



"WORKING TOGETHER"
Property Records Education Partners
(PREP)



Volume 62,
mid-March 2013



**SIMPLIFYING RECORDS MANAGEMENT NEEDS
 FOR GOVERNMENTS AROUND THE WORLD**

Newsletter Sponsors



2013 PRIA Winter Symposium a Huge Success

We hope you had a chance to make it to this year's [PRIA Winter Symposium](#). If you did, you may have noticed that we had a higher attendance than we've had in a few years and more interactive sessions than usual. It seems that with the continuing recovery in the housing industry we are all faced with new challenges (a National Mortgage Registry) and even some resurfacing old challenges (document rejections) that need to be discussed - and discuss them we did at this Symposium. Almost one fourth of the attendees also participated in presenting at this Symposium, so it made for some very involved and meaningful discussions.



[PREP Chapters](#) were mentioned frequently as a way to keep talking at the local level in much the same way we talk and work together nationally within PRIA, so if you'd like to find out more about joining a Chapter or starting one in your area, [please let us know](#). And if you couldn't make it to DC, PRIA will be posting many of the session presentations on it's [website](#) over the next few weeks.



Thanks to all who made this Symposium such a great forum and hopefully we'll see even more of you at the [Annual PRIA Conference in Minneapolis on August 28-30, 2013](#).



News from PREP Chapters

PREP Chapter meeting summaries are posted every two weeks. In this Newsletter edition you'll hear from the [SE Pennsylvania PREP Chapter](#). Please go to [PRIA's PREP webpage anytime to see complete minutes, meeting agendas and dates in your area](#).



SE Pennsylvania PREP Chapter:
 Co-chairs: Government, Nancy Becker, NBecker@mail.montcopa.org and Business, Dallys Novarina, dallys@dallys.com

If you'd like to advertise in this newsletter please contact: cableman@priamail.us

The SE Pennsylvania PREP Chapter and the Pennsylvania Land Title Institute (PLTI) met on 2/12/13 and presented a two-hour seminar attended by 65 participants. Nancy Becker, Montgomery County Recorder of Deeds, gave a brief update on Montgomery County's recording fee increase and also the online subscription services now being offered to customers who want to search and purchase copies of documents online. Fred Sheeler, Berks County Recorder of Deeds, advised the group that Berks County has recently adopted a parcel identification number to be used on all recordings. Since the inception of the parcel number, there have been more rejections than usual in Berks County.

Charlene M. Ostroski, CLTP, Executive Vice President of PLTA/PLTI welcomed everyone and advised that this two-hour seminar would qualify for 2 credits toward continuing education requirements. Kenneth P. Milner, Esquire, and Special Counsel to the Blue Bell firm of Kraut Harris, P.C., presented the main topic of the meeting: "Entity Identity". Mr. Milner's presentation discussed valuable facts needed to determine who are authorized document signers and the importance of a good acknowledgement on a deed transaction or other type of recording. ([See the PRIA website for complete Chapter minutes.](#))



Waseca County, Minnesota Begins eRecording

Waseca County, Minnesota, now offers electronic recording (eRecording), a secure, online recording method that enables organizations to electronically submit land documents through Simplifile.

"Waseca County is very excited to go live with e-recording. It will make recording fast and convenient for our customers," said Waseca County Recorder Linda Karst.

Patton, Hoversten & Berg, P.A., a local law firm in Waseca, will be the first to electronically submit a document to the county using Simplifile's online service. Within minutes after receiving electronic documents, the county will be able to quickly record and return the document back to the submitter through Simplifile. ([Read the complete press release on the PRIA website.](#))



Household Worth in U.S. Rises by \$1.17 Trillion on Housing

excerpted from [Bloomberg 3/7/13](#)

Household wealth in the U.S. climbed in the fourth quarter to the highest level in five years, propelled by a gain in home prices that is helping repair family finances. Net worth for households and non-profit groups increased by \$1.17 trillion from October through December, or 1.8 percent from the previous three months, to \$66.1 trillion, the [Federal Reserve](#) said in its [flow of funds report](#). It was the highest since the fourth quarter of 2007.

- In This Issue**
- [2013 PRIA Winter Symposium : Huge Success](#)
 - [News from PREP Chapters - SE Pennsylvania](#)
 - [Waseca County Minnesota Begins eRecording](#)
 - [Household Worth in U.S. Rises](#)
 - [Foreclosures and Short Sales](#)
 - [MERS Prevails Over "Split the Note" Claim](#)
 - ALTA NEWS**
 - [Links to National News](#)
 - [PREP Blog and PREP LinkedIn](#)
 - [Advertise in PREP Newsletter](#)

Examples of PRIA's Products

- ["The History of Public Records"](#)
- ["The Impact of Fraud on the Real Estate Industry"](#)
- ["How to get Ready for eRecording"](#)
- ["Access to and Sale in Bulk of Land Records"](#)
- [\(other PRIA Standards and Publications\)](#)

PREP Chapter Meetings March/April 2013

- Colorado
- Central Texas
- Northern California
- Washington State

Contact Information

Do you have questions or suggestions for this newsletter or any updated information on co-chairs, emails, phone numbers, etc. please contact us:

- [Carolyn Ableman](#)
PREP Coordinator
- [Mark Monacelli](#)
PREP Committee Government Co-Chair, Recorder St Louis County, Minnesota
- [Madeleine Nagy](#)
PREP Committee Business Co-Chair, ALTA State Government Affairs

Household wealth is approaching its pre-recession level as the recovery in home values helps Americans overcome higher taxes Congress put in place this year. Federal Reserve policy makers' plans to keep lending rates low may continue to shore up finances, giving consumers the confidence to keep buying big-ticket items including cars and homes. ([Read complete article.](#))

Join Our Mailing List!

Find us on Facebook 

View our profile on **Linked** 



Foreclosure and Short Sales Account for 43 Percent of Residential Sales in 2012

excerpted from [National Mortgage Professional 3/1/13](#)

RealtyTrac has released its Q4 and Year-End 2012 U.S. Foreclosure & Short Sales Report, which shows a total of 947,995 U.S. properties in some stage of foreclosure or real estate-owned (REO) were sold during the year, a decrease of six percent from 2011 and down 11 percent from 2010.

These foreclosure-related sales accounted for 21 percent of all U.S. residential sales during the year, down from 23 percent of all sales in 2011 and down from 28 percent of all sales in 2010. Properties not in foreclosure that sold as short sales in 2012 accounted for an estimated 22 percent of all residential sales-bringing the total share of distressed sales to 43 percent including both foreclosure-related sales and non-foreclosure short sales.

"Although foreclosure-related sales represent a shrinking share of total sales, primarily because of fewer bank-owned purchases, distressed sales are still a disproportionately high portion of the overall housing market," said Daren Blomquist, vice president of RealtyTrac. "And while distressed properties - whether bank-owned, pre-foreclosure or short sales not in foreclosure - are still selling at a significant discount compared to non-distressed properties, average distressed property prices are increasing in many markets thanks to strong demand and limited inventory." ([Read complete article.](#))



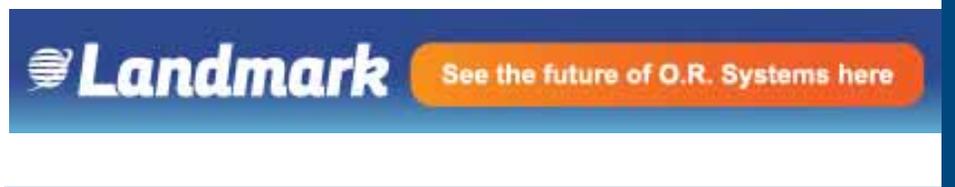
MERS Prevails Again over "Split the Note" Claim

excerpted from [MERS 3/5/13](#)

Merscorp Holdings, Inc. announced that Judge Janice Miller Karlin of the U.S. Bankruptcy Court for the District of Kansas rejected the plaintiff's "split the note" theory and related challenge to the validity of the defendant's interest in borrowers' property. The "split the note" theory is a legal argument, which alleges that when a mortgage and note are not held by the same entity, the note is unsecured and therefore invalid.

In [Hamilton v. CitiMortgage, Inc. \(In re Kunze\)](#), Judge Miller Karlin granted summary judgment in favor of CitiMortgage, Inc. and held that under Kansas law there is no split of the mortgage and the promissory note when the mortgage is held by an agent of the holder of the note. "An agency relationship existed

throughout the endorsements and assignments of the mortgage and note in this case," Judge Miller Karlin ruled. "As members of MERS-and pursuant to their agreements with MERS-Irwin Mortgage, Ginnie Mae, and CitiMortgage all appointed MERS to serve as mortgagee on their behalf." ([Read complete article.](#))



ALTA NEWS: Minnesota Supreme Court Rules in Case Involving Damages Exceeding Policy Limit

The Minnesota Supreme Court handed down an opinion Dec. 12 in the *Mattson Ridge v. Clear Rock Title* case, which dealt with the question of whether and when an insured could obtain consequential damages in excess of the policy limits when there was a breach of contract for the improper denial of a claim.

The Minnesota Supreme Court reversed the lower court's awarding consequential damages in this case. The appeals court had held that when a title defect is discovered, the insured can recover damages in excess of the policy limits. ALTA joined the Minnesota Land Title Association in a joint amicus brief arguing that the awarding of consequential damages in excess of policy limits is inappropriate. According to Steve Gottheim, ALTA's legislative and regulatory counsel, the decision does not close the door on the possibility of an insured obtaining damages for lost profits above the policy limits when an insurer breaches the insurance contract.

Mattson Ridge bought vacant land in Chisago City for nearly \$1.3 million and purchased title insurance from Ticor Title in that amount. The legal description of the property included a reference to "the intersection of road leading from the county road at or near Charles Magnuson's place in Sunrise City." When Mattson tried to sell the property for \$2.9 million, the buyer couldn't get title insurance because of the ambiguous legal description. Mattson filed a claim, but Ticor denied the claim contending the issue was excluded from the policy. Mattson undertook an effort to cure the property description by registering the land under Minnesota's Torrens system. However, at the end of the registration process, the real estate market had begun to dip and the buyer decided not to purchase the property. Mattson won a breach of contract suit against Ticor seeking consequential damages for lost profits.

Links to National News

[Are Foreclosures a Better Buy Than Short Sales?](#) - "Consumers may find buying a bank-owned home better than buying a short sale."

[US Housing Recovery to Continue, Cautions on Rules](#) - "The U.S. Federal Reserve may consider holding mortgage-backed securities (MBS) longer on its balance sheet to minimize market disruption, instead of selling them as it exits at some point from easy monetary policy, a top Fed official said on Friday."

[Housing is Economy's Silver Bullet, Analyst Says](#) - "There is ever more evidence the recovery is taking hold when it comes to the economy. On Friday, officials announced employers added 236,000 jobs in February. The numbers better than expected."

[Home Prices Expected to Rise at Least 3.3 Percent Annually Through 2017](#) - "Home prices are expected to continue their trajectory upward, projected to rise 3.7 percent between the third quarters of 2013 and 2014, according to Fiserv, which used data from the Federal Housing Finance Agency for its projection."

Join the PREP Blog or the PREP LinkedIn Group

Almost every day, we post national news articles, and PRIA and PREP Chapter information on the [PREP Blog](#) and the [PRIA/PREP LinkedIn Group](#). You are able to stay in touch by subscribing to both sites and automatically receiving updates daily or weekly.

Advertise in PRIA's PREP Newsletter

We now distribute PRIA's "PREP Newsletter" to more than 12,000 addresses in the real property records industry every two weeks. And we'd love to have your business sponsor and advertise in this newsletter. Please [contact us](#) to post your ads and take a look at [PRIA's Media Kit](#) for some new reduced rates for bundled advertising in multiple PRIA publications.

CONTENT DISCLAIMER

The views and opinions expressed in the media, articles, comments, or links in this publication are those of the speakers or authors and do not necessarily reflect or represent the views and opinions held by the Property Records Industry Association (PRIA) or its members. PRIA does not warrant the accuracy, timeliness or completeness of the information contained in this publication. If you have a complaint about something you have found in this publication, please contact PRIA by email at info@pria.us.

FAIR USE NOTICE

This publication may contain copyrighted material the use of which has not always been specifically authorized by the copyright owner. PRIA believes this constitutes a 'fair use' of any such copyrighted material as provided for in section 107 of the US Copyright Law. In accordance with Title 17 U.S.C. Section 107, the material in this publication is distributed without profit, to those who have expressed a prior interest in such information, for comment and nonprofit educational purposes.

[Forward email](#)



Try it FREE today.

This email was sent to coordinator@pria.us by cableman@priamail.us | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

PRIA | 2501 Aerial Center Parkway | Suite 103 | Morrisville | NC | 27560