 - True
 - False
9. The mortgage servicing disclosure is required to be given in which of the following situations?
 - All RESPA-covered loans
 - Only those RESPA-covered loans which are residential mortgage transactions
 - Only those RESPA-covered loans in which the lender receives a first mortgage lien
 - Never required on RESPA-covered loans

“*A perfect summer day is when the sun is shining, the breeze is blowing, the birds are singing, and the lawn mower is broken.*”



— James Dent

UPCOMING EDUCATIONAL OPPORTUNITIES

2010 ANNUAL SEMINAR
Nashville DoubleTree Hotel
Friday, August 13, 2010

Please see the Registration Form at Page 10 for details. Return your completed form and make your hotel reservations as soon as possible so you won't miss out on this opportunity for six hours of anticipated CLE and CE credit (including one hour of Ethics).

In addition to presenters Kirk Moser (Case Law and Legislative Updates) and Mike Davis (Foreclosures, REO's and Short Sales), we'll be joined by Anne Anastasi, President-Elect of ALTA (RESPA Reform Aftermath and The Ethics of Challenging Times), Rob Baker from our Home Office Legal Department (What You Need to Know about Errors & Omissions/Professional Liability Coverage), and FBI Special Agent Scott Augenbaum (Cyber Crime Threats for Title Agencies and Law Firms).

ESTATE AND PROBATE BASICS
AND
ETHICAL CONSIDERATIONS IN THE WHY'S AND HOW'S OF ESCROW ACCOUNTING

Chattanooga - Wednesday, November 3, 2010
Nashville - Wednesday, December 8, 2010

Registration materials for these half-day seminars focusing on estate and escrow accounting matters will be mailed to agents located in the surrounding areas approximately one month prior to the seminar date, but circle the dates on your calendar now! If you were not able to attend this seminar held earlier this year in Knoxville and would like to be included in the mailing list for one of the above dates, let either Pam Zimmerman or Valerie Matlock-Perry know. A registration fee of \$35.00 per person will be charged. The course has been approved for three hours of CLE (1.5 General and 1.5 Dual) and CE (2 General and 1 Ethics) credits.

"Tales from the Trail" will be a series from the audit trail across Tennessee. Each newsletter will have an article written by our agency auditors, Lynn Bilbrey and/or John Anderson. We hope to hit on something that may actually help you in your own shops. This first article explains the trial balance.

TALES FROM THE TRAIL...Part I

John Anderson, Agency Auditor

Whenever Lynn or I come into your offices, one of the first things we look at is your escrow reconciliations. The reconciliations are a good way for us to tell if you are on track, or perhaps you need to tweak a few things. Now something we constantly mention to agents is "Three-Way Reconciliation With a Trial Balance" (they can't live without each other). Most of you may already know what this is, or you have the software that creates this report. For those of you who don't, let me just give you a brief explanation.

In order for you to have a three-way reconciliation you first need to know what a two-way reconciliation is. A two-way reconciliation is basically your bank balance plus deposits in transit minus outstanding checks. This is also called an *adjusted bank balance*.

Example:

Ending Bank Balance	\$250,000
Deposits in Transit	+50,000
Outstanding Checks	<u>-200,000</u>
Adjusted Bank Balance	\$100,000 (this is a two-way reconciliation)

Now when you compare this total with your checkbook balance, you have your two-way reconciliation.

OK, just like math class (don't worry — I wasn't a math major) let's build on this and get into a three-way reconciliation. Three-way reconciliation consists of a two-way reconciliation plus a TRIAL BALANCE. The

trial balance goes by many names (trial file balance, multiple balances report, etc.), and what it gives you (and us) is a list of where that money belongs. The total of these files should equal the adjusted bank balance.

Example:

Adjusted Bank Balance \$100,000

Trial Balance

Trapp	\$ 45,000
Matlock	25,000
Zimmerman	25,000
Bilbrey	20,000
Anderson	<u>(15,000)</u>

Total	\$100,000
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Notice how the trial balance equals the adjusted bank balance (and that Trapp has all the money). As I said before, most of you have a report on your computer software that you can print off and see. For those of you who use Quick Books or Quicken (or perhaps you have a CPA who doesn't do a trial balance, or you just do everything manually), I have a simple solution. Every month when you reconcile (and we all reconcile monthly, right?), write down your trial balance on a sheet of paper or keep it on a spreadsheet on the computer. The most important thing is that you can keep track of where that money belongs.

As always if you have any questions, please feel free to contact Lynn or myself.



CASE LAW UPDATE

R. Kirkland Moser, Assistant Vice President and State Counsel

BOLON CUSTOM KITCHENS v. ROBERT AND NORMA PARMAN
IN THE COURT OF APPEALS OF TENNESSEE
 No. M2009-00495-COA-R3-CV
 Filed March 5, 2010

A materials supplier filed suit to enforce a lien upon property for unpaid costs of improvement to a residence; the trial court granted supplier's motion for summary judgment. The property owners appealed, asserting that supplier's lien was barred by the filing of the Notice of Completion or, in the alternative, that supplier's Notice of Lien was not properly filed with the Register's Office. The Court of Appeals found that supplier had a valid lien, and affirmed the trial court's judgment.

The appeal involved the validity of a materialman's lien. The defendants, Robert and Norma Parman (the "Parmans"), appealed an order of the trial court granting summary judgment in favor of the plaintiff, Bolon Custom Kitchens ("Bolon").

On November 9, 2007, the Parmans entered into a "New Construction Purchase and Sale Agreement" ("Agreement") with Scott Construction ("Scott") to purchase real property located in Spring Hill, Tennessee, owned by Scott. On November 14, Scott entered into a contract with Bolon to furnish materials and labor for improvements to the residence on the property. On December 14, Bolon completed its work on the home, but was not paid. On December 20, Scott conveyed the property by warranty deed to the Parmans and filed a Notice of Completion with the Maury County Register's Office. On March 3, 2008, Bolon filed a Mechanic's and Materialman's lien ("Notice of Lien") with the Register's Office.

On May 5, 2008, Bolon filed a complaint in the Maury County Circuit Court against Scott and the Parmans, seeking a monetary judgment against Scott of \$13,626.00 for the work performed under the contract and that a lien be imposed on the property to the extent of Bolon's claim.

On October 16, 2008, Bolon filed a motion for summary judgment, asserting that a notice of completion is statutorily required to be served upon a prime contractor before it affects that contractor's

unrecorded lien and, consequently, that the filing of the Notice of Completion did not affect Bolon's lien rights because Bolon was a prime contractor who did not receive service.

On February 2, 2009, the trial court granted Bolon's motion for summary judgment, finding that the "Notice of Lien at issue in this matter g[ave] rise to a valid lien which [wa]s superior to the any [sic] interest of the defendants herein" and decreeing that the "Notice of...Lien Claim...constitute[d] a valid lien in the amount of \$13,626.00" against the Parmans' property.

The Court of Appeals found, in order to be protected from unrecorded liens, the "owner or purchaser of improved real property...may, upon the completion of the improvement, record in the office of the register of deeds...a notice of completion." Tenn. Code Ann. § 66-11-143(a). The owner must "serve a copy of any notice of completion recorded with the register of deeds on the prime contractor." *Id.* "If a prime contractor is entitled to be served with a copy of any notice of completion recorded with the register of deeds, then the lien rights of the prime contractor not so served a copy shall not be affected by the notice of completion." *Id.*

The Court of Appeals further found that Scott's title fell within the statutory definition of owner, i.e., "any person having any right, title or interest, legal or equitable, in real property" Tenn. Code Ann. § 66-11-101(8) (emphasis added), and enabled Scott to enter into the agreement with Bolon, thereby bringing Bolon into direct privity of contract with Scott and satisfying the statutory criteria to make Bolon a prime contractor, see Tenn. Code Ann. § 66-1-101 (12). Consequently, Bolon was entitled to service of the Notice of Completion before its lien rights could be affected. Tenn. Code Ann. § 66-11-143(a).

COMMON LIEN ISSUES

Michael P. Davis, Assistant Vice President and Underwriting Counsel

1. The effect of Bankruptcy on a judgment lien.

No telling how many times you have heard “I filed Bankruptcy on that debt and it has been discharged.” So is the customer correct? Has it been discharged?

If indeed the customer did receive a discharge in Bankruptcy, they are correct that the debt has been discharged, but the *debt* is not your problem. Your problem is the *perfected judgment lien*. A debtor can obtain a discharge of some or all of their indebtedness if the debtor meets the statutory requirements for the discharge pursuant to 11 U.S.C. Section 727, 944, 1141, 1228 or 1328. So what is the effect of the discharge according to 11 U.S.C. § 524?

(a) A discharge in a case under this title

(1) voids any judgment to the extent that such judgment is a determination of the personal liability of the debtor with respect to any [pre-petition]debt discharged under ...this title...;

(2) operates as an injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover or offset any such debt as a personal liability of the debtor ...;

Pursuant to Section 524 (a) of the Bankruptcy Code, the debtor receives a discharge from **personal liability** for most pre-petition debts under the applicable provisions of the bankruptcy code, including debts evidenced by a pre-bankruptcy judgment. Further the debtor is protected from court actions to collect, recover, or offset any discharged debt as a **personal liability** of the debtor. Because Section 524 (a)(1) states that the discharge “voids any judgment,” one might assume that the effect of a discharge is also to void the judgment lien against the real property of the debtor, when the judgment was obtained prior to the debtor's bankruptcy case. The result of the assumption that the lien is discharged would be the failure to require the satisfaction of the lien and the issuance of a policy without exception to a prior lien that would now have priority over your insured transaction.

The United States Supreme Court has held that a creditor's right to foreclose on a lien survives the bankruptcy proceedings notwithstanding the discharge of personal liability of the debtor pursuant to 11 U.S.C. Section 524(a). See *Johnson v. Homestate Bank*, 501 U.S. 78, 82-83, 111 S. Ct. 2150, 2153, 115 L. Ed. 2d 66, 73-74 (1991).

Keep in mind that the judgment lien will only attach to property owned by the debtor prior to the Bankruptcy filing. It will not attached to property acquired by the debtor after the Bankruptcy.

Is there anything that would prohibit the judgment lien from surviving? The only way the judgment lien will not survive the Bankruptcy is if during the Bankruptcy proceedings, the debtor's attorney takes the necessary steps to avoid the lien based upon its impairment of the debtor's exemptions provided under Tennessee law. If the court enters an order avoiding the lien, then not only is action on the debt enjoined, then action against the property is enjoined.

2. What property does a judgment lien attach?

The simple answer: *all property owned by the debtor*. Do not make the mistake of only applying a judgment lien against a particular property simply because that is the address listed on the judgment. A prime example of limiting the judgment to particular properties is in the case of a judgment in favor of a Homeowners Association against a builder. Just because that judgment originates because the builder did not pay the association dues on properties in one development does not limit that judgment lien to just the properties in that development. *The judgment lien against the builder will attach to all properties owned by the builder.*

3. How long are judgment liens effective?

Judgment liens are good for a period of ten years from the date of entry of the order, except for judgments in favor of a division of the federal government which are good for twenty years from date of entry of the order. *The key date to check is the date of the entry of the order, not the date of the filing of the judgment in the register's office.* There are many occasions where judgments are not recorded until quite some time after the entry of the order, but remember that the calculation of the time period is not from the date of recording , but the date of the order.

4. How long are tax liens effective?

Federal and State tax liens are good for a period of ten years. Federal tax liens indicate on the face of the lien the last day for refiling an extension of the lien. If the extension is not filed by the date indicated on the lien, the lien will expire by operation of law.

INSURANCE PRODUCER (AGENT) LICENSE RENEWAL UPDATES

Pamela L. Zimmerman, Assistant Vice President and Agency Manager

The Tennessee Department of Commerce and Insurance now offers online license renewal through the National Insurance Producer Registry (NIPR) via a link on the Department's website (www.state.tn.us/commerce/insurance/agentsRes.html) or directly at www.nipr.com.

Every licensed insurance producer or limited insurance producer (agent) is required to notify the commissioner of any change in their residential or business address within thirty (30) business days of the change. It is very important to notify the Department of any change of address (form available on the Department website) during the twenty-four (24) month license period so that the Department's renewal notice reaches you in order to allow timely renewal. Non-renewal of licenses may result in the necessity of repeating the licensing application process as if a license had never been issued.

Please note the following information concerning renewals shared by the Department:

There is a late fee (double the renewal fee) for renewals after the license expiration date.

*All insurance producers are eligible to renew online through NIPR. **Nonresident producers MUST renew their license online.** Resident producers click on "Resident Renewals." Nonresident producers click on "Nonresident Renewals." Read the instructions and proceed as directed. All fees are non-refundable so please read everything carefully. You must complete the entire renewal process by the last day of your birth month [in the year of your license expiration] or your license will be canceled. There is no grace period after this date.*

If you are a Tennessee resident producer and have a continuing education requirement [attorney limited

insurance producers are exempt from CE requirements], you must have your continuing education credit hours completed and on file with the Department or you will not be allowed to renew. Continuing education must be submitted electronically by your education provider. [Old Republic typically submits CE information within 3 business days following our seminars.]

Address changes are not processed concurrently with the online renewal. If your address has changed [and you have not previously notified the Department as outlined above], process the Address Change Request with NIPR prior to processing the renewal.

Resident producers only may request a paper renewal to be mailed to them by calling 1-866-283-6191 and following the instructions. You will need the code number appearing above your name on the License Renewal Notice received from the Department. NOTE: Processing time for a paper renewal is 15 days from receipt by the Department. Your paper renewal MUST be received by the Department prior to license expiration date in order to avoid the late fee.

Please remember that it is the responsibility of the individual licensed insurance producer/limited insurance producer (agent) to comply with licensing and renewal statutes and rules, including the new requirements. Old Republic Title will make every effort to keep you informed of changes as we are made aware of them.

Thanks for your cooperation in ensuring that licenses and appointments remain current by renewing timely and providing us with a copy of the renewed license when received!

POLICY REMINDER

Valerie Matlock-Perry, Assistant Vice President and Agency Manager

It goes without saying that these are extremely slow times for the majority of us in the title business. I speak with agents everyday who tell me how slow things are and they just don't know what they are going to do if their business doesn't pick up.

Well I'm here to tell you what to do - POLICIES - that's right, I said policies. Now is the time to catch up and clean up all of those stacks of and drawers full of "Policies to be Done." With 99.9% of our agents now using our EZ Jacket system, we are now able to go into our system and find out how many jackets have been generated by a specific agent, when that jacket was generated and who created that jacket. So if an agent has an abundance of "old" (meaning anywhere from a year to a couple of months) jackets that have been generated but never reported, guess what? That agent will be receiving a phone call asking why those policies haven't been reported yet. There is absolutely no reason for there to be a large number of outstanding policy jackets that are more than a couple of months old, especially when we are hearing how much time agents have on their hands because there is a shortage of closings.

These jackets also pull up on a Red Flag report that is run by Wayne, Valerie and Pam at least once a month. Trust me, you do not want to be on a report entitled, "Red Flag Report." That's a sure fire way of getting a visit from one if not all of us. How would you like to see that on your front steps one morning?

I am sure that you all are aware that underwriters are tightening the screws and there is virtually no leniency anymore with reporting. Your contract states that you will report no less than once a month and that is what we expect our agents to do. We also expect that our agents will keep their policies up to date.

We truly appreciate each and everyone of our agents and articles such as this one are meant to help you. We want all of you to have the best run agency possible and will do whatever we can to help you accomplish that and to get through these rough times.

As always, please feel free to call me anytime.

ANSWERS TO RESPA QUIZ FROM PAGE 2

Check your answers to see how well you know the new RESPA rulings.

1. *Furniture moving.* Settlement services relate to the making of the federally-related mortgages covered under RESPA. Services provided after closing typically are not covered by RESPA and not considered settlement services.
2. *A thank you.* RESPA prohibits any person from giving or receiving a fee, kickback or thing of value to a mortgage broker, banker or title company.
3. *The buyer.* The person conducting the settlement needs to make the HUD-1 form available for inspection to the buyer at or before settlement.
4. *Purchase of a small warehouse financed with a Small Business Administration loan.* RESPA's coverage is limited to transactions involving a federally-related mortgage with a first or subordinate lien on residential real property designed principally for the occupancy of one to four families, including loans used to prepay or pay off an existing loan secured by the same property. Properties used for business purposes are not covered by RESPA.
5. *Attorney.* Any arrangement that requires a buyer, borrower or seller to pay for the services of an attorney, credit reporting agency or real estate appraiser chosen by the lender to represent the lender's interest in a real estate transaction is not a violation.
6. *Another licensed real estate broker who refers a buyer from another part of the country.* This exception to the rule allows payment of referral fees pursuant to cooperative brokerage and referral arrangements or agreements between real estate salespeople and brokers.
7. *The party making the referral to receive a return on its ownership interest in the company receiving the referral.* The only thing of value that can be received from an affiliated business arrangement, other than payments permitted under other subsections of the Act, is a return on the ownership interest.
8. *False.* RESPA is both a disclosure statute and a statute that prohibits the charging of certain types of charges, namely kickbacks and unearned fees.
9. *First mortgage lien.* The disclosure must be given only on RESPA-covered loans where the lender is receiving a first mortgage lien.

Quiz information compiled from www.bankersonline.com and www.realtor.org.

ESCROW ACCOUNT...IT AIN'T YOUR MONEY PART IV

Wayne Trapp, Vice President and State Manager

This light hearted scenario is fiction yet it takes a look at what could happen if cash flow gets tight. Please read on.

These are some of the worst times the title industry has ever seen. Rates are very low, yet unemployment is high and we don't have near as many closings as we did a couple years ago. I've let three people go and cut hours on the 4 remaining employees. Something has to give or I can't afford to keep my staff but one more pay period, my personal savings account is all but dried up.

I just got a call from a Realtor buddy. He just got a contract on that big farm over in the next county. He has been trying to sell it for the past two years and now has a \$2,300,000.00 contract. You dang right we can do the closings. The bad thing is, the parties can't close until September because of the tax problems it would cause since the crops have already been planted. The current owner wants to sell the soybeans yet the buyer won't lease that part of the land back to him so they have decided to wait until September when the soybeans have been harvested and then we can close. Don't worry because this is a solid buyer, he even wants me to hold his earnest money check for \$230,000.00 in escrow. This is a big deal with a good title premium but what am I going to do about making payroll for the next three months? I don't have that much money left and I can't miss my house payments.

Payroll for the next three months is about \$20,000.00. If I take that much out of that earnest money check to make payroll, I can put the money back by depositing my closing fees on every closing and then when that big deal closes I can put the rest of it back. I was just audited eight months ago so my underwriter won't do another audit until after this deal closes. Nobody will be hurt and I won't have to let anyone else go. Sometimes things just work out.

What is this late notice from the bank? I thought the equity line payment was made while I was on vacation. I don't have an extra \$2,000.00 to bring it current. I have to pay my E & O premium of \$2,769.00, my quarterly Income Tax payment of \$7,123.00, the payment on the BMW of \$912.00, my house payment of \$3,184.00 and the underwriter wants to know where their remittance is. I don't have an additional \$15,000.00 lying around right now. I have to pay my people or they will file a lawsuit with the labor board. My kids are getting ready to start school and that private school wants the \$20,000.00

tuition (\$10,000.00 each) up front. Let's see; Tuition, payroll and monthly payments total \$55,000.00. I can use the earnest money check and put it back on each closing, everything will be current. I'm still okay.

It's now August and I'm getting things ready to close on my big deal. Great, the survey has come in. Oh crap, the survey shows this farm to be only 800 acres. Everybody thought it was 1,000 acres. The legal description is the same as all the deeds where the current owner put this farm together. What happened to the other 200 acres? What do you mean the deal fell through? There was a signed contract contingent upon the survey confirming no less than 1,000 acres. I'm sorry but we can't go forward with the closing. Please send the buyer's earnest money back to him. Here are his wiring instructions.

What am I going to do? The buyer wants all of his \$230,000.00 wired to his account today. After helping sponsor the Realtors golf tournament, making a donation to the Builders Association and catching up with my underwriter there is only \$140,000.00 left. I'm short \$90,000.00. What am I going to do? If I didn't get current with my underwriter they were going to cancel me so I had to do something. If only this big deal had closed there wouldn't have been a problem. How am I going to get \$90,000.00? I'm mortgaged to the hilt and business continues to get worse instead of better. What do you mean my underwriter has scheduled my yearly audit? I'm \$90,000.00 short in my escrow account with no way of borrowing enough to make it whole.

The audit was completed and I was told the account is short and that I need to fund the shortages today, not tomorrow, right now, immediately. My underwriter has cancelled my contract and turned me in to the board of professional responsibility. They have also brought criminal charges against me. My underwriter has put me out of business and caused me lots of embarrassment with these criminal charges. I'm not a criminal.

The judge seems to agree with the underwriter. He says I'm a criminal; that I've stolen money from the escrow account. Money that was not mine yet entrusted to me by a third party. I've lost my law license, disbarred and looking at time in jail. What will I do?

When handing out the sentence the judge looked me straight in the eye and said "ESCROW ACCOUNT; IT AIN'T YOUR MONEY"!!!!!!



Invites you to our
ANNUAL SEMINAR

Friday, August 13, 2010
8:00 a.m. - 4:00 p.m.

DoubleTree Hotel Downtown
315 4th Avenue North
Nashville, TN 37219
(615) 244-8200

Scheduled topics include: Case Law and Legislative Updates; RESPA Reform Aftermath; What You Need to Know about Errors & Omissions/Professional Liability Coverage; The Ethics of Challenging Times; Cyber Crime Threats for Title Agencies and Law Firms; Foreclosures, REO's and Short Sales

The cost is \$75.00 per person which includes materials, continental breakfast, lunch and two breaks.

We encourage ALL Tennessee agents, approved attorneys and staff members to register as soon as possible, but no later than Friday, August 6, to ensure seating at the seminar.

If accommodations are needed, you may reserve your room online through the following link:
<http://doubletree.hilton.com/en/dt/groups/personalized/BNADUDT-ORT-20100809/index.jhtml>

You may also contact the DoubleTree directly at the number above for reservations. Be sure to mention you are with the Old Republic Title seminar in order to receive the seminar room rate of \$134.00 (double occupancy). Rooms are limited; deadline to receive the seminar rate is July 22, 2010.

6.0 hours of CLE and CE credits (including one hour of Ethics) will be applied for and are anticipated.

The following will be attending from _____ agency/approved attorney office:

Please make checks payable to:

Old Republic Title

And mail/fax form to:
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SUMMER FUN WORD SEARCH

I Y P J B S T P O W H H V D L B Z P I T
 F N L T X A Q O G A Q Q D F V G Z V T K
 E U D U M B R E L L A O S C V T C M Z S
 C W X E Y S H B U X J G U V Q Q P M J K
 N I H L P E E Q E H D X N A K B M D U T
 Z F B V Q E X I A Q A F G C A P F V N N
 Z O R T L W N M U L U R L A D S X K E T
 Q D B C Z V B D E N U E A T Q J W J E F
 B A R E R U T R E R O T S I M D N R R I
 O I A X R N J N U N V L S O T T E G C I
 R R P G F Q K U P X C R E N C L U E S I
 K X E P L U Z W M M T E S M K G C E N H
 Y R I A F Y T N U O C B D N R R M I U C
 S G O D T O H H Y M X D I A E E T A S A
 I W T Q X B N O S F Y R E A Y D T L O E
 K M W O A A D B M X P V M E V E R A R B
 E N G Z R A A D D S G R H N Q D N A W I
 B Q Y Q M M J T J H W U S B C Q E C G E
 E J L P S P H R U S E S Z H K I E X G V
 Z Z S Y P L W C M A Q K U O N H U U O I

BARBEQUE
 BEACH
 COUNTY FAIR
 GARDEN
 HAMBURGERS
 HOTDOGS
 ICE CREAM
 INDEPENDENCE DAY

RELAX
 SPRINKLER
 SUNGLASSES
 SUNSCREEN
 UMBRELLA
 VACATION
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