

From the President's desk...

When we put together the various articles for this latest edition of Title Talk, I couldn't help but notice a common theme—**Communication**. Communication is defined as the transmission of information, an act to impart knowledge. But I like to think of it as more of an *exchange* of thoughts, messages and ideas.

At Penn Attorneys we thrive on the interaction, *communication* if you will, with YOU! It gives us the insight necessary to develop the services and information we provide. It is this two-way communication that has given us the insight necessary to focus on YOUR needs, on YOUR business practices and to develop efficient and effective ways to meet those needs.

This edition of Title Talk announces our new Search and Recording Services program (p 3), provides advice on getting accurate title opinions and products (p 4) and informs you about present day concerns (p 2). The concepts of these articles have been generated by our exchange of ideas with YOU!

Whether it is through this newsletter, our Title Alerts, by a visit to our website (www.pennattorneys.com), by a call to the office for underwriting advice or by your attendance at a CLE Event or personalized training session—it is our pledge to keep the lines of communication open, to provide you and your clients with the best our business has to offer, developed with insight and delivered with integrity.

Josephine K. Lubiejewski, President

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TITLEGURU



Dear Title Guru:

I just found out that our local school district will begin accepting school tax payments on an installment basis.

If a homeowner chooses to pay in installments, how should this be reported on a title report?

*Sincerely,
Pay Me Later*

Dear Pay Me:
Recent Pennsylvania legislation (Act 1 of 2006) authorizes school districts of the second,

third and fourth class to provide for the collection of school real property taxes in installments for certain *eligible taxpayers*, to assign installment claims and to increase the compensation of tax collectors. (Refer to Chapter 15, section 1501 et seq.)

Installment payments of school taxes provides taxpayers with the ability to make several successive payments rather than struggle to come up with enough cash to make a lump sum payment for the total school tax bill.

This is especially desirable for those who do not have a mortgage and/or do not have taxes escrowed by their mortgage company. For some, it is the easiest way to meet their financial obligation.

It is important not to confuse the method of payment with the actual tax year billing. The in-

stallment payment plan does not alter the tax period. For most school districts, the tax period is based on a fiscal year July 1st through June 30th. For the title purposes, the taxes for the actual tax year billing are either OPEN or PAID.

If you are reporting that taxes are paid through an installment cycle, be forewarned: you will be required to pay all open installments for the tax period in order to remove the exception for taxes from a policy.

A prudent real estate practitioner will ask a seller to provide tax receipts at closing.

Editor's note:

House Bill 39 was signed by the House on 6/14/06 and by the Senate on 6/19/06. It was approved by the Governor on 6/27/06, as Act 1 of 2006, and became effective immediately.



Million Dollar Baby

Did you know that Penn Attorneys negotiates its rates for transactions for over \$1 million? That's right. Penn Attorneys follows a graduated fee structure.

Base Rate

\$1 to \$100,000 = \$1.75 per thousand

Rates on Excess over \$100,000

\$100,001—250,000: add \$1.50 per thousand

\$250,001—1,000,000 add \$1.25 per thousand

\$1,000,000+ negotiated rate

over \$1 million dollars, Penn Attorneys will give you the most competitive rate possible.

What this means for you is that:

- You can be more competitive than an "agent" when it comes to these transactions.
- You can provide significant savings for your clients.

The higher the amount that is insured with us, the lower the rate per thousand. For transactions

Call your servicing Penn Attorneys office today for a quote on your "million dollar baby."

Introducing Penn Attorney's Search & Recording Services



Penn Attorneys can help you with your search and recording needs and can reduce the time you or your staff spend completing our forms!

Perhaps your current searcher cannot keep up with your increasing volume or tight deadlines?

Perhaps you are considering expanding your services into neighboring counties?

The search and recording services are:

- Available in all Pennsylvania counties
- Competitively priced

Using the search service is simple:

- Place your order any time—day or night—with a form we provide to you.
- Receive your order via e-mail, including a:
 - Search Report
 - Partially pre-populated

Preliminary Certificate & Report on Title

- Typed legal description

You can then apply for title insurance by completing the Preliminary Report. You may choose to fax or to scan and e-mail it to Penn Attorneys.

The greatest benefit of all to you is that Penn Attorneys will assume all search liability if title insurance is issued on the same transaction.

For more information on this new program, please call and ask for Jennifer MacGregor at 814-454-8278 or toll-free at 1-800-352-2216.



Have you mailed us important information and later called us to find that it had not yet arrived?

We have noticed that some of you are using an incomplete address when sending us mail. Although using the correct street address, many are neglecting to include the suite number.

This means that the U.S. Postal service is no longer able to sort the mail via machine, but must hand sort—and this results in a delay for you and us.

Get It Here—on Time!

For your convenience, we list below the correct mailing addresses for each office: Penn Attorney's State Headquarters and Eastern Pennsylvania Regional office.

Use the complete mailing addresses to ensure the timely delivery of your documents.

Prevent unnecessary delay starting today.

State Headquarters:

PENN ATTORNEYS TITLE INSURANCE CO
900 STATE ST **STE 320**
ERIE PA 16501-1427

Eastern Pennsylvania Regional Office:

PENN ATTORNEYS TITLE INSURANCE CO
NEW BRIDGE CENTER **STE 317**
480 PIERCE ST
KINGSTON PA 18704-5512



Tell It Like It Is: (How to Get An Accurate Title Opinion Or Product From Penn Attorneys.)

Have you ever heard a story and formed an opinion, only to later change your point of view—because more details of the story were revealed?

It's amazing how things can change when even one important detail is left out.

The same thing happens when you submit a title question or title report to us.

Our answer to your question, the requirements on a Commitment or the exceptions on a Policy may vary (sometimes drastically) based on what information you provide to us.

Are you giving us all the facts? Are you telling us the whole story?

Title Opinions:

Whenever you are asking for a title opinion concerning a possible defect found in the chain of title, please submit your question in writing along with a copy of the search notes and any instruments that may explain or contain the defect.

Following this procedure and doing this in advance of the closing allows for proper review, research and discussion time as well as time to formulate a plan to remedy the problem.

Once you have disclosed a potential defect, you should

never close the transaction until an underwriting opinion is rendered.

Penn Attorneys will advise you whether we can insure over the defect or what, if any, action is required in order for us to insure, without exception.

Title Products:

Giving us all the facts when providing preliminary and final information is imperative since we use the information in creating a commitment, Instant Policy or Final Policy. The old adage "The devil is in the details" has been proven many times.

Here are a few questions to make you aware of the important details that should be reported to us:

- Was there a tax sale or foreclosure in the chain of title? If so, when? Were proper notices given?
- Is there a 2nd mortgage in the transaction? Is it to be insured? If not, have you reported it for listing on the Owners Policy?
- Have you done a search of the buyers? Do they have any Federal Tax Liens?
- Has a Federal Lien Search been performed at the Federal District Courthouse or Satellite Office?

- Does someone plan to use a Power of Attorney to sign documents? Has it been recorded? Did they have the power?
- Have the taxes and assessments actually been paid or only escrowed?
- Did the Seller take back a mortgage? If so, was there an institutional mortgage? Did the Seller's Mortgage contain proper language to be subordinate to the institutional mortgage?
- Was there an assignment—of any kind (i.e. Mortgage, Rents, Leases, etc.)—made at closing? Recorded?
- Was there a change at the closing: consideration, mortgage amount, legal description or other Endorsement requests?
- Was any lien subordinated instead of being released or paid and satisfied?

Knowing all the facts certainly helps to prevent claims. An accurate title product is imperative for all involved: Insurer, Approved Attorney and Insured.

On your next report, don't forget any important information. Just tell it like it really is.

Do You Have the “Power”?

How to Be Sure You Have an Acceptable Power of Attorney



As you know, every commitment for title insurance issued by Penn Attorneys Title lists the following as a requirement:

If any party to the settlement intends to use a Power of Attorney at settlement, a copy of such Power must be submitted for review in advance of settlement.

Acceptability of the Power of Attorney for execution of the instruments creating the estate or interest to be insured is within the discretion of the insurer.

Have you ever wondered what we are looking for?

First, we are looking for the **Specific Power to convey, purchase or mortgage** a particular piece of property. This of course will depend on the specific transaction.

Second, we are looking for the **Notice and Acknowledgement required by statute.**

But even with this precaution, sometimes the POA gets recorded without the Specific Power, Acknowledgement or Notice.

If the Specific Power to purchase, convey or mortgage is missing, we will need to correct

and rerecord the Power of Attorney.

If the Notice or Acknowledgement is missing, the burden of proof shifts to the person relying on the Power.

Generally, a POA recorded with the proper Notice and Acknowledgement can be relied on and any party objecting to it would have to prove the lack of validity of the transaction.

However, when the said Notice or Acknowledgement has not been recorded with the document, the party relying on it, (the approved attorney, the title insurance company and the insured), would have to prove the validity.

In Memoriam

A. Alfred DelDucco, Esq.

William R. Davis, Esq. and

Kathleen Hamilton Davis, Esq.

On the “QT”

Just between you and me, if you are using our **Quick Title** service, please be sure that you are following the Quick Title instructions.

When you rely on a Quick Title for title insurance, please type the Quick Title Reference number on the front of your Preliminary Certificate and Report on Title.

If you are not typing out the detail on your report, you should attach a copy of the Quick Title report to the Preliminary.

**“Just the Fax, Ma’am.”
(When to Fax to Our Order Hotline vs. General Fax #)**



Here are a few guidelines on where you should send your orders, requests & other faxes.

Fax Hotline

Our **Title Order Hotline** was created to expedite the processing of your title orders. It should only be used to **initiate orders** for Commitments & Instant Policies.

Send the following to the Hotline:

- **New** Attorneys Preliminary Certificates & Reports on Title with supporting documents.
- Requests for Closing Protection Letters and/or Instant Policies **only if they are included with the initial fax of the Preliminary.**

Forgot an attachment?

If not submitted simultaneously with the Preliminary or within 3 hours thereafter, paperwork may not be recognized as being part of your original order and **may be automatically deleted.**

If after 3 hours, send the attachments to the general fax line of your servicing office.

General Fax Number

Please send **all other paperwork** to the general fax number, including:

- All changes or additions to orders that were already sent to the Fax Hotline, i.e.:
 - Closing Protection Letter requests sent separately from the Preliminary.
 - Instant Policy requests sent separately from the Preliminary.
 - Endorsement requests, etc.
- Quick Title Orders.
- Attorney’s Final Certificate & Application for Owner &/or Mortgage Policy (80-1).
- Attorney’s Final Certificate.& all other final paperwork.
- General faxes.

**Penn Attorneys
Fax & Email**

**State Headquarters
(Erie, PA)**

FAX Hotline: 1-866-415-1199

General Fax : 1-814-453-5983

Toll-free

General Fax: 1-800-234-2352

Email: erie@pennattorneys.com

**Eastern PA Regional Office
(Kingston, PA)**

FAX Hotline: 1-866-822-5613

General Fax : 1-570-288-1233

Toll-free

General Fax: 1-800-929-3877

Email: epro@pennattorneys.com

NOTE: In order to submit and/or receive your orders via email, you must be registered for Email Service.

Contact your servicing Penn Attorneys office for more information.



Penn Attorney’s Holiday Schedule

Our office will be closed on:

Wednesday, July 4, 2007

Monday, Sept. 3, 2007

Independence Day

Labor Day



If you will need a Commitment or Instant Policy for a settlement to be held on the above-listed holidays, please be sure to submit your request 2 business days prior to the holiday: Monday July 2nd, for July 4th holiday—and Thursday, August 30th for the Sept 3rd holiday.

For special requests, contact:

Eastern PA Regional Office
Mark DeAntonio, Esq.
570-288-1108 or 1-800-929-4024

State Headquarters
Tracy L. Chipoletti
814-451-8867 or 1-800-352-2216