

IOWA FINANCE AUTHORITY
TITLE GUARANTY DIVISION

ABTRACTOR APPLICATION FOR PROVISIONAL WAIVER EXTENSION
POTTAWATTAMIE COUNTY

Name of Applicant: Iowa Abstract Services, LLC

Telephone Number: 712 256 1615

Business Address: 501 5th Ave, Council Bluffs, Iowa 51501

E-mail: todd.prichard@learnedlaw.com

I, Todd Prichard, one of the owners of Iowa Abstract Services, LLC, do hereby submit for consideration the following information concerning Iowa Abstract Services, LLC's request for an extension of the waiver for abstractor participation granted in December of 2011.

- 1) Iowa Abstract Services, LLC seeks a provisional waiver extension pursuant to Sub-Rule 9.7(8)(a).
- 2) Iowa Abstract Services, LLC is an independently owned title and closing company that opened September of 2011 at 501 5th Ave, Council Bluffs, Pottawattamie County, Iowa. Iowa Abstract Service Currently has one employee who has extensive abstracting experience.

Curt Heide-

Curt has extensive title experience. He has worked with title service companies since 1992. In his jobs he was involved in creation of titles and has an in depth knowledge of the title process. In his experience, he has worked with several title plants and has knowledge of how to keep and operate a title plant.

Curt has been working on abstracting for the last year.

- 3) Iowa Abstract Services, LLC's title plant is currently updated through June of 2010. We have a commitment from the Pottawatomie Recorder that all digital records will be transferred to our plant on our software platform. Two software vendors have bid to complete a digital title plant using these digital records. Once we decide on a vendor we should have the title plant updated in four to eight weeks. As we do not plan on updating the existing software and index, but replacing them with a new system, we have not spent man hours updating the existing data base. We

have spent approximately 40 man hours in discussion with the Pottawattamie County Recorder and with software vendors preparing for the data transfer.

- 4) Iowa Abstract Services believes a waiver is justified pursuant to Sub-Rules 9.7(7) and Iowa Code Section 16.91(5)(b) and sets forth the following in support thereof:
 - A. **Hardship.** The title plant requirement described in Iowa Code Supplemental Section 16.91(5)(A)(2) imposes a hardship on Iowa Abstract Services as follows: Iowa Abstract Services, LLC has been prepare to update the title plant as it has been abstracting. A digital updated plant mirroring the county digital records is anticipated to be complete in approximately January of 2013. Closing the title plant for one to two months would force the plants closure.
 - B. **Public Interest** will be served by granting Iowa Abstract Services, LLC a waiver as follows: Iowa Abstract Service has increased competition in Pottawattamie County between abstractors and title insurance companies. We have shown realtors that title certification can be less expensive than title insurance. It is still the goal of Iowa Abstract Services, LLC to provide a less expensive abstract so that the superior Iowa title certification process is available to Pottawattamie County. Because title certification is a superior product to title insurance the public interest will be served. Granting this extension of waiver will allow Iowa Abstract Services to compete in Pottawattamie County between abstractors. Allowing for the continuance of two title companies will help the competition between the services currently in Pottawattamie County.
- 5) Iowa Abstract Services, LLC seeks a provisional waiver pursuant to Sub-Rule 9.7(8) as follows:
 - A. **Evidence that a title plant will be built for Pottawattamie County.** Iowa Abstract Services, LLC has been operating a title plant located at the address listed above. We are actively trying to update this plant to meet the forty-year title standards required by the Code. We have hired one full time employee to maintain and update the title plant. He is currently actively working at updating and abstracting.
 - B. **Financial Loss Due to Inability to Provide Abstracts for the Division.** Without the extension of waiver, Iowa Abstract Services, LLC would be forced to close. There has been significant start up

capital already invested in buying and operating this title plant. These costs include payroll, utilities, insurance, and updating the abstracting software. Any delay in providing title commitments would interrupt our current income stream and force Iowa Abstract Services, LLC to close the plant.

C. Waiver Needed to Produce Revenue Stream. The extension of the waiver is necessary in order to produce a revenue stream to justify the expense already spent on the title plant. These costs include the building and maintaining of the title plant. As stated above without an extension waiver Iowa Abstract Services, LLC would be forced to close. There is no way that Iowa Abstract Services, LLC can pay to have the plant updated while it is unable to produce abstracts.

D. Professional References and Letters in Support of Our Application for Waiver are Attached.

I, the undersigned, Todd Prichard, as one of the owners of Iowa Abstract Services, LLC, do hereby and herewith attest to the accuracy of the facts provided in the Application for Waiver Extension and this supporting statement. They are true and correct, as I verily believe.

 /s/Todd Prichard
Todd Prichard, Co-Owner Iowa Abstract
Services, LLC

October 30, 2012

Iowa Finance Authority
Title Guaranty
2015 Grand Av.
Des Moines, IA 50312

Re: Iowa Abstract Services

To whom it may concern:

I hereby request that Iowa Abstract Services be granted a waiver. They are trying to get everything up to date. By not allowing them the necessary time to operate and make the updates will cause an economic hardship for them. They have the ability to abstract and should be given due consideration.

I believe that in the interest of competition the more business options in Pottawattamie County the better.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'KJ Studer', written in a cursive style.

Kevin J Studer
Attorney
2900 Elm Street
West Des Moines, IA 50265

October 30, 2012

Iowa Finance Authority
Title Guaranty
2015 Grand Av.
Des Moines, IA 50312

Re: Iowa Abstract Services

To Whom It May Concern:

I am familiar and have used the abstracts created by Iowa Abstract Services over the past year. The abstracts meet the requirements for an abstract and are of a good quality.

I would like to see more commitment business out of Pottawattamie County. The abstracts produced by Iowa Abstract Services should help keep commitments competitive in Pottawattamie County.

I ask the Committee to renew Iowa Abstract Service's waiver and allow them to continue producing abstracts.

Sincerely,

A handwritten signature in black ink, appearing to read "William P. Baresel", with a long, sweeping horizontal flourish extending to the right.

William P. Baresel
Attorney
103 N. Main St.
PO Box 454
Charles City, IA 50616