

IOWA FINANCE AUTHORITY
TITLE GUARANTY DIVISION

ABTRACTOR APPLICATION FOR TRACT INDEX WAIVER – DES MOINES COUNTY

Name of Applicant: ABSTRACT, TITLE & ESCROW SERVICES OF IOWA
(Hereafter "Abstract Services")

Telephone Number: 319-754-7300
Fax: 319-754-7311
Business Address: 218 Jefferson Street Ste 1a
Burlington, Ia 52601

E-mail prices7@msn.com

I, Charles W. Price, the sole proprietor of Abstract Title & Escrow Services of Iowa, LLC, do hereby submit for consideration the following information concerning Abstract Services request for waiver of abstractor participation and requirements of the use and ownership of a current forty year tract index for the Title Guaranty program:

1. Abstract Services seeks a provisional waiver pursuant to Sub-Rule 9.7(8)(a).
2. Abstract Services is an independently owned title and closing company that opened January 10, 2011 at 218 Jefferson Street Ste 1A, Burlington, Ia. Abstract Services provides complete abstracting and title services in Des Moines County, Iowa. Abstract Services currently has four employees, three of whom have extensive abstracting experience.

JACK CARSPECKEN –

1956-2007 Owned and operated Des Moines County Abstract Company, Burlington, Iowa. Jack brings over 50 years of experience in abstracting. He maintained a complete title plant from Government ownership, including, but not limited to, verifying all data entry to the tract index. He was an active member in the Iowa Land Title Association, serving on the standards committee for many years. Jack will be acting as a consultant as we build our new 40 year tract index.

JOANIE PRICE –

1986-2006 Employed at Des Moines County Abstract until 1998, when She became part owner. Joanie has 20 years of experience in working with the production of abstracts, as well as data entry, searching, etc. She will be responsible for the data entry of the title plant.

Charles W. (Bill) Price –

1993-2006 Employed at Des Moines County Abstract Company, Burlington, Iowa, until 1998, at which time he purchased the company. Charles was responsible for overseeing the total operation of the title plant. He was implemental in converting the existing tract index into an electronic format. Charles was an active member in the Iowa Land Title Association, serving as a regional Vice President and was active on the Legislative committee. He will be overseeing the building of the 40 year tract index.

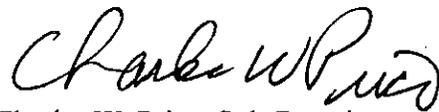
3. Abstract Services intends to develop a forty year tract index for Des Moines County. We have purchased Halfile Title Plant and Document Imaging Software and Services, which will aid in the development of the title plant. All four employees will work on the Title plant, with two people doing data entry and two verifying the data after entry. Abstract Services has purchased from the Des Moines County Recorder the index records from 1996 through the present, which are maintained digitally on computer. We have also requested copies of the microfilm records of the indices back to 1971. This information will be added to the software to create the title plant. Daily records received from the County Recorder's Office are added to the title plant as received. The forty-year title plant will be maintained electronically. When completed, the title plant may be searched by legal description: lot, block, sub-division or section, township and range. Searches can also be made by the individual's name.
4. Abstract Services believes a waiver is justified pursuant to Sub-Rules 9.7(7) and 9.7(8) and sets forth the following in support thereof.
 - A. Hardship. The title plant requirement described in Iowa Code Supplement Section 16.91(5)(A)(2) imposes a hardship to the abstractor applicant as follows: A significant majority of abstracts in Des Moines County, Iowa are for properties that have mortgages that will be sold on the secondary market or for lenders that require title guaranty abstracts. In order to generate the cash flow necessary to complete the construction of the title plant, a waiver is necessary. A stream of income is needed in order to complete the construction of the title plant.
 - B. Public interest will be served by granting Abstract Services a Tract Index Waiver. If Abstract Services is granted a waiver, we will be able to offer competitive abstracting services. Additionally, Lenders would have three abstractors in Des Moines County to choose from for abstracts connected with mortgages sold on the

secondary market which require Title Guaranty. Many Lenders will not do business with an abstractor unless the abstractor has a Title Guaranty Certificate allowing them to prepare abstracts for mortgages that will be available for the secondary market. The public interest will be served by increasing competition between abstract companies which will keep costs of abstracting services down and quality up, encourage participation in Title Guaranty and add integrity to the land title transfer system in the State. We will have a turn-around time of no more than seven days. Most work will be done in two to four days. We also provide pick-up and delivery service in Burlington.

5. Abstract Services seeks a provisional waiver pursuant to Sub-Rule 9.7(8)(a).
 - A. **Evidence that a title plant will be built for Des Moines County.** Abstract Services has obtained 15 years of copies of the Indices of recorded documents from the Des Moines County Recorder, and has plans to obtain the other 25 years of copies, in order to prepare its title plant. Abstract Services has purchased and been trained on the software necessary to create and maintain the title plant from the Indices and records of Des Moines County. We will utilize all the employees to build the title plant; they have been trained on the Title software. Abstract Services believes that the title plant can be built within one year from the date the Waiver is granted, and has plans to do so.
 - B. **Financial loss due to inability to provide abstracts for the Division:** Without the waiver, Abstract Services will not be allowed to compete for a majority of abstracts in Des Moines County, Iowa and incur a large financial loss. As stated earlier, a significant amount of the abstracts in Des Moines County are for lenders that require abstracts prepared by abstractors certified by Title Guaranty. Abstract Services intends to build a forty year title plant. The cost of start-up of the business and the loss of income due to Abstract Services inability to do abstract work which requires Title Guaranty, by law or by practice or policy, creates a financial hardship for Abstract Services. There have been significant financial resources expended in the start-up cost. There are significant expenses regarding payroll, rent, utilities, obtaining records, software, information and insurance. The stream of income from Title Guaranty Abstracts is necessary to justify the expense of building, owning and maintaining a title plant.

- C. Waiver needed to produce revenue stream.** The provisional waiver is necessary in order to produce a revenue stream to justify the expense associated with building and maintaining a title plant.
- D. Professional references and letters in support of our Application for Waiver are attached.**

I, the undersigned, Charles W. Price, as the sole proprietor of Abstract, Title & Escrow Services of Iowa, LLC, do hereby and herewith attest to the accuracy of the facts provided in the Application for Tract Index Waiver and this supporting statement. They are true and correct, as I verily believe.



Charles W. Price, Sole Proprietor
Abstract, Title & Escrow Services
of Iowa, LLC

LAW OFFICES OF
ASPELMEIER, FISCH, POWER, ENGBERG & HELLING, P.L.C.

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JOHN J. SEERLEY (1977-1984)
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SEERLEY, CLARK & HALE (1988-1993)
CLARK, HALE & FLOCK (1993-1998)
CLARK, PRYOR, HALE (1998-1940)
& FLOCK
CLARK, PRYOR, HALE, (1940-1952)
FLOCK & RILEY
PRYOR, HALE, FLOCK, (1952-1959)
RILEY & JONES
PRYOR, RILEY, JONES (1959-1978)
& WALSH
PRYOR, RILEY, JONES (1978-1985)
& ASPELMEIER
ASPELMEIER, FISCH, POWER, (1985-2001)
WARNER & ENGBERG

K. A. ASPELMEIER, OF COUNSEL
JAMES F. FISCH P.C., OF COUNSEL

*ALSO ADMITTED IN ILLINOIS
**ALSO ADMITTED IN MISSOURI

January 10, 2011

Board of Directors
Title Guaranty Division
IOWA FINANCE AUTHORITY
2015 Grand Avenue
Des Moines, IA 50312

RE: Abstract Title and Escrow Services of Iowa, LLC

Dear Board Members:

I write this letter on behalf of Charles William Price and Abstract Title and Escrow Services of Iowa, LLC regarding his request for a waiver of the forty-year title plant requirement for title guarantee program participation.

The proprietor of the company, Charles William Price, has abstracted in Iowa for fourteen years, and owned a prior title guaranty certified abstract company for eight years. Mr. Price is a man of impeccable character, honesty, and thorough when it comes to preparing and finishing abstracts of title. It is my belief that his company will provide a high quality product should he be given the opportunity to do so.

I recommend that the Title Guaranty Division approve this provisional waiver sought by Abstract Title and Escrow Services of Iowa, LLC.

Cordially,



William R. Jahn, Jr.

ASPELMEIER, FISCH, POWER,
ENGBERG & HELLING, P.L.C.
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WRJ/dle

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January 12, 2011

Iowa Title Guaranty
2015 Grand Ave.
Des Moines, Ia. 50312
Attn: Title Guaranty Board

To whom it may concern,

I'm writing this letter on behalf of Bill Price, whom I've known since 1995. I actually knew Jack Carspecken, Bill's father-in-law and longtime owner of Des Moines County Abstract, before I knew Bill. Jack was one of the individuals who inspected our title plant here in Fairfield, when I purchased the Jefferson County Abstract Company. Shortly thereafter, I got to know Bill & he became not only a good friend but an invaluable resource for questions/problems I encountered as a new abstract company owner and operator.

Bill's expertise is well known throughout the Iowa Land Title Association. After Jack retired from the Des Moines County Abstract Co., Bill took over the business and grew the business even more. Bill was a regional V.P. for the Land Title Association & his input on various issues and overall knowledge of abstracting in general and the abstracting business was very highly regarded by all.

We are so happy to have Bill coming back into the 'fold'! After five or so years of serving as a missionary, he and his family have returned to Burlington and he wishes to get back into the abstracting business. We in the Iowa title industry are extremely fortunate to have someone of Bill's integrity and knowledge re-entering the business.

Bill is as 'true-blue' as they come and he will do a GREAT job with his new abstracting company!

Thank You.

Jefferson County Abstract



Tom Loudon, President/Owner