



New York State Land Title Association, Inc.  
Tradition. Excellence. Knowledge and Vision

# THE Bulletin

## Title Insurance: Protecting Your Piece of the Planet

SPRING 2006

THE JOURNAL OF THE NEW YORK STATE LAND TITLE ASSOCIATION, INC.

VOLUME 85, NUMBER 2

### MARK YOUR CALENDAR

NYSLTA 85th Annual Convention  
Kingsmill Resort  
Williamsburg, Virginia  
August 20-23, 2006

ALTA Annual Convention  
San Francisco, California  
October 11-14, 2006

ALTA Federal Conference 2007  
Washington, DC  
March 6-7, 2007

ALTA Tech Forum 2007  
Hyatt Regency Denver  
Denver, Colorado  
April 22-24, 2007

NYSLTA 86th Annual Convention  
Halifax, Nova Scotia  
August 12-14, 2007

### QUARTERLY QUOTE

*“Our future depends on how well we serve the public today and tomorrow.”*

—JONATHAN A. RICHARDS  
NYSLTA President  
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**Please Join Us**

**New York State**

**Land Title Association**

**85th Annual Convention**

**August 20-23, 2006**

**Williamsburg, Virginia**

**NYSLTA and hotel registration packet**  
**will follow in coming weeks.**



**JONATHAN A. RICHARDS**  
President

## On My Mind



**SHARON SABOL**  
Executive Vice President

### “Spring is here, the grass is riz I wonder where the birdies is?”

If you are in the title insurance “biz” you can easily substitute the term “biz” for “birdies” and you have the usual seasonal question. Based on my observations, the brokers are indeed on the wing, with showings and open houses galore. While interest rates have climbed out of the bargain basement range, they remain attractive enough to continue stimulating purchase and sale transactions. In my area it seems that only the overpriced and the quirky properties remain on the shelf.

My hope is that within the next few weeks our suburban offices and agents will see an upturn in the level of new business—perhaps not at the record levels we have seen in the past, but certainly more robust than the last few months. Sellers are anxious to lock in the double and triple digit gains in property values. Smart sellers, however, have dropped sky-high asking prices to more realistic levels to ensure their gains.

As the volume of activity grows with the season we need to keep in mind that our industry is under scrutiny by both regulators and the public alike. Our future depends on how well we serve the public today and tomorrow. As an industry, we need to look beyond our usual business sources and appreciate the needs of their clients. We must work hard in every way to promote a greater level of confidence, trust and satisfaction in the eyes of the public, the ultimate customer of title insurance services.

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### NYSLTA 85th Annual Convention

Our Annual Convention is quickly approaching! As always, we have a spectacular NYSLTA Convention in store for you and your family. Please circle your summer calendar for August 20-23. Destination: Kingsmill Resort, Williamsburg, Virginia.

NYSLTA’s Annual Convention continues to be an immensely popular member event. Our Convention has it all: business programs, lavish dinners, sightseeing, networking, relaxation, and golf.

We are proud to offer many family-friendly optional events including Colonial Williamsburg, Busch Gardens and Water Country. Complimentary shuttle buses will be available throughout the day to these parks from the Kingsmill Resort. Complimentary shuttle buses will also be offered to the prime shopping outlets.

Busch Gardens Europe has been voted the world’s “Most Beautiful Theme Park” for 16 consecutive years by the National Amusement Park Historical Association and named the world’s “Favorite Theme Park” for the fourth year in a row.

Busch Gardens Europe offers adventures in six countries: France, Germany, Italy, England, Scotland and Ireland. While visiting Germany, you will experience Curse of DarKastle, Busch Garden’s newest, biggest and most intense thrill ride.

Water Country USA was recently voted one of America’s best water parks by the Travel Channel. Experience over 35 water slides and rides.

Please check your mail in the coming weeks for NYSLTA and Kingsmill Resort registration packet. Looking forward to seeing you in Williamsburg!

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BY DAVID J. CARROLL

Chair, NYSLTA Municipal Liaison Committee

## New York City Emergency Repairs— Notification or Tax Lien?

The Department of Housing Preservation and Development (HPD) attempts to contact property owners before undertaking emergency repairs in privately owned buildings. To ensure notification by the agency all owners of multiple dwellings (three units or more) and owners of private dwellings (one to two family homes) who do not reside in New York City, must submit proper, annual registration for their property. It is also recommended that owners of private dwellings voluntarily register with HPD.

When an HPD inspector verifies an emergency condition, the current registered owner and managing agent of the property will be notified and instructed to repair the condition. If the owner fails to make the necessary repairs in a timely manner, said repairs will be arranged through HPD's Emergency Repair Program (ERP).

In the event that HPD does conduct emergency repairs, all costs, including administrative fees and sales tax, will be billed to the property owner through the Department of Finance. The DOF sends a bill for the cost of any emergency repairs to the property owner and includes a general description of the work done. If the owner fails to pay the bill within 60 days, a lien is placed on the property.

**“In the event that HPD does conduct emergency repairs, all costs, including administrative fees and sales tax, will be billed to the property owner through the Department of Finance.”**

If a property owner intends to protest the charges or has questions regarding the charges, he or she must make their request in writing within 30 days of the initial billing. HPD will provide documentation indicating the nature of the work done and the cost incurred by the city. If at that point the owner still intends to protest the charges, a protest letter must be submitted (within 30 days of the date this documentation is forwarded by HPD) outlining the basis of the protest and providing all supporting evidence. The Housing Maintenance Code provides that, “if the owner does not within 30 days of service of such statement, notify the department in writing of his or her objection to the statement of expenses or any individual item therein, such owner may not in any subsequent judicial or administrative proceeding contest any item contained in such statement.” While the protest is under review, interest charges will not accrue.

S.J. Carroll's Emergency Repair Search reflects information from four areas of HPD:

1. Recoupment Unit—Monies owed to HPD for repairs completed prior to billing by Department of Finance.
2. Work In Progress Unit—Work orders reflecting emergency conditions that have been verified by a HPD inspector. These work orders can result in additional monies being billed to the property owner.
3. Relocation Information—Indication that a particular property may have charges pending due to the relocation of some or all of the tenants of a building which has been found to have conditions that may jeopardize the welfare of those tenants.
4. Demolition Information—Indication that a building(s) has been demolished by HPD or contractors hired by HPD due to critically unsafe conditions. The cost of this demolition would be billable to the property owner.

**Emergency repair issues have become rather complex as a large number of agents are attempting to calculate and collect for Emergency Repair—In Process Work Orders. The amounts listed on the work orders are not the final amount to be billed and the final amounts can vary substantially. Furthermore, the dollar amounts listed on the work orders are not necessarily liens on real property.**

It is recommended for all types of properties that an emergency repair search be completed, a continuation of this search and a Recoupment Unit payoff letter, be ordered prior to closing.

It is also recommended that agents check with their underwriters as to the underwriters' procedure related to emergency repairs. *While notice of the pending charge and/or work order is “notification” to the property owner it is not yet a tax lien on real property.*

If you have any questions please do not hesitate to contact our office. In order for you to efficiently receive and distribute our future memos to your staff and clients, please opt to receive these memos via e-mail by contacting me at: david@sjcarroll.com.

BY SHAWN P. ABRAMS

NYSLTA Immediate Past President

## Legislative Day 2006—Key Issues— Consumer Privacy, Recording Standards and Title Agent Licensing

**N**ew York State Land Title Association Abstracters and Title Insurance Agents Section members visited the state Capitol March 20th and 21st for their annual Legislative Day. A pre-Legislative Day dinner meeting was held March 20th at Elda's On Lark restaurant in Albany. Out of town participants stayed at the Holiday Inn Express hotel in Rensselaer, taking advantage of the hotel shuttle running to and from the state Capitol.

Protecting consumer privacy was a main area of concern—both to title agents and legislators. Agents Section members voiced support for protecting consumer privacy. However, they cautioned legislators against “reactive” legislation. Several proposed bills were cited as examples of legislative “overkill”. Various proposals calling for wholesale redaction of private information would effectively shut down access to public records until millions of pages were —“scrubbed” of social security numbers and other private information. Other proposals to “ban” filing of personal information were discussed. Some were shown to be unworkable for land records—such as eliminating a person's name, address and signature on deeds and mortgages. Agents Section members urged legislators to craft workable privacy legislation placing the burden of prevention, together with liability for violations, on document preparers. They stressed a prospective effective date rather than retroactive redaction.

Legislators were told of varying local recording practices and fees. Agents Section members argued these local variations were not authorized by statute and supported standardized fees and practices statewide. A standardized recording cover page fee was cited as one example. Legislators were also informed County Clerks are taking varying positions on accepting documents containing social security numbers. They were told clear state guidelines must provide uniform rules on restricting private information.

Legislators were advised of the NYSLTA Title Insurance Agents licensing bill and member support for licensing. Many legislators expressed support for title agent licensing as a means to elevate industry standards and protect consumers. Several legislators offered to sponsor legislation in the event the Insurance Department version of a licensing bill is found unacceptable.

Participating in Legislative Day were: Shawn Abrams (Trinity Abstract), Naz Bernardo (Cleartract Title), Peter Brogan (Judicial Title), Bill Collins (Crossroads Abstract), Thomas DeCaro (Benchmark Title), Tami Demers (Johns

& Lee Real Estate Services), Nancy Farrell (Venture Title), Tom Gifford (Gifford Abstract), Anthony Maiocchi (Perfect Abstract), Tom Tafuri (Regal Title), Gerard Timoney (Title Guard) and Sal Turano (Abstracts Incorporated).

Agents Section members divided into four teams to accommodate meetings with the following legislators:

### Senators:

Neil D. Breslin, Joseph L. Bruno, John A. DeFrancisco, Hugh T. Farley, Charles J. Fuschillo, Jr., Jeffrey Klein, Kenneth P. LaValle, Carl L. Marcellino, George D. Maziarz, Michael F. Nozzolio, Joseph E. Robach, James L. Seward and George H. Winner, Jr.

### Assembly Members:

Nancy Calhoun, Ronald Canestrari, Ann-Margaret E. Carrozza, Steven Cymbrowitz, David F. Gantt, Michael N. Gianaris, Alexander B. Grannis, Ryan S. Karben, William Magee, Catherine T. Nolan, Annie Rabbitt, Andrew P. Raia, Robert C. Oaks, Audrey I. Pheffer, Robert Reilly, James N. Tedisco, Fred W. Thiele, Jr., Helene E. Weinstein, Mark S. Weprin and Kenneth Zebrowski.

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### Members Interested in Lobbying:

In the event a licensing bill is introduced this session we will need NYSLTA members to join us for lobbying. Since the final bill is not yet available we may be lobbying for or against passage. Not all lobbying is done in Albany. You can express your thoughts to your legislators in their district offices. Please contact me if you are interested.

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By Thomas P. Tafuri  
Chair, Land Records Committee

## Land Records Committee Creates Geographical Subcommittees

New York State has 62 counties. For the land title industry that translates into 62 different local governments dictating how and when land records (such as deeds and mortgages) should be recorded. This is frustrating since the same state laws govern us. I know of recording/filing problems that arise in the New York City area because my office is located in Manhattan. However, recording/filing problems may occur anywhere in New York State, including its northern and western counties.

Therefore, in order for NYSLTA Land Records Committee to be cognizant of land records issues throughout the state we have formed various geographical subcommittees. Members familiar with local recording customs and problems in their counties will lead the committees. The subcommittee chairs will report to the Land Records Chair.

The geographical subcommittees created are as follows:

### LONG ISLAND (Nassau and Suffolk counties)

Nancy Farrell..... 631-758-1180, nfarrell@venturetitleagency.com  
Stan Lacher ..... 516-747-0440, SJLGlobe@aol.com  
Rich Lipman ..... 516-433-0440, rlipman@accordabstract.com

### HUDSON VALLEY (Westchester, Rockland, Putnam, Orange, Ulster and Dutchess Counties)

Julie Faller ..... 914-287-0000, jmfaller@ugtc.com  
Jean Partridge... 914-250-2400, jpartridge@benchmarkta.com  
Tim Ring ..... 914-684-3613, ringt@ctt.com

### WESTERN COUNTIES (Counties now covered by the Western New York Committee)

Mark McGowan 716-481-1618, mfmcgowan@verizon.net  
Katherine Rusek 716-853-6529, krusek@Talongroup.biz

### LEATHERSTOCKING AND NORTH COUNTRY (Counties around Onondaga stretching east to Albany and north to the Canadian border)

Naz Bernardo.... 315-484-3392, NBernardo@Cleartracttitle.com  
Shawn Abrams.. 518-465-6776, titleguy@nycap.rr.com

### RICHMOND COUNTY

Joseph Licari..... 718-273-5539 or 516-918-4600  
jlicari@edatatrace.com

### ACRIS COUNTIES (New York, Kings, Queens and Bronx)

The present New York City ACRIS subcommittee will function as it has in the past.

We hope that by creating various subcommittees this will enable us to locate recording trouble spots throughout New York State. We will also identify trends that may not have been identified before. In addition, it is our hope that once identified, any problem will be resolved by NYSLTA in a timely (and always professional) manner.

*Please email:*

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## ADVERTISE in The Bulletin—

the official  
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New York State  
Land Title Association.

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for more details.

## **The Bulletin**

EDITOR IN CHIEF: SHARON SABOL

The Bulletin is published quarterly by the New York State Land Title Association, Inc., Two Rector Street, Suite 901, New York, NY 10006-1819.

NYSLTA members are invited to contribute articles and reports regarding title industry issues. NYSLTA reserves the right to edit all materials submitted.

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## **New York State Land Title Association Lifetime Achievement Nominations**

The NYSLTA Awards Committee is requesting nominations For Lifetime Achievement Award recipients. Successful candidates will be recognized at the NYSLTA 85th Annual Convention in Williamsburg, Virginia. Criteria for a Lifetime Achievement Award as follows:

- 1st: The nominee must have made major contributions to the land title industry.
- 2nd: The nominee must have served NYSLTA in significant measure, serving the Association in committees, as an officer, Executive Committee member or participant in seminars.
- 3rd: The nominee must have spent significant time working within the land title industry.

No more than two nominees may receive Lifetime Achievement Awards in any given year, except in such cases of extraordinary circumstances wherein the President and/or Executive Vice President may request awards to qualifying nominees in excess of two per year.

Every recipient of a Lifetime Achievement Award shall become an Honorary Life Member of NYSLTA. Nominations, along with the nominee's resume or qualifications should be forwarded to the NYSLTA office via e-mail: [info@NYSLTA.org](mailto:info@NYSLTA.org) or via fax: 212-964-7185.

# **New York State Land Title Association**

## **86th Annual Convention**

**Halifax, Nova Scotia**

**August 12-14, 2007**

BY JAMES M. PEDOWITZ, ESQ.

Counsel to Berkman, Henoch, Peterson & Peddy, P.C.

Garden City, New York

## What is the Role of a Title Underwriter for a Title Insurer?

(Editor's note: Mr. Pedowitz was associated with Title Guarantee and Trust Company (later Ticor Title Guarantee Company) for 43 years, their Chief Counsel from 1969 to 1979, and was an active member of NYSLTA for many years. He is also the Editor-in-Chief of Real Estate Titles, published by the New York State Bar Association.)

**T**he role of a title underwriter for a title insurer is to evaluate the risk, if any, of any facts disclosed by a complete examination of the title that would be included within the Insuring Provisions of a title policy to be issued, and not covered by the Exclusions From Coverage, the matters set forth in the Schedule "B" Exceptions, or in the Conditions and Stipulations in the printed policy form.

Obviously then, the title underwriter for a title insurer must be familiar with all of the elements above referred to; to wit, the Insuring Provisions, the Exclusions from Coverage, the Conditions and Stipulations, and any exceptions that may be part of the particular policy form.

The title insurance underwriter must be more than a good lawyer who understands all of the laws applicable to the title to real property, mortgages, and any other interest that may be insured by a title policy. In addition (s)he must be able to evaluate the risk of possible litigation involving the title or interest to be insured. Clearly, title underwriting is not an exact science, and can be affected by factors such as general economic conditions, the personality and character the parties affected, and just plain luck.

There was a time when most people who owned real property were basically honest, and who utilized lawyers who were capable and competent conveyancers. Unhappily, that is no longer entirely true. Today there is much more fraud, forgery and other overt criminality all of which requires much more diligence, care and investigation by and on behalf of a title underwriter; and unfortunately, there seem to be more lawyers who have had inadequate experience in conveyancing.

Title Underwriting for a Title Insurance Company also includes the evaluation of the possible risk of loss when the client requests "affirmative insurance", or the supplementation of the title insurance by an Endorsement to the title policy.

Affirmative Insurance usually involves an additional assumption of risk by the title insurer with respect to a matter that is the subject of an Exception from the policy

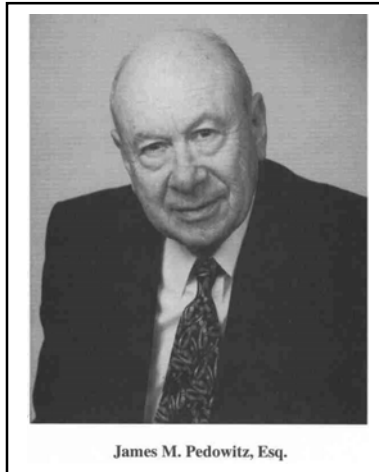
coverage. For instance, a recorded restrictive covenant in the chain of title may prohibit any construction on the property other than residential limited to the use by one family. The proposed insured may plan on demolishing the existing structure that was built as a one-family residence, and to construct a commercial warehouse; and the insured's attorney request that affirmative insurance be added to the exception of the restrictive covenants, reading, "but this policy insures that notwithstanding those restrictions the construction and maintenance of a commercial warehouse on the premises described in Schedule "A" will not be prohibited".

This request requires very careful consideration and additional preliminary investigation. You start at the beginning by determining how and when the restrictions were created and by whom. You need to determine what class or category they may fall into under classifications set up in *Korn v. Campbell*, 192 N.Y. 490: (1) a general scheme for the improvement or development of property, (2) for the benefit of the grantor's remaining land, and (3) by a group of adjoining landowners for the mutual benefit of their lands.

The foregoing classes are the basic categories of restrictive of covenants that run with the land, and each determines who could potentially enforce the restrictions if they are violated. A more detailed discussion of the parties who may potentially attempt enforcement of the Restrictions, can be found in Warren's *Weed New York Real Property* under "Restrictive Covenants, at Sec. 20".

Of course, the entire document in which the restrictive covenants are contained must be read carefully. In rare cases the language could be construed to result only in a personal covenant binding only on the grantee, and not as one that runs with the land and binds subsequent owners. There can also be the less usual type of restrictive covenant imposed by municipality, such as in *Church v. Town of Islip*, 8 N.Y.2d 254. The document usually indicates

*(Continued on Next Page)*



James M. Pedowitz, Esq.

whether there are parties other than the municipality that are also beneficiaries of the restrictions.

These preliminary steps should lead to a determination as to which properties may be entitled to enforce the restrictions. The owners, and possibly tenants, and potentially mortgagees of those benefited properties are the potential adversaries in an action to enforce the restrictions.

The next consideration for the title underwriter is to determine the basis, if any of insuring that the intended violation of the restrictions would not be enforced by a court, if someone in the benefited area actually started an action to enjoin the construction of the commercial warehouse. This requires a knowledge of the law applicable to the problem. The best place to start on this problem is RPAPL Section 1951 which is largely a codification of the decisional law on the subject prior to the Sept. 1, 1958 date mentioned in the statute. It should be borne in mind that the "changed conditions" referred to in the statute apply only to changed conditions in or on the properties benefited by the restrictive covenants, and not to other properties, even if they are in the same block as the restricted property. It can be particularly helpful when a personal inspection discloses other property or properties in the benefited area that have already violated the restrictive covenant. However, even where there appears to be a violation, it is important to investigate the title to that violating parcel to ascertain whether it is indeed a violation, or whether the restrictions were properly amended or properly released by all parties who then had the power to do so.

From the foregoing it should be clear that furnishing the affirmative insurance requested requires a considerable amount of work and a pretty extensive knowledge of the law affecting restrictive covenants.

Other requests for affirmative insurance from a title insurer can involve the effect and enforceability of easements, building encroachments, party walls, lands formerly under waters, or formerly in the bed of a street, or formerly part of a railroad right of way, etc. Many of these matters can be quite esoteric, and all of them require very careful consideration.

To a lesser extent every attorney who "examines" a title on behalf of a prospective purchaser or lender is engaging in a form of title underwriting by carefully examining the chain of title and by raising objections to the title based upon the standards pertaining to marketability of title. A title underwriter for a title insurance company must follow the stricter standard of the insurability of the title, because the title policy also includes coverage for the cost of defending the title as insured in the event it is attacked or questioned in litigation for some reason not excluded by the provisions of the title policy. On the other hand, the attorney who is examining a title for a client cannot rely on the "Exclusions from Coverage" or other matters not insured under the present ALTA Title Policy forms.

Both the title underwriter for a title insurer and the individual attorney who is preparing a title opinion may rely on the Recommended Practices and Forms of the New York State Land Title Association, Inc. ("NYSLTA") dated, January 2002 which have also been approved by the Real Property Section of the New York State Bar Association. Although their use is voluntary, they are a clear indication of acceptable practice by private attorneys, and are in general use by title insurance company underwriters. In addition to dealing with General Practices, there are sec-

tions dealing with Corporations, Descriptions and Boundaries, Estate Administration and Taxes, Liens and Judgments, and Mortgages and Foreclosure of Mortgages. The Recommended Practices also includes forms for letters of Indemnity between title insurers.

A discussion, or even a mere listing of all of the matters that should be considered and evaluated in a title can fill an entire book such as Real Estate Titles, published by the New York State Bar Association, but a few cautionary special problem areas are mentioned here.

Any title that includes a death in the chain, any lien foreclosure, a partition action, lands now or formerly under water, civil or criminal forfeiture, tax title, bankruptcy, taking by eminent domain, former railroad properties, or in the bed of a street or highway, all merit special attention because each of these situations are fraught with special problems, not generally familiar to most lawyers.

An overriding problem in evaluation of a title relates to the facts of possession, which are rarely disclosed by the recorded documents and even when a survey map is available. A survey map may not always disclose all of the physical features of the property, nor does it disclose the persons in actual possession of either the land, a structure on the property or both, or their claimed interest therein.

Easements are also a unique problem in that they are not always disclosed by the documents recorded in the chain of title, or even by a current physical inspection of the property. For example, implied easements usually require a familiarity with physical features that existed on the property at some time in the past, but which now may be obliterated. Easements by necessity usually require information as to prior common ownership with adjoining properties, and may not be reflected in the recent chain of title.

In today's world it is rare to see an abstract of title that goes back to a sovereign source. Most title examiners do not normally go back more than 40 or 50 years, even when examining the title to vacant land; notwithstanding that there is no statutory help such as might exist if New York had adopted a marketable title act, as exists in many other states. This practice leaves a void that can be troublesome, especially as to unoccupied land.

For most attorneys who do not examine their own titles, title insurance fills most of the void, although there is still much that the attorney must do, not the least of which is to fully explain to the client the meaning and potential consequences of each of the typewritten Exceptions to Title in Schedule B of the title report or title commitment, and the extent of the Exclusions from Coverage. The title insurance is important, but not all-inclusive. See "What Title Insurance Does Not Cover" in New York Real Property Law Journal, Winter 2000, Vol. 28 No. 1.

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**NYSLTA 85th Annual Convention  
Williamsburg, Virginia  
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BY JAY ROMANO

March 26, 2006

## The New York Times Reprint— Title Insurance: Is a Rider Needed?

**W**hen most people buy a house, their lender or their lawyer—usually, both—will insist that they buy title insurance.

What some buyers may not realize is that there are different levels of title insurance coverage available. Although the precise levels of coverage may vary from state to state, the idea is the same: more insurance is usually available if you are willing to pay for it.

Adam Leitman Bailey, a Manhattan real estate lawyer, said the primary function of title insurance is to protect a homeowner if there is a problem with the title. For example, he said, if a person buys property conveyed under a forged signature, and the person whose signature was forged then sues to recover the property, title insurance will pay for defending the suit and, if the insured party loses, will cover any loss up to the amount of insurance purchased.

It is also possible, Mr. Bailey said, that a buyer might not have clear title if an error was made when the deed was recorded, usually in the county clerk's office. (Recording a deed puts the world on notice that legal title to the property has been transferred to a new owner.)

In addition, Mr. Bailey said, title insurance provides coverage for things like tax liens or court judgments filed against prior owners that were not discovered during the title search conducted before the sale.

In most cases, Mr. Bailey said, when buyers obtain title insurance, they actually purchase two separate policies: one to protect the mortgage lender (usually for the amount of the mortgage) and another to protect the buyer (called a fee policy and usually for the amount of the purchase price).

While that level of coverage is sufficient in most cases, what happens in a rising market when the value of the house ends up being far more than the purchase price?

Rafael Castellanos, the managing partner in the Expert Title Insurance Agency in Manhattan, said that in New York, for example, buyers can purchase what is called a "market value rider" to their standard title insurance policy. With this rider, he said, the maximum coverage provided under the policy will be the fair market value of the property instead of the original purchase price.

That value, he said, is determined by three arbiters—two chosen by the policyholder and one by the insurance company—and does not include increases in value attributable to improvements made by the owner. The cost of such a rider is 10 percent of the price of a standard policy.

Another way buyers can obtain additional coverage is by purchasing what is known as an extended policy. John

Martin, the general counsel for the All New York Title Agency in Manhattan, said that in New York, the amount of coverage increases by 10 percent of the purchase price each year for five years, when it "maxes out" at 150 percent.

**“Rafael Castellanos, the managing partner in the Expert Title Insurance Agency in Manhattan, said that in New York, for example, buyers can purchase what is called a “market value rider” to their standard title insurance policy. With this rider, he said, the maximum coverage provided under the policy will be the fair market value of the property instead of the original purchase price.”**

An extended policy provides protection for contingencies that a standard policy does not cover—certain zoning problems, for example. Say someone buys a house that has an addition that was not approved by the municipality and later finds out that the addition must be torn down. An extended policy would cover that expense. In most cases, Mr. Martin said, extended policies cost 20 percent more than standard policies and carry deductibles of \$1,500 to \$4,000.

Mr. Martin said that most people were adequately protected by a standard policy. But for those who are buying a newly built house, particularly in a new subdivision, he said, extra protection might be a good idea because there is a greater likelihood of title claims for any number of reasons. And those who want the most insurance money can buy might not mind spending the extra 10 or 20 percent for greater peace of mind.

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BY MEMBERSHIP COMMITTEE CONTRIBUTORS

## New York State Land Title Association Proudly Welcomes New Members

We welcome our  
newest NYSLTA members:

### KINGS COUNTY

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#### Zook Search, Inc.

*(Regular Member)*

Joe Cavallo, Owner/Partner  
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### MONROE COUNTY

#### Phillips Lytle, LLP

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### Empire General Abstract, LLC

*(Regular Member)*

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### ROCKLAND COUNTY

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York State Land Title Associa-  
tion news, services and infor-  
mation.

## UPCOMING ALTA EVENTS

ALTA Annual Convention 2006: San Francisco, California, October 11-14, 2006

ALTA Federal Conference 2007: Washington, DC, March 6-7, 2007

ALTA Tech Forum 2007: Hyatt Regency Denver, Denver Colorado, April 22-24, 2007