

ALTA NEWS

**A M E R I C A N
L A N D T I T L E
A S S O C I A T I O N**

Contact: Wayne Stanley
Office: 202-261-2932
E-mail: wstanley@alta.org



For Immediate Release

American Land Title Association Statement on Eminent Domain

Washington, D.C., September 11, 2013 — The [American Land Title Association](#) (ALTA), the national trade association of the land title insurance industry, released the following statement today from CEO, Michelle Korsmo, commenting on the Richmond, California eminent domain plan:

“The use of a municipality’s power of eminent domain to seize mortgage loans raises profound Constitutional and other legal concerns,” said Michelle Korsmo, chief executive officer of the American Land Title Association (ALTA). “It is clear that the recent proposal in Richmond, California, and subsequent legal filings are likely the start of a long and drawn out legal process.”

“Until these lawsuits are resolved, homeowners may not know who to pay or the amount they need to pay off their mortgage. Additionally, any purported extinguishment of an original mortgage obtained through the eminent domain process may cause title insurance to be unavailable in subsequent transactions, or, at a minimum, result in exclusions from title insurance coverage. Title insurance protects real property owners and mortgage lenders against losses from possible defects in the title. In addition, rulings on eminent domain challenges in one jurisdiction will likely create a ripple effect impacting the legality of this type of eminent domain in all jurisdictions.”

###

About ALTA

The [American Land Title Association](#), founded in 1907, is the national trade association representing more than 4,600 title insurance companies, title agents, independent abstracters, title searchers, and attorneys. With offices throughout the United States, ALTA members conduct title searches, examinations, closings, and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.