



AMERICAN
LAND TITLE
ASSOCIATION



2010 Year in Review

ALTA

Our industry experienced seismic changes in 2010, as we started using the new GFE and HUD-1 Settlement Statement, which brought difficulties dealing with multiple interpretations of the rules by lenders and confusion from consumers. We also responded to sweeping financial regulatory reform legislation that included the creation of the Consumer Financial Protection Bureau (CFPB), which now has oversight over RESPA. One of the new agency's



first charges is to simplify mortgage disclosures by attempting to combine RESPA and TILA forms into a single disclosure form. In the coming year, we will continue to shape how these changes will impact our industry.

During this same year, the Title Industry Political Action Committee (TIPAC) surpassed last year's fundraising record and collected more money than ever before. In 2010 TIPAC raised more than \$250,000 providing our industry with a half million dollars during the 2009/2010 election cycle. These contributions enable our industry to increase its profile in the public policy arena.

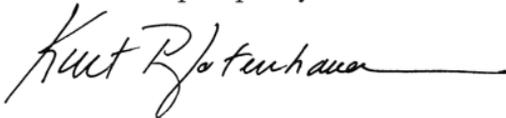
Inside ALTA, it was a transitional year as we embarked on our first year of enforcing ALTA's policy forms copyright. The ALTA Standard Policy Forms were first developed in 1929, and the cost of creating, developing, and updating them has been carried by the membership of ALTA for the entire industry. Compliance has been exceptional during this first year, both from ALTA members who receive the license as a benefit of membership and from those who purchased a license or applied for an occasional use waiver.



ALTA membership is at a record level in 2010, despite the sluggish economy over the past three years. Professionals in the land title industry understand the value of association membership and our membership now stands at more than 3,800 companies, with the Association welcoming over 1,350 new members this year. This increased support from our members will strengthen our advocacy efforts with legislators, regulators and other policymakers.

During the past year, ALTA launched an aggressive campaign to outlaw the use of private transfer fee (PTF) covenants. Our efforts have resulted in 18 states now having laws restricting PTFs. Meanwhile, the FHA publicly declared its policy against PTFs on loans it insures, and Fannie Mae and Freddie Mac have received a proposed directive to do the same. We have partnered with over 21 other trade associations, public policy organizations, unions, and veterans groups to form the “Coalition to Stop Wall Street Resale Fees.” The coalition has an active website as well as Facebook and Twitter presence. Our efforts to raise public awareness have resulted in national coverage in more than 50 mainstream media outlets reaching a readership of well over five million. These reports are beneficial to our cause when seen in respected national publications including *The Washington Post*, *The Wall Street Journal*, *Forbes*, *The Washington Examiner*, and *CNN/Money*.

If 2010 was an important year for the land title industry, 2011 will be equally critical as Members of Congress consider designing a new mortgage finance system and the Consumer Financial Protection Bureau issues new financial regulations. With your help and participation as an ALTA member we will push the industry forward to renewed prosperity.



Kurt Pfothauer
ALTA CEO

The American Land Title Association's government affairs department ensures that Members of Congress and federal officials hear ALTA's positions before they enact legislation and regulations. ALTA works with state land title associations to engage our members in issues impacting the industry in individual states and through the National Association of Insurance Commissioners (NAIC).

At the federal level, ALTA was successful in scaling back the proposed Consumer Financial Protection Bureau (CFPB) oversight of the title industry as the authorizing bill worked its way through Congress.



The new federal agency has unprecedented power to write and enforce rules for ALL consumer financial products and services and the entities that provide them. While title insurance is not explicitly regulated by the new agency, the CFPB is responsible for RESPA oversight, and ALTA will work with the Bureau as it begins the initial process of melding TILA and RESPA disclosures.

Now that financial regulation reform is completed, attention is turning to reforming the Government Sponsored Enterprises of Fannie Mae, Freddie Mac and the Federal Home Loan Banks. ALTA will continue to lobby to ensure that any reform takes into consideration the importance of title insurance to housing finance.

ALTA has advocated for Congress to pass the Borrowers Right to Inspect Closing Documents Act. This measure would mandate that consumers be provided three days to review their completed closing documents and that lenders provide title and settlement agents with the information necessary to complete the HUD-1 Settlement Statement four days before the scheduled closing.

ALTA's efforts to ban the use of private transfer fees picked up tremendous speed in 2010 as we engaged in a national public relations push to increase awareness about these predatory fees. Through this campaign we have garnered media coverage in hundreds of news articles. There are now 18 states that ban or restrict the use of PTFs, and we expect a number of states to introduce similar legislation in 2011. We have voiced our position on the issue to a number of federal regulatory agencies including the Federal Housing Finance Agency, Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, Department of Treasury, and the Department of Housing and Urban Development. ALTA continues to meet with Members of Congress and the Administration to educate policymakers about the consequences of these covenants on consumers and the safe and efficient transfer of real estate.



ALTA worked with Congress to develop a long-term solution to the National Flood Insurance Program, which expired four times in 2010 before the extension was enacted on September 30th. This will help bring an end to additional disruptions to the troubled real estate market.



The issue of liens and lien priority is surfacing and becoming of special interest to ALTA members as federal, state and municipal governments provide funding for home and property owners to retrofit their buildings with clean energy and energy efficiency products. ALTA sent a letter to the Federal Housing Finance Agency asking for clarification about the process by which an energy retrofit loan's lien is created, and how it is administered and satisfied to repay the obligation. Without knowing additional information regarding these types of liens, consumers will not be properly informed as to whether they have clear title to their property and creditors will be unaware of their lien priority. Without establishing standards for determining title to property, energy retrofit loans run the risk of significant losses due to fraud. In addition to harming consumers, this also damages local property records and results in increased costs of underwriting, claims, escrow services, and compliance for the land title industry.



ALTA's advocacy staff spends a significant amount of time working on behalf of the industry before the National Association of Insurance Commissioners' (NAIC) Title Agent Statistical Plan Working Group, which continues to develop a national title agent data call. The Working Group is in the process of surveying state insurance departments to determine what steps need to be taken to implement the NAIC plan. Depending on state law, in order to collect the data, states may need to (1) do nothing; (2) issue a rule; or (3) make a statutory change before issuing a rule. If a state were able to adopt the NAIC plan today, reporting would likely not be required until 2012. Confidentiality of the information gathered and an exemption for smaller agents are still areas where ALTA and state land title associations will lobby state regulators intent on adopting the data call.

*Title Industry Political Action Committee (TIPAC)
Power Through Political Action*

The Title Industry Political Action Committee (TIPAC) is the collective voice of the land title industry and plays a critical role in advocacy on behalf of the industry as the official PAC of the American Land Title Association.

TITLE INDUSTRY
POLITICAL ACTION
COMMITTEE



TIPAC is the only political action committee of its kind, organized for the express purpose of representing the title industry on Capitol Hill. TIPAC enables ALTA to develop relationships with members of Congress, while educating and advocating on behalf of the title insurance industry.

In 2010, TIPAC raised more money from more ALTA members than ever before. TIPAC trustees will continue to deploy a comprehensive strategy and fundraising plan for 2011 to continue to grow the PAC in influence, significance and strength. For the second consecutive year, TIPAC achieved its \$250,000 fundraising goal.

TIPAC once again secured 100 percent participation from ALTA's Board of Governors. During the ALTA Federal Conference and Lobby Day, TIPAC hosted a reception on Capitol Hill for all conference attendees and also arranged an intimate dinner with Rep. Gary Peters, Rep. Jim Himes, Rep. Randy Neugebauer and Rep. Ed Royce for high dollar contributors. TIPAC has a record number of Diamond Club Donors (\$5,000) in 2010. TIPAC works closely with our members who serve as state trustees to promote TIPAC at state Land Title Association Conventions. TIPAC contributors are recognized monthly via ALTA's TitleNews, *TitleNews Online* emails, and online at www.alta.org.



ALTA offered a variety of meetings throughout 2010 to benefit our members. We held three major conferences as well as eight information exchange and 14 standing committee meetings.

The information exchange meetings included the Title Agents Executive Conference (a.k.a. the Large Agents Meeting), the Small Agents and Abstracters Forum, and subject-specific meetings for Industry Accountants, Internal Auditors, Reinsurance, and Title Counsel. These meetings provide a forum for industry leaders in their respective arenas to discuss issues of importance and to share best practices and lessons learned in a non-competitive environment.

We consistently ask our members about the topics that are most important to them in order to build content targeting core business needs of our members. By being responsive to our members, ALTA has seen a 10 percent increase in attendance for all meetings. For the third year in a row, ALTA was able to secure CE and CLE credit for each of our major conferences.

Federal Conference
February 28 - March 3
Marriott Metro Center
Washington, D.C.



Over 150 ALTA members converged upon Washington to attend ALTA's Federal Conference this past March. On the first day of the meeting, members attended sessions focusing on such important government issues as the RESPA rule, and mortgage and housing finance reforms. They also heard from several state regulators who serve on the NAIC Title Insurance Issues Task Force and from Congressman Earl Perlmutter from Colorado and FHA Commissioner David Stevens on the issues impacting the land title industry.

The second day of the conference took members to Capitol Hill to meet their own congressional Representatives and Senators. After being trained to conduct Capitol Hill appointments, ALTA members held more than 130 meetings with members of Congress and their staffs.

Mark your calendar for March 13-16 when ALTA will meet at the Liaison Capitol Hill Hotel for the 2011 Federal Conference.

Business Strategies Conference

May 2-4

*Hyatt Regency St. Louis at the Arch
St. Louis, Missouri*



In an effort to offer a broader-focused conference, we made a major change to our Technology Forum in 2009 by reorganizing it as the Business Strategies Conference (BSC). While the conference still offers an educational track focused on technology and tech trends, the BSC also offers in-depth education on other tactical business areas including management, business development, and compliance. The 2010 BSC featured general sessions with leadership presentations by industry veterans on the first day and session focused on RESPA reform on day two.

The 2011 Business Strategies Conference will be held in May, 2011 in the exciting and affordable city of Las Vegas.

2010 Annual Convention

October 13-16

*Manchester Grand Hyatt
San Diego, California*



The 2010 Annual Convention brought together the largest gathering of title professionals in the industry, with more than 500 of your colleagues meeting in beautiful San Diego. This veritable “Who’s Who” of the title industry provided excellent networking opportunities, an active exhibit hall, and informative speakers in the general and professional development sessions. Highlights of the program included a presentation by the U.S. Department of Housing and Urban Development; Doug Duncan, Chief Economist for Fannie Mae, who provided thoughts on when the housing market will rebound; Tucker Carlson, Fox News Senior Political Analyst, who offered a view of how the current economic conditions impacted the voters in November; Richard Bitner, author of “Confessions of a Sub-Prime Lender: Tales of Greed, Fraud, & Ignorance” and a 14-year lending industry veteran, shared his insider knowledge of how the lending and housing markets work and what cues will signal the next change in local markets; and top executives from the nation’s major land title insurance underwriters discussed the future of the industry.

ALTA is planning a tremendous program for the 2011 Annual Convention, which will be held from Oct. 12-15 at Charleston Place in Charleston, S.C.

In 2010, ALTA's Land Title Institute (LTI) continued to enhance and expand its Continuing Education (CE) and Continuing Legal Education (CLE) offerings at all ALTA major meetings. LTI received approval for more CE/CLE opportunities in conjunction with these meetings than ever before and more ALTA Members took advantage of these opportunities than ever before.



LTI also expanded its CE offerings in conjunction with our distance learning courses. More CE/CLE credit opportunities make it easier for title professionals to “earn while they learn.” In 2010, students were looking for CE credits that were easy to access without leaving the office. By June 1, LTI had already surpassed the number of online CE credits awarded for all of 2009. Online courses emerged as an area of strength during 2010 and should continue to be in high demand in 2011.



LTI continues to focus on directing in-house and volunteer resources towards building a solid and comprehensive curriculum to serve the land title industry. Working with the ALTA Education Committee, staff continues to engage in ongoing aggressive marketing efforts, including monthly product specials and strategies to capture the enthusiasm of current students.

Title 101 and Title 201, the cornerstones of the LTI educational experience, will be thoroughly updated in 2011 and new courses will be added including the launch of the highly anticipated Closing and Escrow 101 course. In 2011, LTI will strive to create new products and courses and expand our distance learning CE offerings in order to help both you and your business succeed. Keep a watchful eye on the “Daily News Clips” email and the Title News magazine for up to the minute updates and product specials. “Rely on LTI” for all of your title industry training needs.

As the national voice for the title industry, ALTA informs federal policy makers, state regulators and legislators, the media, consumers and our membership about the value of title insurance. Through all of our communications, ALTA is unifying the message of the title industry's role in the economy.

In 2010, ALTA continued to enhance vehicles to provide informative and timely news to its members. Our print magazine, TitleNews, began monthly distribution in 2010, featuring a range of topics



including the top lawsuits impacting the industry, creditor's rights coverage, private transfer fees, the NAIC national title agent data call and the industry's adoption to RESPA reform. Our online publication, TitleNews Online, continued to garner increased attention from membership, and now has an average "open rate" above

average for trade associations. While TitleNews and TitleNews Online provide title industry-specific news, we also continue to provide a daily compilation of top headlines (News You Can Use) from media outlets across the country highlighting articles impacting the industry delivered each morning to our members' email boxes.

ALTA proactively engages the media to provide information on the value the industry brings to the real estate transaction.



ALTA staff works with reporters to ensure that they have accurate facts and coordinate numerous industry veterans to put the facts in perspective. We have also provided letters to the editors of several newspapers explaining the value of title insurance and the important role that the industry plays in updating and correcting the public records.

ALTA has been quoted in over 50 national publications in 2010, including the *Wall Street Journal*, *The Washington Post*, *The Washington Examiner*, *The Hill*, *Housing Wire*, *Inman News*, *National Journal* and *The Title Report*.

We also continue to expand the association's social media presence in the realm in an effort to educate a broader spectrum of people about the industry's value. ALTA now has a stronger presence on LinkedIn, Facebook and Twitter.

Stay connected with ALTA



ALTA's effort to provide educational material on title insurance and the closing process continues to pay dividends. Since the launch of HomeClosing101.org, a web site dedicated to providing education about title insurance and the closing process, traffic to the site has steadily increased. The most popular page within the homeclosing101 site is the "closing costs explained" page. The site has been updated to provide samples of lenders and owners title insurance policies.

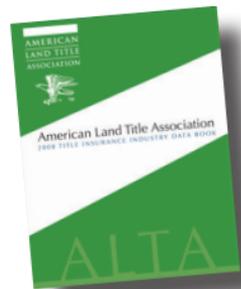
If you have a story suggestion or would like to send information about your company, yourself, employees or industry related topics, send an e-mail to Jeremy Yohe at jyohe@alta.org.

2010 proved to be a banner year for ALTA membership, which is now at an all-time high of more than 3,800 companies – representing a 60 percent increase since 1999. ALTA boasts a diverse membership base, with the majority of our members being small independent agents that rely on the benefits provided by ALTA to succeed in the marketplace. Small agents currently comprise nearly 90 percent of association membership. Membership among small agents stands at 3,450, up from 2,732 in 2009.

In 2010, ALTA partnered with two companies, FedEx and MobileSecure, to create discount programs for members that will benefit their businesses. The FedEx program offers ALTA members significant discounts on shipping and ground services. The MobileSecure Laptop Protective Services offers ALTA members a discounted rate on a service that protects data on company laptops, in the event that they are lost or stolen.



The association recently published its 2008 Title Insurance Industry Data book. Since 2003, ALTA has sponsored the collection of financial and market share data for the title insurance industry. The Data book contains various compilations of family and industry statistics for financial data and various market share reports. Each quarter ALTA releases Title Industry Financial and Market Share Data and provides an overview of the strength of the industry.



We created a Membership Directory Desktop Icon in order to easily access the ALTA directory right from your desktop. The Directory is a valuable ALTA resource for both member referrals and consumer business.



2011 CONFERENCES



2011 Federal Conference and Lobby Day
Liaison Capitol Hill Hotel
Washington, D.C. • March 13 - 16



2011 Business Strategies Conference
Las Vegas, Nevada • May 2011



2011 Annual Convention
Charleston Place
Charleston, S.C. • October 12 - 15

2010 INDUSTRY PARTNERS

ALTA's Partnership Program is an opportunity for leading and progressive industry companies to actively support ALTA's mission by providing members and other title industry professionals with the tools necessary to achieve success and efficient business operations. Below is the list of ALTA's 2010 Industry Partners.

DIAMOND PARTNER



PLATINUM PARTNER



First American

GOLD PARTNERS



stewart



SILVER PARTNER



BRONZE PARTNERS



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