

Special Chapter Report

This issue features updates from the two local chapters of the MLTA: Southern Maryland and National Capital. The MLTA has developed these local chapters in order to better serve its members and address some of their special geographic concerns. If you are interested in joining an MLTA chapter, please contact Connie Fuksa (Connie @footetitle.com) for the Southern Maryland Chapter, or Eric Schneider (schneider718 @comcast.net) for the National Capital Chapter.

Southern Maryland Chapter Report

We have been hard at work getting all of our members in place and setting up education and informational meetings. Since I last reported, we have had another successful education event. This time, we were educated in St Mary's County at the JT Daugherty Center in Lexington Park. The speakers were our own Robert Burke, who is an attorney and owner of Southern Maryland Title located in Waldorf. Burke spoke on *Riparian Rights*. You may think that there is not enough to talk on this topic for 2 hours, but Burke did a great job presenting a topic that is very relevant to our area. Southern Maryland is surrounded by water, and we as title agents deal with this issue regularly.

The other speaker, William Hebert, is a local surveyor who works with many of our agents. He gave us a lot of insight into the surveyors' world. Both were excellent speakers and the information was very relevant.

Southern Maryland Cont. on Page 6.

Also in this Issue:

2009 Education Schedule, p. 2

MLTA Officers and Directors, p. 3

E-Transfer Program FAQs, p. 4

Attention

MLTA dues paying members:

Each year, we notify you of the percentage of your MLTA dues that may be tax deductible.

For the 2007-08 MLTA Membership cycle, 26.77% of the membership dues were **not** deductible.

Please consult your accountant for additional information.

Thank you - MLTA

National Capital Chapter Hosts Meeting at Montgomery County Government Offices

On December 10th, the National Capital Chapter held a discussion on Recording Issues in Montgomery County. The meeting was attended by several Montgomery County Government representatives, including Timothy Jones of Montgomery County Transfer Office. The representatives provided a lot of useful information, some of which is included in this issue.

The following "wish list" was provided by the County representatives concerning Recording:

Continued on Page 2...

Notes and/or Wish List from the Montgomery Transfer Office Staff

- Sign up for the e-mail list to receive Transfer Office updates
- Submit complicated documents for pre-approval
- Pre-approvals expire after 45 days
- Expect a one day or longer review period for complicated transactions
- Remember that express counter service is designed for simple transactions and pre-approvals
- Remember to check to ensure that property taxes have been paid up-to-date
- Strive to submit work in a folder or envelope
- Be aware that when we move across the hall to L15, your work will be behind the counter
- Submit only the documents we need; no checks for the Clerk of Court or property taxes
- Return refusal sheet when resubmitting work that was previously rejected
- When possible, put refinance affidavit on the first page of the deed of trust
- Strive to leave space for the County stamp in the upper right corner of your documents
- Submit signed affidavit with IDOT to expedite service
- Put your file number on checks and documents in case there are any future issues (*i.e.*, refund claims)

The MLTA Education Committee Presents

The 2009 EDUCATION SCHEDULE

Sign-in will open 30 minutes prior to class time

BANKRUPTCY & FORECLOSURES

MARCH 17, 2009

1:00 PM – 5:00 PM

BOWIE – Comfort Inn in Bowie

A Panel Discussion – 4 Hours CE Credit

OVERCOMING OBSTACLES: CONTRACT AND SETTLEMENT ISSUES

APRIL 18, 2009

10:00 AM – 1:00 PM

TOWSON AREA – University of Phoenix

3 Hours CE Credit

ETHICS

MAY 2009

(Exact Date, Time and Location TBD)

MONTGOMERY COUNTY

A Panel Discussion to include such topics as Ethical Responsibilities of the Title Agent, Red Flags for the Professional to look out for in the Title Industry, and Fraud & Forgery (to include Investment Transactions & Flipping)
4 Hours CE Credit

SHORT SALES AND GAMES

JUNE 2, 2009

HOWARD COUNTY – The Gathering Place,
Clarksville

8:00 AM – 10:00 AM

Short Sales, - 2 Hours CE Credit

10:00AM – 12:00 PM

Title Triumph – 2 Hours CE Credit

12:00 PM – 1:00 PM – Lunch

1:00 PM – 5:00 PM

Casino of Education – 4 Hours CE Credit

Request registration information: mlta@mdlta.com

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What is Montgomery County's New e-Transfer Program? Some FAQ's

e-Transfer in a Nutshell

e-Transfer is an automated real property transfer intake form creation, validation, tax calculation, submission, review, and approval application operated 24/7 by Montgomery County to facilitate the transfer of an interest in real property.

The process steps are as follows:

- *Register and sign-up to use the application*
- *Sign-on to access the application*
- *Create the intake form through a single form web application or via the new web service feature*
- *Validate intake form and tax calculations*
- *Submit the form(s)*
- *Make direct electronic payment of transfer and recordation taxes*
- *Receive a County-approved intake form for submission to the Recording Office at the Courthouse*

Getting Started

Where can I get more information on this program?

You may contact the Transfer Tax Office on 240-777-8995 for Application Requirements, Agreement, and Security Access Form.

How can I sign up to use this program?

You need to obtain a Montgomery County Electronic Transfer Service Agreement from the Transfer Tax Office, review it, sign it, and return it to the Transfer Office.

When can I start using this program?

After receiving the signed agreement, the Transfer Office staff will train you to use the program. Training takes about 30 minutes and is conducted over the phone. When training is completed, you will receive an e-mail providing you with a User Name and Password. Next, you must set up your company's bank information. Then, you can start.

Money and Banking

What assurance is there that the County won't deduct money from my bank account without my approval?

The County never has access to your bank account. You control the set-up and password of your bank information. The County only delivers the electronic deposit file (that was created when your Intake Form was approved) to the County's bank. After that, it is strictly a bank-to-bank transaction between your bank and the County's bank.

Is payment deducted immediately from my bank account?

No. An encrypted electronic deposit file is created at the end of the business day, and later transmitted to the County's bank for ACH processing. The payment is usually transmitted from your bank to the County's bank within the next two business days.

What type of security does the County have to protect user's bank account information through the e-Transfer Program and ACH process?

Bank account numbers and passwords are encrypted in a secure data base and transmitted using a Secure Socket Layer (SSL).

Can I use multiple bank accounts in the e-Transfer Program, if needed?

Yes.

Processing e-Transfers

Can all instruments of writing be processed through e-Transfer?

No. The e-Transfer Program is set up to process our two most prevalent types of instruments: Deeds and Deeds of Trust. The following instruments normally cannot be processed through e-Transfer: IDOTS, Modifications, Easements, Liens, Foreclosures, Leases, Mortgages, Amendments, Declarations, Contracts of Sale, Options, Financing Statements, and Statements of Loan Advances.

Continued on Page 5.

MLTA Committee Chairs

Sally Presler McCash, Esq., CLTP

ALTA Liaison
O'Malley, Miles, Nylen & Gilmore, P.A.

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CLTP Committee
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John Gilbert, Esq. CLTP

Pre-Licensing Committee
Commonwealth / LandAmerica

Jeff Thompson, Esq. CLTP

Technology Committee
Chicago Title Insurance Co.

Eric Schneider, Esq., CLTP

National Capital Area Chapter

e-Transfer from Page 4.

Who can I call if I have questions concerning a transaction?

Transfer Office staff will be available to assist you from 8:00 am – 4:30 pm, Monday through Friday (except holidays). You may call 240-777-8995 for assistance. Although the staff is available only during normal business hours, the application is available 24/7, except for occasional system maintenance.

What must I do if there are unpaid real property taxes due?

All due property taxes must be paid up-to-date in order to transfer a property. You may pay the real property taxes on-line by using the county's property tax website. You may make payment using an electronic check. Then, you will receive a confirmation number that you can include on your intake form.

Can a commercial/industrial/office property transfer be processed by e-Transfer?

Yes, if the transaction is approved in advance by the Transfer Office Manager

Can a farm property transfer be processed by e-Transfer?

No, because too many variables are involved in a farm transfer

What exempt transfers can be processed by e-Transfer?

Spousal deed transfers can be processed electronically.

Are there any “no consideration deeds” that can be processed by e-Transfer?

Yes. A deed that transfers property into or out of a Revocable Trust can. Other “no consideration” transfers must be pre-approved by the Transfer Office Manager.

Can a re-recording of a deed/deed of trust be submitted on e-Transfer?

Yes. Please identify in the “remarks” field, the purpose of the re-recording.

Continued on Page 6.

Southern Maryland Chapter from page 1.

Based on the responses from attendees, they liked attending class in an area more local to their business, and they were pleased with the speakers and the topics. That’s just what we are trying to achieve with the Chapter! Thanks to everyone who attended and assisted in making a very successful event.

The Southern Maryland Chapter is also in the process of setting up meetings with the Clerks of the counties in which we work. We want to set up the liaisons between the clerks and our association to make our working relationship smoother. We currently have the Clerk of Calvert County set to speak at our December meeting. Hopefully, we will be able to make this a regular practice a couple of times a year. Not only are we trying to set up meetings the Clerks, but also with the local leaders of the Real Estate Boards.



Our chapter also has been approached by someone on the board of the historic home in St Mary’s County called Sotterly Mansion. They would like for us to meet there and discuss ways that the Chapter and MLTA can assist with programs and/or funding for the mansion. We are meeting with them in the spring to discuss this possible project.

We are always looking for MLTA members who are interested in Joining the Chapter. So if you do work in Southern Maryland, or your office is located here, we would love to have you join us!

So, as you can see, the Southern Maryland Chapter is off and running.

That’s it for now from Southern Maryland.

*By Connie Fuksa, CLTP, Foote Title Group,
Southern Maryland Chapter Committee Chair.*

e-Transfer from Page 5.

The current owner (or grantor) information already populated on the Intake Form is incorrect or incomplete. Can I change it before submitting the Intake Form?

Yes.

Rejected Transactions

What if a transaction is rejected by the Transfer Office staff?

A Rejection Form will be returned to you with the reasons for being rejected. You may edit the Intake Form and resubmit it with the necessary corrections.

What are some of the reasons that a transaction might be rejected?

Reasons include: unpaid real property taxes, recapture of homeowner’s tax credit, etc.

Will I be able to submit the same account more than once on the same day?

Yes, but the system will only allow a previously rejected transaction to be resubmitted on the same day.

If the property I am transferring is a condominium or land parcel (neither of which has a designated lot number), what should I enter in the “Lot” field so that my submission won’t be rejected?

You may enter “N/A” (for not applicable) or a dash (-).

Significant Definitions

Conveyance: *an action that affects a property transfer.*

Improved Sale Arms-Length: *conveyance between two unrelated parties, and includes a building attached to land.*

Unimproved Sale Arms-Length: *conveyance between two unrelated parties and consists only of vacant land.*

e-Transfer Continued on Page 7.
e-Transfer from Page 6.

Multiple Accounts Arms-Length: conveyance of more than one tax account.
Not an Arms-Length Sale: conveyance between related parties, or one or more of the parties is acting under duress to buy or sell.

Deed: a written instrument that transfers full or partial ownership of property from one party to another.

Deed of Trust: a security instrument conveying title in trust to a third party covering a particular piece of property to secure the payment of a note.

Grantee/Grantor: a person who acquires or sells an interest in real property by deed, deed of trust, or other written instrument.

Improved Residential: residential land that has a detached home, duplex, townhouse, or condominium unit built on it. An individual dwelling may be either owner or tenant occupied.

Instrument: a legal document that states a contractual relationship or grants a right.

Non (Improved Residential): any and all property types whose descriptions don't fit the above definition of Improved Residential. Following are some examples of Non (Improved Residential):

- any and all types of unimproved/vacant land
- all commercial and retail properties
- all industrial and warehouse properties
- all developed projects of rental apartment/townhouse properties
- all condominium storage or parking units
- all country club properties
- all office building properties
- all restaurant and service industry properties

The MLTA would like to thank **Timothy Jones** and others in the Montgomery County Government for taking the time to speak with MLTA members regarding the Recording process in Montgomery County. Jones has invited MLTA members to provide his office with comments and suggestions for ways that the office can improve service to the public. Using the form below, please submit to: timothy.jones@montgomerycountymd.gov.

HOW CAN THE TRANSFER OFFICE SERVE YOU BETTER?

Please use this form to suggest ways that the Transfer Office could improve its service to you. We will review your ideas and implement, if feasible.

You may feel free to remain anonymous.

Optional:
Name and phone number _____

From the Editor:

If nothing else, 2008 will be remembered as a watershed year bringing about fundamental changes to our industry. We look forward to serving you in 2009. Please let me know what you would like to see from our newsletter this year, and as always, if you would like to submit an article, please contact me or Margaret Webb: mlta@mdlta.com.

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