

five dollars US

## In This Issue

- From the Editor...
- Homeowners Begin Repairs from Charley
- Home Prices Are Hot — And Still Cooking
- Rates Down Again, Mortgage Applications Surge
- Condo Market Sets Sales Record
- Mortgage Deception Impairment Continues
- A Good Deed

## Our Name Says It All

Integrity Land Title

1920 Palm Beach Lakes Blvd., Suite 217

West Palm Beach, Florida 33409

Phone: (561) 684-6262  
FAX: (561) 683-7220

www.integritylandtitle.com  
info@integritylandtitle.com

## From the Editor...

We at **Integrity Land Title** are excited by the positive response of the readers of *The South Florida Title News*. In fact, we are happy to respond to your requests for a more frequent publication schedule. Beginning with this issue, we are pleased to publish *The South Florida Title News* six times per year. And, as always, each article will be packed with the news and facts you can use every day, so you can concentrate on what's important: your business.

The number one goal at Integrity Land Title is to provide quality land title services with integrity and fairness, so you can concentrate on what's important. Our professional and courteous staff handles the details from contract and beyond so you can proceed with confidence to your closing.

Please accept our thanks for your strong support with this complimentary issue. We look forward to serving you.

## Industry News

### Homeowners Begin Repairs from Charley

The uncertain process of repairing Hurricane Charley's damage began in earnest a week following the August storm, with homeowners across the region navigating an unfamiliar sea of insurance deductibles, qualified contractors and long waiting lists for repairs.



A Royal Palm tree collapsed into this Landmark Realty office building in Punta Gorda.

The booming housing market has left building materials in short supply and few roofers, carpenters and electricians to take on emergency jobs. Construction experts and building officials are saying it could take a year, at least, to rebuild Central Florida.

In response, building departments across Central Florida are loosening permit requirements and waiving fees to help homeowners make quick storm repairs.

Some departments have been touring neighborhoods handing out permits on the fly. Others have been granting permits by phone.

But until their time comes, most homeowners are making do with the barest of temporary repairs.

Meanwhile, the nation's two largest owners of home mortgages -- Fannie Mae and Freddie Mac -- have set up relief programs for those who may have trouble making payments because of storm-related unemployment and damage losses.

Fannie Mae said mortgage payments may be reduced for up to 18 months. In special cases, a longer repayment plan can be implemented.

Freddie Mac said it is urging companies that serve the mortgages it owns to provide relief through reduced or suspended mortgage payments for up to a year.

Source: © 2004, The Orlando Sentinel; Photo courtesy Ft. Myers News-Press

**Housing News**

**Home Prices Are Hot – And Still Cooking**

The National Association of Realtors' second quarter Metropolitan Area Home Price Report shows home values are holding strong, growing by double-digits in 49 of 128 regions surveyed — the biggest number of double-digit gains ever.

The association's second quarter Metropolitan Area Home Price Report shows home

values are holding strong, growing by double-digits in 49 of the 128 regions surveyed -- the biggest number of double-digit gains ever. Housing prices vary by region, but the median home price nationally was up 9.1 percent to \$183,800 from \$168,500 in the same quarter last year. The median is the typical market price where half of the homes sold for more and half sold for less.

Regionally, the strongest increase was once again in the Northeast where the median resale price during the second quarter was \$214,800, rising 17.6 percent from a year earlier.

Sources: oldrepublic.com; Price chart courtesy bankrate.com

<b>FLORIDA</b>	<b>2003</b>	<b>2004</b>	<b>%</b>
	<b>(\$000s)</b>	<b>(\$000s)</b>	<b>Change</b>
Bradenton	170.4	213.1	<b>25.1</b>
Daytona Beach	122.8	147.9	<b>20.4</b>
Fort Lauderdale/Hollywood/ Pompano Beach	222.2	277.3	<b>24.8</b>
Fort Myers/Cape Coral	159.9	183.8	<b>14.9</b>
Gainesville	142.2	167.1	<b>17.5</b>
Jacksonville	130.8	154.5	<b>18.1</b>
Melbourne/Titusville/ Palm Bay	130.1	153.9	<b>18.3</b>
Miami/Hialeah	216.0	271.9	<b>25.9</b>
Ocala	88.4	112.3	<b>27.0</b>
Orlando	137.7	170.1	<b>23.5</b>
Sarasota	203.9	264.8	<b>29.9</b>
Tampa/St. Petersburg/Clearwater	138.6	158.2	<b>14.1</b>
West Palm Beach/Boca Raton/ Delray Beach	233.6	294.0	<b>25.9</b>

Median home prices: Second quarter '03 – '04

**Mortgage News**

**Rates Down Again, Mortgage Applications Surge**

Homeowners are taking advantage of another opportunity to refinance their mortgages as rates remain near four-month lows.

The benchmark 30-year fixed-rate mortgage fell 9 basis points to 5.82 percent, according to the Bankrate.com national survey of large lenders. One year ago, the mortgage index was 6.35 percent.

A basis point is one-hundredth of 1 percentage point.

Source: bankrate.com



Regardless of the type of real estate transaction — commercial or residential, condominium or single family — Integrity Land Title is proud to provide quality title services to Palm Beach County and all of Florida.

Leslie Mendenhall  
Proprietor

1920 Palm Beach Lakes  
Blvd. Ste. 217  
West Palm Beach, FL 33409  
561/684-6262  
Fax: 561/683-7220  
Toll Free: 877/429-1398



**"Our Name Says It All"**

We at Integrity Land Title are proud to provide you with quality service, and pledge to work with you all the way through to a smooth closing.

Leslie Mendenhall  
Proprietor

1920 Palm Beach Lakes  
Blvd. Ste. 217  
West Palm Beach, FL 33409  
561/684-6262  
Fax: 561/683-7220  
Toll Free: 877/429-1398

## Condo News

### Condo Market Sets Sales Record

Sales of used condominiums and cooperatives set a national record in the second quarter, marking the first time this market segment has ever approached the 1-million sales level, according to the National Association of Realtors.



The seasonally adjusted annual rate for used condo and co-op sales jumped 6.6 percent to 996,000 units in the second quarter from a 934,000-unit rate in the first quarter. Sales activity in the second quarter was 15.4 percent above the 863,000-unit sales level during the same period in 2003.

David Lereah, the Realtors association's chief economist, said there's strong demand from both ends of the housing market. "First-time buyers and baby boomers, the 'bookends' of the housing market, are driving condo sales," he said. "While affordability is a factor for entry level buyers, changing lifestyles are a major reason that condos are a bigger market share today than in years past."

Regionally, used condo and co-op sales in the South rose 4.4 percent in the second quarter to a record 454,000-unit pace – 16.1 percent higher than the same quarter in 2003. The South median price of \$163,300 was 24.6 percent higher than a year ago.

In the Northeast, used condo and co-op sales jumped 13.8 percent in the second quarter to a record 173,000-unit pace and were 21.8 percent above the second quarter of 2003. The median price in the Northeast was \$211,100, up 10.1 from the same period a year earlier.

Source: National Association of Realtors

## Title Insurance News

### Mortgage Impairment Deception Continues



Despite the recent successes of American Land Title Association (ALTA) against mortgage impairment products, the title industry is still battling to protect title insurance mono-line statutes.

"Title insurance is mono-line insurance," said Leslie Mendenhall, owner and president of Integrity Land Title. "This means that the right to insure risks related to title is assigned

exclusively to licensed title insurers, and any insurer that transacts other non-title lines of insurance is prohibited from insuring title risks."

Standard mortgage impairment products attempt to disguise title insurance coverage by renaming it "mortgage impairment" insurance.

The first mortgage impairment products entered the marketplace over a decade ago as non-title insurers began to insert their products into the title insurance marketplace. These companies surreptitiously began issuing lien priority insurance through the creative use of deceptive terminology and semantic games to mask the true nature of their products.

While departments of insurance across the country have attempted to be diligent in identifying and rejecting mortgage impairment products as disguised title insurance, in many instances these policies slip by without drawing the attention of regulators because of the semantic ploys used by these non-title insurers. Despite that, 30 states have rejected one or more mortgage impairment products.

Source: Richard G. Carlston and Sunny J. Knight, [www.alta.com](http://www.alta.com)



## INTEGRITY LAND TITLE

Because title insurance is so important to the sale and purchase of real estate, we are pleased to assist you by providing your office with the attached Customer Request for Title Insurance Quote form.

This quote is a free, no obligation service of Integrity Land Title.

We recommend making copies of the attached form and incorporating it into every closing package your office assembles.

If you have any questions before completing your request, call Marketing Director Kevin Duncan or any of the Integrity Land Title professionals at (561) 684-6262.

Leslie Mendenhall  
Proprietor

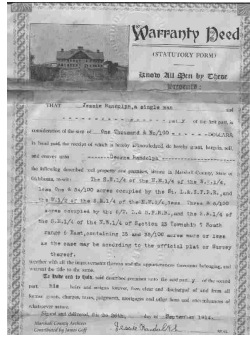
1920 Palm Beach Lakes  
Blvd. Ste. 217  
West Palm Beach, FL 33409  
561/684-6262  
Fax: 561/683-7220  
Toll Free: 877/429-1398

### Title Lessons

## A Good Deed

What's the difference between a warranty deed and a quitclaim deed (perhaps you thought that the term was "quick" claim deed)?

A deed is a document that conveys, or passes, real estate from one party to another. Whether you buy a house from a stranger, inherit it from your parents or add your spouse to the home's title, a deed accomplishes the, uh, deed of transferring the title.



"The deed is separate from a sales contract," says Leslie Mendenhall, president of Integrity Land Title Source, a West Palm Beach company that provides title insurance and settlement services. "A sales contract promises to convey property in exchange for something of value, which is usually money. However, a deed is actually a legal record of the conveyance itself."

A deed contains a legal description of the real estate being transferred, as well as identifies who is handing over an interest in the property (the grantor) and who is accepting it (the grantee). Most counties require the deed to have the addresses of all the parties involved.

And a deed wouldn't be a deed without words of conveyance -- a passage that says that the grantor intends to convey an interest in the property to the grantee.

There are two main types of deed: warranty and quitclaim.

### Warranty Deed

"A warranty deed is one in which the seller, when transferring the title, warrants that he owns the property free and clear of all liens," said Mendenhall. "In Florida, a warranty deed is used in most sales of property. In addition, a title insurance policy backs up the claims of the warranty deed, protecting the lender or buyer from disputes about ownership or liens."

In short, the warranty deed attests that the grantor is the rightful owner and has the right to transfer the title: that there are no outstanding claims on the property from lenders using it as collateral, from other creditors, and that the property can't be claimed by someone with a better claim to the title.

The title insurance policy protects the insured if any of those claims are wrong.

### Quitclaim Deed

Typically, a quitclaim deed is executed when the property isn't sold — but when the owner dies and bequeaths it to someone, or when the owner gets married and wants to add the spouse's name to the title, when a former spouse's name is removed as part of a divorce settlement or when the property is transferred to a living trust.

"A quitclaim deed essentially says 'I'm not warranting what I own, but I'm transferring what I do own to you,'" Mendenhall says. "So it's a much lower level of protection for the grantee."

With a quitclaim deed, the grantee has no legal recourse if problems with the title turn up, or if a forgotten lien holder emerges from the woodwork. This type of deed doesn't qualify for a title insurance policy, hence the increased risk.

On the other hand, most quitclaims are executed when the property stays in the family, and that reduces the risk.

Source: bankrate.com, Holden Lewis