

TITLE GUARANTY
2015 GRAND AVENUE, DES MOINES, IA 50312
Telephone: 515-725-4357 (Help Desk)
Fax: 515-725-4901

**APPLICATION FOR
PROVISIONAL WAIVER OF TITLE PLANT**

A review of the definitions provided in the endnotes may prove helpful in completing this form.

Date of Request: 04-16-2014

To: Title Guaranty Division Director

From: Clay County Abstract, LLC

Name of Applicantⁱ requesting Waiver: Clay County Abstract, LLC

Is the Applicant an/a: Individual Business Entity

Contact Name (if different from Applicant): Ruby Nitzel

Applicant Mailing Address: 110 West 4th Street, Suite 205

Applicant Physical Address (if different from Mailing Address):

City: Spencer

State: Iowa

Zip Code: 51301

Email Address: ruby@claycountyabstractiowa.com

Phone Number: 712-580-4668

FAX Number: 712-580-4669

This is a request for a provisional waiver [265—IAC 9.7(8)a] of one year or less for the intention of building a title plant.

Please provide a narrative of the following (supporting documents may be attached):

General description of the business:	Clay County Abstract, LLC is a company organized and located in Spencer, Iowa for the purpose of, including but not limited to, performing lien searches, abstracting services, and obtaining Title Guaranty certificates in Clay County, Iowa.
The Applicant is an:	<input checked="" type="checkbox"/> Abstractor <input type="checkbox"/> Attorney
County where title plant will be built:	Clay
Do you intend to develop a 40-year tract index?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If no, please explain:	Click here to enter text.

<p>How does the title plant requirement impose a Hardshipⁱⁱ on the Applicant?</p>	<p>The title plant requirement is imposing a financial hardship on this new company. Without the title plant in place, no revenue can be generated. There are currently three full-time paid employees on staff working diligently to create the title plant as soon as possible while no income is brought in. The cost of start-up of the business and the loss of income due to Clay County Abstract's inability to do abstract work which requires Title Guaranty by law or by practice or policy, creates a financial hardship for Clay County Abstract. There have been significant financial resources expended in the start-up costs. There are significant expenses regarding payroll, rent, and utilities, obtaining records, software, information and insurance. The income from Title Guaranty abstracts and issuing Title Guaranty certificates is necessary to cover the current expenses of building the title plant.</p>
<p>How is the waiver of the requirement clearly in the Public Interestⁱⁱⁱ?</p>	<p>For approximately the last 19 years, Clay County has had three abstracting companies. One company went out of business due to illegal activities. The second company was recently purchased by the parent corporation of the remaining company. This left only one abstracting company to serve all of Clay County. It is a benefit to all businesses involved to have competition in the market place. To continue prompt, affordable, reliable abstracting service and field issuing Title Guaranty certificates in the area, a second abstracting business is assuredly in the public interest. We are the only locally owned and operated abstracting company in Clay County. The staff of Clay County Abstract, LLC has combined abstracting experience of approximately 40 years. The three current employees have been working together for 10 years, making their service extremely efficient, accurate, and prompt. They have met the needs of the business community and have very positive long-standing relationships with the attorneys, realtors, and bankers in the area, and intend to continue to do so. The protection of our customers and providing the best possible customer service is our goal.</p>
<p>How is the waiver absolutely necessary to ensure availability of title guaranties to buyers and lenders throughout the state, competitively priced, with good service and good quality titles?</p>	<p>The waiver will allow us to process title guaranty certificates. We will ensure that title guaranties, which are processed in our office, will be done on a timely basis for buyers and lenders as we have proven by our past service. We will continue to offer this service at no charge to process certificates for any county in the state as requested by lenders. Additionally, we will offer</p>

	accurate abstracting and title services in Clay County to protect all consumers.
Describe plan to build a title plant within one year:	Clay County Abstract will obtain the records from the Clay County Recorder for the years 1970 to present. This will be done by scanning the indices of records from 1970 to 1989 and entering the data into Title Scan software and Document Imaging Software and Services, which we have recently purchased, to develop the title plant. Clay County Abstract will obtain from the Clay County Recorder the index of records from 1989 to present which are maintained digitally on computer. We are in the process of scanning the index books, printing and prepping copies for inputting the data in our software. We have begun to download the images from the Clay County Recorder's web site for use in our software and data entry. The TitleScan software has been installed and training and data entry will begin April 21st.
Explain how the Applicant requesting the waiver will suffer significant financial loss because of the inability to abstract for Title Guaranty.	As stated earlier, the cost of start-up of the business and the loss of income due to Clay County Abstract's inability to do abstract work is creating a significant financial loss. We will not be allowed to compete for business in Clay County.
Explain how a waiver is necessary to produce adequate revenue in order to justify the expense of building a title plant.	A waiver is needed to produce revenue in order to offset the expense of building a title plant and delay of offering abstract and title services in Clay County due to Title Guaranty requirements.

Please attach the following documents proving that the individual requesting the waiver is authorized to do so on behalf of the Applicant (legal entity). Mark those items that have been attached:

- Articles of Incorporation, Certificate of Organization, or other document showing that the entity is established under Iowa law
- Resolution setting out who is authorized to act on behalf of the legal entity
- Resolution naming the signatory of this Application as an authorized signer who can act on behalf of the legal entity

A reference from either two Iowa attorneys or one Title Guaranty participating plant abstractor is required. The letter of reference must address evidence of the Applicant's ability to abstract. Mark which item has been attached:

- Letters of reference from two Iowa attorneys OR
- Letter of reference from a participating plant abstractor

SIGNATURE

I attest to the accuracy and truthfulness of the information contained in this application. I authorize an inspection and acknowledge that Title Guaranty requires an inspection for certification of my completed title plant. I authorize any persons with knowledge to release any information to the TG staff and board to which the application is directed.

If using email or other electronic means to submit this form, I agree to use an electronic signature in lieu of a handwritten signature, and Title Guaranty agrees to accept the electronic signature.

Ruby Nitzel, Managing Member
Signature

04-16-2014
Date

This form is used to seek a provisional waiver of the up-to-date title plant requirement [Iowa Code § 16.91(5)"a"(2)]. A provisional waiver is granted for one year or less to an applicant intending to build a title plant.

For more information on the waiver process, please reference 265—IAC 9.7.

ⁱ "Applicant" means an individual, including a corporation, Limited Liability Company, business trust, trust, partnership or association, or any other legal entity.

ⁱⁱ "Hardship" means deprivation, suffering, adversity or long-term adverse financial impact in complying with the title plant requirement that is more than minimal when considering all the circumstances. Financial hardship alone may constitute a hardship.

ⁱⁱⁱ "Public interest" means that which is beneficial to the public as a whole, including but not limited to increasing competition among abstractors, encouraging the use of title guaranties throughout the state, making title guaranties more competitive than out-of-state title insurance, increasing the division's market share, improving the quality of land titles, protecting consumers, and encouraging maximum participation by participating abstractors and participating attorneys physically located in all 99 counties.

April 14, 2014

VIA US MAIL

Title Guaranty Division
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

RE: Clay County Abstract, LLC

To Whom it May Concern,

I am writing on behalf of Ruby Nitzel, whom I've known since 2009 when I began work as a real estate attorney. As a real estate attorney, I had to order numerous abstracts and Form 900/901s from Ruby. She was an invaluable resource to our law office. Whenever I ordered an abstract from Ruby I always knew that it would be delivered quickly and without any errors. Ruby's work has always been of the highest caliber.

Ruby's expertise is well known throughout the Iowa Land Title Association. I consider the northwest Iowa title industry very fortunate to benefit from Ruby's continued work with her own abstracting company. Her work is reliable, dependable and extremely knowledgeable. We lucky to have an abstractor like her we can trust to provide the highest level of abstracting service.

Sincerely,



Kristina M. Gigstad

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Of Counsel

April 14, 2014

VIA US MAIL

Title Guaranty Division
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

RE: Clay County Abstract, LLC

Dear Board Members,

This letter is written in support of Ruby Nitzel and Clay County Abstract, LLC, regarding her request for a waiver of the forty-year title plant requirement for title guarantee program participation.

The proprietor of the company, Ruby Nitzel, has abstracted in Iowa for fourteen years. In addition to all her abstracting experience, Ruby managed a prior title guaranty certified abstract company for over ten years. I know Ruby personally and have worked with her for over two years and can attest to her impeccable character. Ruby's work product has always been excellent and she has always shown to be very thorough when it comes to preparing and finishing abstracts of title. It is my firm belief that her company will provided a high quality product.

I recommend that the Title Guaranty Division approve this provisional waiver sought by Clay County Abstract, LLC.

Sincerely,



Lisa M. Steffen

Enclosures

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