

September/October 2008

Official Publication of the  
American Land Title Association

# TitleNews



## Hernando de Soto:

### *The Mystery of Capital*

#### Inside This Issue:

The Globalization of Title Insurance

Multicultural Homeownership—Breaking  
Through Cultural, Ethnic, and Language Barriers

The Title Industry Gives Back

The Year in Review by Gary Kermott

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October 15-18	ALTA 2008 Annual Convention Grand Hyatt Kauai Resort & Spa Kauai, Hawaii

## STATE CONVENTIONS

September 10-13	Colorado
September 11-13	Dixie Land (AL, GA, MS)
September 11-14	Maryland
September 11-12	Missouri
September 14-16	Ohio
September 17-19	Arizona
September 18-20	Indiana
September 18-20	North Dakota
September 24-26	Nebraska
November 5-7	Florida
December 5-7	Louisiana

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## 2008 Annual Convention

### Innovative Strategies in Today's Market

October 15-18, 2008



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## from the publisher's desk

Like missing the forest for the trees, sometimes if you stand too close to something, you can't see it. My guess is that many in the title industry, while justifiably proud of helping to put people into homes, have lost sight of just how essential our business is to the formation of capital. Like yeast added to bread, private ownership and the secure, accurate transfer of property is what makes a little bit of money rise into a feast of capital, and it's that feast which feeds the largest economy in the world.

The pioneering economist, Hernando de Soto, is the author of that insight. His groundbreaking book, *The Mystery of Capital*, has transformed thinking about how to build prosperity in the developing world, and his ideas are the subject of our cover story. I'd submit that he's required reading for anyone in the title industry, particularly when we routinely face questions from reporters and policymakers about the value of our service. Here's my message to you: What you do is not just valuable, it's essential to our prosperity. Find out why there would be no secondary market lending – no capital formation – without the title industry.

Also in this edition of Title News is an article about our industry's growing international footprint. Our members are providing title services in over 100 countries. These countries get it. They get that the safe transfer of private property creates social stability and wealth, and they are turning to the American title industry to pursue those goals.

All of us like to believe that we are worth more than just the paycheck we bring home, and go out of our way on a regular basis to prove it. We debut a new feature in this edition called, "The Title Industry Gives Back," where we recognize the contributions of individual ALTA companies and their employees to making our communities stronger and our world a better place. I hope you find it inspiring and that you'll let us know of something you or your company is doing that should be included in a future issue.

Finally, I want to draw your attention to an article about how the Pennsylvania Land Title Association took it upon itself to educate its regulator on the industry. Talk about an ounce of prevention being worth a pound of cure! We ought to be doing this in every state. There is value in what we do, but until we recognize it and tell our story, someone else will write the ending.





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## the year in review

**I**t has been a challenging yet very rewarding experience to serve as President of ALTA this year. There is no doubt that these are trying times for our industry, yet as I traveled around the country I was struck by the resiliency, determination and positive attitude demonstrated by members of our profession.

The most pressing issue the Association dealt with this year is RESPA reform. As this edition of Title News goes to print, HUD has sent its proposed RESPA rule to the Office of Management and Budget (OMB). We understand that the rule was modified from the original proposal released earlier this year, but we are still in a “wait and see” mode. There is one thing we do know: our ALTA staff did a GREAT job in responding to the proposed changes.

Here are some of the highlights: 1) helped obtain a 30-day extension to the comment period; 2) drafted and submitted excellent comments to HUD on the proposed rule; 3) secured a meeting with the Small Business Administration to discuss the impact on small businesses; 4) secured an invitation to testify before the Small Business Committee of the House; 5) helped obtain a letter signed by more than 240 members of Congress asking HUD to withdraw the rule and work with industry groups to develop a more workable solution. A job well done.

I had the privilege of attending a number of state conventions this year. Although attendance has been down, those I met with exhibited a sense of optimism and pride in our industry. Each state association and state convention has a unique personality, and I am pleased that most state associations have adopted the Title Industry Principles of Fair Conduct. Thank you for your hospitality.

One of the things I am most excited about is the strength of the Association’s professional staff. Our new CEO, Kurt Pfotenhauer, took over the reins in January of this year and has infused the Association with new energy and focus. Former Labor Secretary Deputy Chief of Staff, Michelle Korsmo, joined the staff as Senior Vice President, Marketing and Member programs. Justin Ailes, former staff member for Indiana Governor Mitch Daniels, and Alyssa Marois, formerly in charge of the MBA’s political action committee, were newly appointed to Director positions in Government Affairs, reporting to Ed Miller. New strategic initiatives and programs are being developed to better serve our members and represent their interests nationally and in Washington, D.C. I’m proud to say that ALTA is on its way to becoming a world-class Association.

As the year winds down, I would like to offer my sincere thank you to all our committee members, committee chairs, and the ALTA Board of Governors. I especially want to thank my fellow Board members, whom I have thoroughly enjoyed working with this year.

In closing, I couldn’t be more positive about the future of ALTA. Yes, our industry is facing difficult business challenges, but the dedication to ALTA by our incoming leadership and volunteers continues to be strong. The success of our association is completely dependent on member involvement, and we need your help and support in increasing our membership so that we can continue to be a strong voice for our industry. There has to be reasons to belong to your national trade association, and I am confident that our new leadership will allow us to say with pride, “I am a member of ALTA.”

– Gary Kermott

P.S. I hope to see you at the 2008 Annual Convention in Hawaii!



# news

## More Than 240 Members of Congress Ask HUD to Withdraw RESPA Rule

A letter signed by more than 240 Members of Congress was sent August 11, 2008 to HUD Secretary Steven Preston urging the withdrawal of its proposed RESPA rule. The letter also recommended that HUD immediately commence a joint-rulemaking process



with the Federal Reserve Board to develop more simplified mortgage

and real estate settlement cost and disclosure forms.

Led by Congressman Ruben Hinojosa (D-Tx) and Congresswoman Judy Biggert (R-IL), the letter expressed a number of concerns, namely, that the rule does not address the many issues raised by industry and consumer groups over the rule's complexity, conflicts with existing federal agency efforts, and potential harm to small businesses and consumers.

## HUD Responds

In a letter from Sheila M. Greenwood, assistant secretary for Congressional and Intergovernmental Relations at HUD, the Department said it has attempted to strike a proper balance among the concerns of stakeholders, including Members of Congress, industry groups, consumers and government entities. Addressing the request that HUD withdraw its rule:

*"The current finance situation has dramatically*

*highlighted the need to move forward responsibly and expeditiously with measures to help American homebuyers. Many of the current difficulties, including the high rate of foreclosures, have been caused in part by consumers not fully understanding their loan terms and costs. The Department believes that a rule is needed to help consumers avoid such difficulties in the future."*

## ALTA Hires Second Director of Government Affairs



ALTA is pleased to announce Alyssa Marois has joined the

ALTA Team as Director of Government Affairs, focusing on TIPAC. Alyssa joins ALTA from the Outdoor Advertising Association of America. Before that, she was with the Mortgage Bankers Association where she managed a \$1.2 million political action committee.

One of Alyssa Marois's primary roles will be help-

ing TIPAC achieve its impressive goal of raising \$200,000 by year-end. John Voso, Jr., 2008 TIPAC Chair, remarked, "Alyssa comes to ALTA with experience in the PAC arena. She has demonstrated in a very short period of time that she has a passion for our campaign. Our TIPAC goals are in safe hands with Alyssa. I am happy to be working with her."

Alyssa can be reached at (202) 261-2935 or at [alyssa@alta.org](mailto:alyssa@alta.org).

## Congress Passes Legislation to Help Stabilize Housing Market

The U.S. Congress passed landmark housing legislation July 26, 2008, H.R. 3221, to aid efforts to stabilize the housing market. ALTA CEO Kurt Pfothenaur said in a statement: "A person's ability to buy, own and sell a home is fundamental to our nation's economy. Congress' passage of this landmark housing reform legisla-

*tion is critical to struggling homeowners, the housing industry and our country's economic health, and will help prevent further damage to already shaky housing markets."*





## 2009 TIPAC Presidential Inauguration Packages

A presidential inauguration is an incredible Washington, D.C., experience. TIPAC invites you to the nation's capital January 18-20, 2009, to celebrate the 2009 Presidential Inauguration. The festivities and excitement of the day are watched across the country, but only in Washington can you be a part of the celebration -- attend the Swearing-in Ceremony, Inaugural Ball, or see the

new President en route to the White House for the first time. This day is not about the campaigns, the election, or even the man taking the oath. This day celebrates the greatness of our nation and the joy of being an American. For more information on how to be part of this once in a lifetime opportunity, please contact Alyssa Marois at (202) 261-2935 or [alyssa@alta.org](mailto:alyssa@alta.org).

### PRESIDENTIAL INAUGURATION PACKAGE

- Welcome Reception at the historic Willard Hotel
- Washington "Insider's Breakfast" with nationally renowned Editorial Board Members and Economists at the Willard Hotel
- Cocktails & Dinner at the Willard Hotel with VIP Political Officials
- Tickets to the Swearing-in Ceremony and Inaugural Parade.
- Inauguration Parade Viewing & Party at the Willard.
- Tickets to Associated Industry Inaugural Parties.
- Preinaugural Ball Cocktails
- Inaugural Ball Tickets
- Preferential access to a reservation for one of six rooms at the Willard

### CONGRESSIONAL INAUGURATION PACKAGE

- Welcome Reception at the historic Willard Hotel
- Cocktails & Dinner at the Willard with VIP Political Officials
- Inaugural Parade Tickets
- Inauguration Parade Viewing & Party at the Willard
- Preinaugural Ball Cocktails

### PENNSYLVANIA AVENUE INAUGURATION PACKAGE

- Welcome Reception at the historic Willard Hotel.
- Inaugural Parade Viewing & Party at the Willard

We hope you can join us!

## ALTA Joins Industry Effort to Caution Congress on Raising Taxes on Real Estate Partnerships

In a joint letter dated June 25, 2008, ALTA joined 16 other real estate industry groups urging Congress not to raise taxes on real estate partnerships, saying it would further damage an already shaky market and the new investments necessary for a strong economic recovery.

The U.S. House of Representatives plans to take up a bill sponsored by Ways and Means Committee Chairman Charles Rangel (D-NY) that would reform the Alternative Minimum Tax (AMT) by increasing taxes on carried interest from certain transactions, particularly by real estate partnerships. The provision would change carried inter-

est tax treatment from the capital gains rate to the top marginal rate, an increase of 150 percent.

ALTA CEO Kurt Pfoenhauer said, "There is a misperception that this provision would only impact wealthy investors, such as hedge funds, but we want Congress to understand that there are millions of investors in real estate who take risks and invest in our economy with an expectation of a return. Higher taxes could have the effect of chasing them out of the market, fueling further economic decline."

A copy of the letter is posted on ALTA's Web site at [www.alta.org](http://www.alta.org).



## U.S. Housing Market Attracts Foreign Buyers

According to the 2008 National Association of Realtors® Profile of International Home Buying Activity released in August, international real estate purchases in the U.S. continue to be a significant share of business for many Realtors®. NAR estimates that between 150,000 and 190,000 homes were sold to foreign nationals from May 2007 to May 2008. Recent foreign buyers purchased properties in every state and the District of Columbia. The most popular states where international buyers purchased homes are Florida, California and Texas. Arizona,

New York, Washington and Nevada were also popular.

The typical international buyer purchased a single-family vacation home costing \$297,400. Four in 10 paid for their U.S. property with cash, compared with 7 percent for all domestic buyers.

*“Many international buyers recognize that real estate is an excellent investment and are drawn today by abundant inventory, low interest rates and a softer dollar,”* said NAR President Richard F. Gaylord, a broker with RE/MAX Real Estate Specialists in Long Beach, Calif.

People from North America, Europe and Asia accounted for more than 85 percent of recent foreign home buying transactions. The top six countries of origin for foreign home buyers, in rank order, were Canada, the United Kingdom, Mexico, China, India and Germany.

The full report is available online at [www.realtor.org/research/research/reportsintl](http://www.realtor.org/research/research/reportsintl).



## Call for Volunteers

ALTA needs dedicated members who want to make a difference in the Association through committee service. For a list of committees and sign-up forms, go to [www.alta.org](http://www.alta.org). The deadline is Sept. 30. For questions, contact Miriam Hankins at (202) 261-2943 or by email at [mhankins@alta.org](mailto:mhankins@alta.org)



## Proposed Bylaw Changes and Nominations

Each year at the Annual Convention, ALTA membership approves new leadership and considers changes to the Bylaws. The ALTA Nominating Committees take on the important task of reviewing our leadership and developing a slate of nominees to serve on the Board of Governors and the Section Executive Committees. ALTA will be voting on the 2009 leadership at three meetings held on Thursday during the Annual Convention. The Abstracter & Title Insurance Agents Section Executive Committee will meet on Thursday at 10:15 a.m., the Title Insurance Underwriters Section Executive Committee also will meet on Thursday at 10:15

a.m., and our Board of Governors meeting will be held on Thursday Oct. 16 at 1:30 p.m. The slate of nominees put forth by the three nominating committees will be published 30 days before the Convention. Please check ALTA News on our website and watch for the announcement in News You Can Use. Additionally, several new Bylaw changes have been proposed, including adding a new member to the Board of Governors as well as changing the title of the Executive Vice President. To learn more about nominations and ALTA's proposed Bylaw changes, visit our website at [www.ALTA.org](http://www.ALTA.org) under the ALTA News Section.

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# HERNANDO DE SOTO

## The Mystery of Capital

Hernando de Soto is known the world over for his revolutionary views on the causes of wealth and poverty in developing nations. *Title News* was granted the rare opportunity to speak with de Soto about the connection between prosperity and property rights, his work with the Institute for Liberty and Democracy (ILD), an organization he founded, and his efforts to increase global political awareness about property rights reform.

by Michelle Sweet



Suppose you've owned your home for many years—a place where you've labored and invested in its upkeep, raised your family, and built a lifetime of memories. Then suppose that, after all these years, you haven't built equity, and you can't use your home as collateral to get a bank loan because you have no proof that you own it. Adding insult to injury, without such proof, someone else could claim that they own your home or, worse, the government could step in and take it away from you. This sounds unfathomable; yet this is the reality for 80 percent of the world's population.

In his landmark book and international bestseller, *The Mystery of Capital—Why Capitalism Triumphs in the West and Fails Everywhere Else*, Peruvian economist Hernando de Soto describes how lack of formal property rights is the real source of poverty in the world's poor countries.

According to de Soto, prosperity has eluded the poorer citizens of developing nations because, despite the fact that their governments have balanced their budgets, cut subsidies, welcomed foreign investment and dropped tariff barriers, their ability to implement capitalism has failed. Why? Because the majority of their citizens lack the formal property rights that would enable them to generate capital.

"It is impossible for assets to be used productively if they do not belong to something or someone," says de Soto. "How can you confirm the existence of these assets and the transactions that transform them and raise their productivity without a formal property system and the titles that formal property systems provide? A formal property system captures and organizes all the relevant

information required to conceptualize the potential value of an asset and so allow us to control it."

This, according to de Soto, is what unlocks the potential to build wealth. Without legal title to their property, the poor citizens of these nations are effectively locked out of a capitalist system. Since the poor represent the majority rather than the minority, the ability of a nation to implement a capitalist system cannot succeed.

## In the face of these insurmountable obstacles, the majority of the poor in these nations live and work outside of the official law, becoming "extralegal."

### De Soto's Quest

In 1979, de Soto was running a group of small mining companies in Lima, Peru. Frustrated by the overwhelming number of regulations and bureaucratic red tape, he and a group of colleagues set out to study the number of laws and regulatory hurdles the average citizen had to surmount in order to own property and operate a business legally.

He and his team set up a small two-sewing-machine garment factory in a Lima shantytown and proceeded to get it licensed. It took an astonishing 289 days and cost 31 times the average monthly minimum wage.

De Soto was later to find similar circumstances in other countries. In the Philippines, obtaining legal ownership to a piece of property took 168 steps involving 53 public and private agencies, taking up to 25 years. In Egypt, a citizen had to wend his way through at least 77 bureaucratic

procedures at 31 public and private agencies, taking anywhere from five to fourteen years. In Haiti, a citizen was required to first lease land from the government for five years in order to buy it. To obtain such a lease took 65 bureaucratic steps requiring a little more than two years. To buy the land involved another 111 bureaucratic hurdles and twelve more years, bringing the total time to buy land to 19 years.

In the face of these insurmountable obstacles, the majority of the poor in these nations live and work outside of the official law, becoming "extralegal." Far from being disorganized and scattered, these extralegal societies use their own informally binding arrangements to determine property ownership. These arrangements are upheld by a community as a whole and enforced by authorities the community has selected. These societies represent a vibrant but undercapital-



stand owners, factory workers, and local entrepreneurs.

The data was astonishing. Roughly 90 percent of all small industrial enterprises, 85 percent of urban transport, 60 percent of Peru's fishing fleet, and 60 percent of the grocery distribution businesses operated within the extralegal sector.

"Those who had tried to get into the system by applying for titles to their houses and licenses to operate their businesses found it impossible to overcome the bureaucratic obstacles and years spent in the process," says de Soto.

Another discovery was that, contrary to popular assumptions, the poor did not lack entrepreneurial spirit. These communities were abuzz with hard work and ingenuity. De Soto also found that the poor already have the assets to make a success of capitalism, for even in the poorest countries, the poor save. The value of their savings was, in fact, forty times greater than all the foreign aid received throughout the world since 1945.

"The people have businesses and property, but because they do not hold legal title, they are locked out of the formal, legal economy."

De Soto set out to convince the Peruvian government that the poor were not Peru's biggest economic problem but a major part of the solution. During the next decade, the ILD proposed, developed, implemented, and ran a significant number of initiatives that eventually transformed the economic map and society in Peru.

By 1988, the Peruvian parliament had enacted the ILD's draft "Property Registration Law," which reduced the administrative time to record the property of the poor from more than a dozen years to one month and cut



the costs by 99 percent. To assure that extralegal property was titled and recorded, the ILD helped to create a new organization—Registro Predial—and proceeded to run it on behalf of the government from 1990 to 1996, at which time the government assumed direct control of the property formalization program, hiring existing and former ILD personnel to manage it.

### The Mystery of Capital

De Soto estimates that 85 percent of urban parcels and 40 to 53 percent of rural parcels in developing nations are held in such a way that they cannot be used to create capital. He conservatively estimates these untitled assets to be worth 9.3 trillion dollars of "dead capital."

"An astonishing five-sixths of humanity lacks the process to represent their property to create capital," says de Soto. "They have houses, but not title; farmland, but not deeds; businesses that are not licensed or incorporated. These factors explain why people have not been able to produce sufficient capital to make capitalism work."

De Soto looked to the West for answers. In the U.S. every piece of land, every building, is represented in a formal property registration system. By representing their assets with titles, people are able to draw out capital from them.

"Westerners take this mechanism so completely for granted that they have lost all awareness of its existence," says de Soto. "Its origins are obscure and its significance buried in the economic subconscious of Western capitalist nations."

## The Roots of Property Ownership in the U.S.

Two hundred years ago, the United States was a Third World country. Squatters dominated the land. Information about property laws was localized and unconnected. Laws had become so cumbersome that they created a major stumbling block for settlers wanting to establish their

## The U.S. Title Industry Emerges

As the U.S. property system emerged under one rule of law, real estate titles were handled by “conveyancers” who researched titles or obtained some form of abstract to determine ownership of the land and encumbrances on the title. Based on the title search or abstract, the title could be exam-

■ A capitalist system works in cycles. When a cycle ends is when we realize we have gotten off course and need to recalibrate.

legal property rights, thus extralegal societies began springing up, creating a dual legal system for the young United States.

A legal breakthrough occurred when Congress passed a general “preemption” act in 1841 that allowed squatters who had improved their land to purchase it from the government.

“Although America’s political leaders probably did not intend or realize it, when they constructed national laws such as preemption, they were creating the representational forms that integrated all the loose and isolated property data into a new formal property system,” says de Soto.

De Soto believes current American politicians have lost contact with those early days when America adopted formal property law and invented the conversion process that allowed for the creation of capital. It was an erratic, unconscious process that took hundreds of years.

ined and an opinion rendered by the conveyancer that the title was clear, and thus marketable.

However, there were limits on the protection that conveyancers could provide. This inadequacy of safeguards led to a historic court decision in 1868 that paved the way for the creation of title insurance.

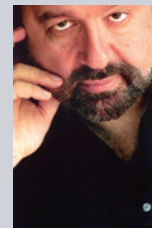
The first title insurance company was formed in 1876 by a group of Philadelphia conveyancers. Subsequent title insurance companies sprang up in New York City, Chicago, Minneapolis, San Francisco, and Los Angeles.

The title industry’s growth during the 1900s paralleled the growth of the U.S. population, from 76 million people in 1900 to 281 million in 2000. By the year 2000, the homeownership rate reached 66 percent of all occupied housing units. Within that hundred-year span, the average number of people per household dropped from six or more to two.

From its inception in the late 1800s, the title industry has grown into a 15-billion-dollar industry. Products and services have expanded to keep pace with the dynamic and rapidly changing real estate market. It was the creation of title insurance that paved the way for the secondary mortgage market in the late 1930s.

“For developing and former communist countries trying to make the transition to capitalism, the American experience is extremely significant,” de Soto writes in *The Mystery of Capital*. “The recognition and integration of extralegal property rights was a key element in the United States becoming the most important market

## Hernando de Soto

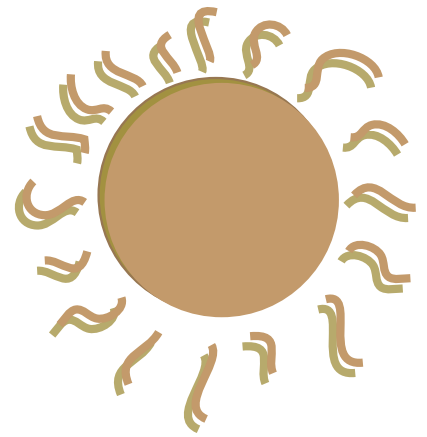


A Peruvian native, Hernando de Soto was educated in Europe and began his business career in Switzerland. His pioneering work has led to global

acclaim. He has received 17 major awards in seven countries for his anti-poverty initiatives. He received an honorary Doctoral degree from the University of Buckingham in 2005. *Time* magazine named him one of five leading Latin American innovators of the century. *Forbes* magazine profiled him as one of 15 innovators who will re-invent the future. The *New York Times* Magazine reported that de Soto’s message is “one of the most hopeful things we have heard in years.”



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economy and producer of capital in the world.”

De Soto acknowledges that the U.S. has not done everything right. But he feels there is much to be learned from its mistakes.

“Over time, governments lose sight of the real value of things as layer upon layer of instruments makes them lose touch with reality,” said de Soto. “A capitalist system works in cycles. When a cycle ends is when we realize we have gotten off course and need to recalibrate. One of the strengths of capitalist societies is that they learn from their mistakes as opposed to communist and socialist systems where they never admit mistakes.”

### Integrating Private Industry in Developing Nations

De Soto estimates that 85 percent of property in Egypt is not legally titled, 90 percent in Tanzania, 50 percent in Peru, and 50 percent in Mexico. In his meetings with heads of state of former communist and developing nations, he has yet to find anyone who does not understand the need to set up a titling system, and who is not interested in doing so. But these countries lack the ability within their existing infrastructures to create a unified property system.

“I have advocated the use of private title insurance because it is so much simpler to pass the problem of security and recordkeeping to the private sector than it is to rely on weak states to implement them—defined and

guaranteed by private institutions that have something to lose.”

De Soto says Russian and other leaders have expressed some reticence about turning over what they perceive as government’s role to private industry. But they are very interested in learning about the U.S. system.

“What they will probably end up doing is creatively plagiarizing what the U.S. has done, adapting it to their circumstances as the issue of property in a developing nation is not just a question of setting up a good record system but seeing how it fits into a particular situation.”

Although de Soto admits the task of setting up a national property system essentially from scratch is daunting, he believes the incentive is there.

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“When a country of 30 million people gets into a property system, we are talking about a contract for ten million titles.”

However, a formal property registration and titling system must be supported by a legal framework that does not yet exist in many of these countries.

## ■ These governments must integrate the extralegal segments of their society, and make the conscious link between property and capital formation.

### A Legal Challenge

“Establishing property rights through a formal property registration system is principally a legal challenge,” says de Soto. “Without laws, there are no mechanisms for property owners to exercise their rights over their assets.”

Every developed nation had to make the transition from an extralegal economy to one under a single rule of law. Common standards in one body of law are necessary to create a modern market economy, says de Soto.

“Had the U.S. not integrated all representations into one standardized property system, it could not have created the means to create the capital that has produced the nation’s present wealth.”

### Political Awareness

According to de Soto, former communist and developing nations are not succeeding at capitalism because they have failed to recognize that their legal institutions have not adapted to

today’s economic conditions. Extralegal societies have taken control of vast quantities of real estate.

“These governments must integrate the extralegal segments of their society, and make the conscious link between property and capital formation,” says de Soto.

The ILD’s efforts have helped

increase global political awareness, especially in light of the failure of capitalism to take root.

### ILD Goes Global

De Soto believes the ILD has developed a universal solution to persistent poverty and exclusion in former communist and developing nations. The organization is sought out by presidents and heads of state throughout the world. *The Mystery of Capital* has been translated into 20 different languages.

To date, the IDL has helped countries from Latin America to Africa and Asia, training governments how to determine if they have property rights, how to structure them in such a way that they are uniform, and how to look at the cost of access and transfer.

De Soto worked with President Vicente Fox of Mexico’s administration on property rights reform. Egypt is implementing a property rights system developed with de Soto’s

assistance. When he met with then Russian President Vladimir Putin, he found that much of ILD’s work was being used in Russia. The ILD also is doing work in Afghanistan.

### Conclusion

Capitalism is in crisis not because international globalization is failing, but because developing and former communist nations have been unable to globalize capital within their own countries, says de Soto. Only 25 of the world’s 200 countries produce capital in sufficient quantity to benefit fully from expanded global markets.

De Soto reiterates, “No nation can truly achieve capitalism unless they overcome the split between those who can create capital and those who cannot. Without formal property rights, no matter how many assets the poor accumulate or how hard they work, they will not be able to prosper in a capitalist society. At the end of the day, a market economy is nothing but the exchange of property rights.”

*“Many countries could spark more business investment—both within their borders and from the outside—if they did more to guarantee property rights, cut red tape, and so on.”* Bill Gates (*How to Fix Capitalism*, *TIME*, August 11, 2008).

## Hernando de Soto

Next Year’s Annual  
Convention Invited  
Speaker



Michelle Sweet is Editor-in-Chief of Title News.

# The Globalization of Title Insurance

ALTA International Development Committee Assists International Delegations

**I**n 1998, ALTA launched the International Development Committee with the mission to “enhance the understanding and share information to assist countries in developing reliable and secure real estate markets.”

To date, according to 2008 Chairman Mark Winter, the committee has provided international delegations with information on the U.S. conveyancing system, industry experi-

groups such as the World Bank, Inter-American Development Bank, USAID, and other international aid organizations.

Winter, executive vice president of Stewart Title and a member of ALTA’s board of governors, has had several opportunities to meet with Hernando de Soto.

“I share his philosophy that social stability and increased prosperity are created when citizens own their

**I share his philosophy that social stability and increased prosperity are created when citizens own their homes and have clear, transferable title to their property**

ence with land registration systems, the mortgage finance and real estate process, government housing finance programs, and secondary mortgage market operations. The committee also has acted as a liaison and point of contact for international donor

homes and have clear, transferable title to their property,” said Winter. “Ultimately, dead capital is awakened and transformed into capital that can fuel a country’s economic engine and result in a safe, secure, efficient, and profitable real estate system.”

## Underwriters Go International Stewart Global Solutions



Winter sees a paradigm shift to globalization in the real estate market, and considers Stewart Title a “pioneer” in providing land titling services internationally. He has played a key role in expanding Stewart’s global reach—Stewart Global Solutions currently provides title insurance, title guaranty, and escrow and closing products in more than 40 countries, with offices in Australia, Canada, Mexico, Europe, and Latin America.

“Even through our industry is being cycle-tested stateside, Stewart’s international business is experiencing a growth spurt,” says Winter. “A globalized market diffuses, in part, the impact of a domestic real estate market slowdown.”

Winter terms Stewart’s international program as “prudent and pragmatic.”

“Our land titling services are most effective when they reinforce a country’s good governance, economic freedom, and investments in people,” says Winter. “Due diligence is a key component to a successful partnership.”

Winter describes a Stewart land titling project in St. Lucia, where real estate laws were adopted, land records were organized and automated, and property boundaries were adjudicated. What once was an island that solely relied on banana export revenues is now a thriving and prosperous vacation destination.



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**Our dedication can't be duplicated.**

“Capital seeks safety and yield—once an effective, reliable land titling process is in place, investors are sure to follow,” says Winter.

### First American International Holdings

First American International Holdings provides title services throughout Africa, Asia, Europe, Latin America, Canada, and the Caribbean. The company’s first major foray into a foreign market was Canada.



“One of the initial challenges was getting licensed because the Canadian regulator already had several title insurance companies qualified to do business and questioned the need to add another,” said company president

Tom Grifferty. “After considerable time and effort, we were finally able to secure a license after persuading the regulator that we intended to focus on Canadian domestic business, not just cross-border U.S. business.

“Once licensed, our challenge was to convince prospective clients of the benefits of title insurance. Ontario and other provinces have very strong registry systems that enjoy a high level of public confidence, so the clients’ perception was that title insurance added cost but little value. Over time, we have had good success in overcoming this perception.”

Grifferty says that in many areas of the world title insurance is still a foreign concept. Also, while U.S. companies have many years of background and experience in the title

insurance business, it is not provided solely by U.S. companies. Title insurance, albeit in a different form than is common in the U.S., has been provided for many years by property and casualty carriers in the United Kingdom and Russia.

“Local insurance companies sometimes have difficulty understanding the product and the unique aspects of title insurance that make it so different from other forms of insurance, such as paying a onetime premium and no definite termination date of the policy,” says Grifferty.

He also points out that title plants generally do not exist outside the U.S., and title companies are less likely to be involved in conducting a search directly.

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“In most non-U.S. transactions, a search is conducted by a local practicing lawyer, and the search results are provided to the title company for review and preparation of a commitment and eventually a policy,” says Grifferty.

In some instances, explains Grifferty, the content of the search is considerably different.

“A typical example is a covenant problem. Perhaps the solicitor, in searching and examining title, has discovered an old covenant that would be problematic for the client purchasing the property, such as a covenant restricting the sale and use of alcohol for a property his client wants to make into a pub and restaurant. The solicitor would provide details on the covenant to the title insurance company, but not necessarily anything on the current or past ownership of the property.”

#### **LandAmerica International Services**

With offices and affiliates in various parts of the world including Canada, Mexico, Central America, the Caribbean and Europe, LandAmerica’s first foreign venture was helping U.S.-based clients buying properties in the Caribbean.



Andrew Brownstein, senior vice president of LandAmerica International Services, says the company will consider issuing title insurance in any part of the world after carefully evaluating the risks.

“We evaluate the country’s political and economic stability, and whether there is a rule of law in place to support our ability to defend the title,” said Brownstein.

Brownstein says that in many countries, closing documents must be executed by a notary, which is consid-

ered an honored position comparable to a magistrate. Local notaries often work with attorneys to render title opinions.

“Entering these markets is difficult because of the resistance by attorneys who see us as a threat,” said Brownstein. “But we actually work very closely with attorneys to obtain title opinions and they often have low E&O liability limits, so we provide an added benefit to the customer.”

**■ We actually work very closely with attorneys to obtain title opinions and they often have low E&O liability limits, so we provide an added benefit to the customer.**

#### **Fidelity National Title Guarantee (FNTG) Global Solutions Group**

FNTG currently issues title insurance on five continents -- South America, Europe, Asia, Australia, and North America. The company’s title insurance policies are designed by experts who understand foreign property ownership, conveyance practices, and how title policies will be interpreted under local laws in the countries where they are issued.



Peter Sadowski, who heads up FNTG’s Global Solutions Group, says “there is a trend toward serving more foreign lenders who want to increase their efforts to mitigate risks so they can more easily sell their portfolios. For instance, we’re seeing German and British banks making money available for commercial development in countries like Bulgaria, Romania, and India.”

In addition to a strong presence in Canada, FNTG opened an office in Mexico City in July 2008, Fidelity Title Mexico. Sadowski said it was fairly easy to get licensed in Mexico because the government was very supportive. The company’s main focus is on commercial and resort development.

According to the State Department, more than one million Ameri-

cans currently live in Mexico, most of them retirees drawn to the coastal resort areas and lower cost of living. More U.S. lenders are now willing to make loans on Mexican properties because of changes in Mexican law allowing foreigners to own property.

#### **International News**

##### **South Africa – Buyers need title Insurance to protect their ownership rights**

South Africa has one of the best and most secure systems for property registration and ownership in the developed world, says Mike Bester, chief executive of Realty1 International Property Group (*Argus* newspaper, South Africa, July 28, 2008, “SA’s Property System Among the World’s Best, says Expert.”)

According to the article, once a signed and accepted offer is transferred and registered, the owner has the “unassailable right to the property that cannot be overturned by anyone.”

“This compares well with other countries, where a property can sometimes be lost to a better offer before registration, and buyers need to take out title insurance to protect their rights of ownership,” said Bester. “However, the process of transfer and registration is long and complex, and many people don’t understand how it works.”

In South Africa, a conveyancing attorney handles the property transfer, a bond attorney registers the buyer’s new bond, and a cancellation attorney is required to cancel the seller’s old bond. Once all of the documents have been prepared and signed by both parties, they must be approved by the deeds office, which typically takes several weeks and sometimes involves changes that need to be made.

Bester says delays are a concern for buyers and sellers. “If anyone fails to provide the required information, pay the deposit or outstanding rates and taxes, or turn up and sign the transfer documents on time, this can cause a delay which could result in the payment of expensive and unbudgeted occupational rent.”

**Ireland – “New” title insurance cheaper and faster than using a solicitor**

According to the *Irish Independent* (“More Borrowers Bypass Solicitor in Favour of New Title Insurance,” April 10, 2008), more people taking out mortgages or refinancing are turning to title insurance in lieu of solicitors. The article reports a 69 percent rise in people using title

insurance in the first three months of 2008.

“The introduction of title insurance has shaken up the conveyancing market here and seen the cost of conveyancing fall by up to 50 percent,” the article states.

The reason? Title insurance is half the cost of using a solicitor and takes only a few weeks, whereas using a solicitor typically takes one to two months, sometimes longer.

According to Frank Conway of the Irish Mortgage Corporation, “Title insurance is a relatively new concept here in Ireland. It has its primary roots in the U.S. mortgage market but has begun to win favour with Irish lenders due to the speed of service it provides in refinance business.”



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# 2008 ANNUAL CONVENTION

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**A**LTA is taking the 2008 Annual Convention in a fresh and innovative direction. We are 100 percent focused on you, our membership. You are ALTA, and ALTA is the voice and backbone of the title industry—an industry that is the cornerstone of the real estate and mortgage markets. As a truly grassroots organization, we are dedicated to providing you with the tools you need to succeed and help promote our industry's value proposition.

Beginning with professional development, we're bringing in experts from across the country to lead a series of hands-on educational sessions with real-world application. Topics cover how to streamline your business, capitalize on untapped markets, understand current and ongoing government actions affecting the industry, identify the latest technological innovations, and more. You can mix and match topics important to your business and personal needs, complementing the vast array of other exciting opportunities the convention has to offer. What's more, many of the sessions qualify as CE/CLE hours.

Tracking the theme of innovation, our vendor showcase has been expanded to include more vendors, with the latest in cutting-edge products and services that provide real value to the title industry. Also, we've designed the schedule so that you no longer have to choose between professional development and the vendor showcase, providing maximum value for your time.

For the general sessions, we've tapped leading business strategists, economists, and experts on the political and regulatory environment impacting the title industry, all of whom are at the top of their class.

## Keynote Speakers

### "How we face our business challenges"

**Gordon Bethune**, former chief executive officer of Continental



Airlines and bestselling author of *From Worst to First*, earned worldwide acclaim for spearheading one of the most dramatic corporate turnarounds in U.S. history. When he joined Continental

in 1994, the carrier was ranked last in every measurable category (time performance, customer complaints, mishandled baggage). Within two years, Continental was winning more awards for customer satisfaction by J.D. Power and Associates than any other airline. Continental posted 11 straight quarters of record profits, sending the stock price from \$3.25 a share to more than \$50 a share. Additionally, *Fortune* magazine named Continental one of the 100 Best Companies to Work for in America for six consecutive years. In 2004, his final year at the helm, *Fortune* ranked Continental the Number One Most Admired Airline in the World. Bethune has twice been named one of the top global managers by *Business Week* and has been honored as one of America's top 50 CEOs by *Worth* magazine. Bethune is a true master of the business turnaround. He will share his story of success and his insight on reviving a weakened business.



**Douglas Duncan**, vice president and chief economist of Fannie Mae, is one of the leading voices in the country

on housing economics. He currently provides all economic, housing, and mortgage market forecasts and analyses for Fannie Mae. Duncan is former senior vice president and chief economist of the Mortgage Bankers Association. He also was a LEGIS Fellow and staff member of the Congressional Committee on Banking,

Finance, and Urban Affairs as well as lead researcher for the U.S. Department of Agriculture's Economic Research Service. Duncan is a frequent speaker on national and state economic outlooks as well as housing and mortgage market conditions. He will share his firsthand perspective on the state of our industry and what economic conditions look like for the years ahead.

### "What our industry means for the free enterprise system"

As the world continues to shrink daily, ALTA has taken on the challenge of providing its membership with vital information regarding the world economy and the relationship to our industry, as real estate is the foundation of financial markets around the world.



**Ambassador John Veroneau** currently serves as Deputy United States Trade Representative, appointed by President Bush in 2006. Ambassador Veroneau is a leading expert on trade relations with Europe, the Middle East, and the Americas, as well as the World Trade Organization. The majority of his career has centered on foreign affairs both in the public and private sectors. Before joining the USTR, Veroneau spent nearly a decade as senior staff in the United States Senate, ending his career as chief of staff for U.S. Senator Susan Collins (R-ME). We look forward to his insights on the world economy and his knowledge of the importance of real property rights to economic stability.



**Dr. Joylyne Sanjak**, managing director of implementation support for the Millennium Challenge Corporation (MCC), will discuss how vital land registration and titling systems are to developing counties in creating a stable economy. The MCC was established in 2004 by President Bush to promote sustainable economic growth in developing countries based on the principle that aid works best when it reinforces good governance, economic freedom, and investment in people. The MCC has received recognition from the Heritage Foundation and the World Policy Council. Dr. Sanjak was the leading real property specialist for the USAID's Bureau of Latin America and the Caribbean, promoting USAID's global efforts on remittances and land conflict management.

### Special Activities

ALTA has lined up a full array of special activities and tours of the beautiful island of Kauai, such as a catamaran snorkel sail, waterfall kayak and nature hike, helicopter tours and more. For a full listing and to sign up, go to [www.alta.org](http://www.alta.org).

### Additional Information

If you would like additional information about the 2008 Annual Convention, please call Erica Richardson at 800-787-ALTA, or visit our Web site at [www.alta.org](http://www.alta.org).

## 10 Reasons to Attend This Year's Convention

1. Renowned business, economic and government experts will speak about facing tough business challenges, the economic forecast for the housing market, and the title industry's role in our nation's economy.
2. We'll give you strategies to help your business survive and thrive in these tough economic times.
3. With increasing scrutiny on the title industry, you'll be able to gain a more in-depth understanding of RESPA and other compliance issues.
4. Fraudulent activities are on the rise—we'll teach you how to spot them.
5. You'll learn about ethics in business and the importance of getting back to basics with our industry's value proposition.
6. We've lined up "the-best-of-the-best" to demonstrate the latest technology tools.
7. You can earn CE/CLE credits.
8. Our venue is conducive for networking with your peers and sharing business strategies.
9. You'll discover opportunities to get more involved in ALTA through committee service.
10. You'll have a lot of fun!

## Professional Development Tracks Legend

**GR** Government Relations

**BA** Business Acumen

**HT** Hot Topics

**SB** Small Business Best Practices

**TT** Technology Trends

### THURSDAY, OCTOBER 16, 2008

**GR** **Avoid Involvement with Fraudulent Transactions**  
Dwight Bickel, *Northwest Region Counsel, Senior Vice President LandAmerica Financial Group, Inc.*  
Seattle, WA

Ken Markison, *Associate Vice President & Regulatory Counsel Government Affairs*  
Mortgage Bankers Association  
Washington, DC

**SB** **HR Today: Navigating Dangerous Waters**  
Jo Pierce, *Vice President of Human Resources, Western Division*

First American Title Insurance Company  
Santa Ana, CA

**HT** **Boost Your Bottom Line with Niche Markets: Foreclosures, Short Sales, & More!**  
Joe Curtis

*Senior Sales Management Consultant*  
RightNow Consulting  
Walnut Creek, CA

**TT** **Using the Down Market to Re-tool Your Process**  
Tim Conley  
*Vice President of Sales & Marketing*  
SoftPro  
Raleigh, NC

**HT** **Title Insurance: Our Value Proposition**  
Curt Szymanski, *President*  
WINDWARD CONSULTING | SOFTWARE  
Wauwaukee, WI

**GR** **RESPA Reform: What Now? What's Next?**  
Phil Schulman, *Partner*  
Kirkpatrick & Lockhart, LLP  
Washington, DC

**HT** **Ethics in the Title Industry**  
Bill Ronhaar, *Manager*  
Land Title Company  
Burlington, WA

Diane Evans, *Vice President of Regulatory & Legislative Affairs*  
Land Title Guarantee Co.  
Denver, CO

Cheryl A. Jones  
*Senior Vice President of Corporate Human Resources & Communications*  
Old Republic National  
Title Insurance Company  
Minneapolis, MN

**BA** **Call To Action: How Will You Succeed in the New Market?**  
Darryl Turner, *CEO*  
Title Solutions Group  
Modesto, CA

### FRIDAY, OCTOBER 17, 2008

**GR** **HUD & RESPA Compliance: What Does it Really Mean?**  
Phil Schulman, *Partner*  
Kirkpatrick & Lockhart, LLP  
Washington, DC

**SB** **Defalcation: Could It Happen to You?**  
David W. Moore, *President*  
Township Title Insurance Agency, Inc.  
Murray, UT

**HT** **Leading Your Business in Times of Change**  
Elizabeth Holden, *CEO*  
PrimePoint, LLC  
Columbia, MO

**TT** **Take it to the Next Level with Web 2.0 Technology**  
Corey Leong, *Founder and President*  
Remeta Association  
Orlando, FL

**HT** **Reverse Mortgages: Hot Market or Big Risk?**  
John T. Gosselin, *Principal Attorney*  
Gosselin Law - LAW FOR LIFE  
Winchester, MA

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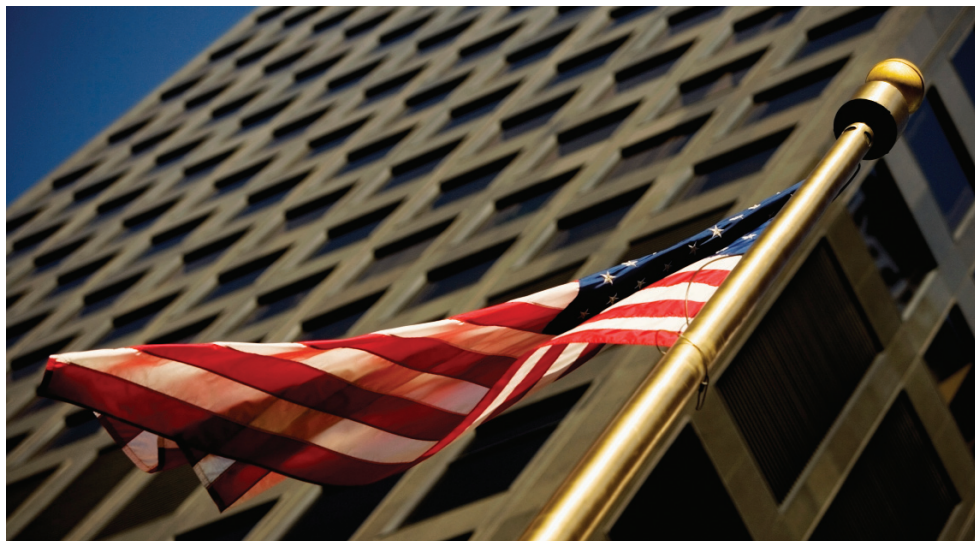
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inside the industry

# Pennsylvania Land Title Assn. Conducts “Title 101” for Department of Insurance



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in Pennsylvania

Heavyweight Champion Joe Frazier, and then interspersed claim stories throughout the presentation. After each segment, attorneys from the underwriters described a claim that dealt with that particular segment.

The program ended with a segment that is not often talked about – the human side of the title industry. In Pennsylvania, like many other areas of the country, the title industry conducts the closings and we wanted to convey the point that it is the people of our industry that hold the hands of the first time

Five of the greatest words a Department of Insurance can utter are, “teach us about your industry”, which are exactly the words heard from the Pennsylvania Department of Insurance. At a meeting in December of 2007, four title industry professionals met with seven insurance department officials to talk about current events within the industry. The result of the meeting was the scheduling of a half day session entitled, “Title 101 – The Day in the Life of a Title.”

When the day of the session arrived, more than 60 department members heard representatives from the Pennsylvania Land Title

“teach us about your industry.”

Association discuss the steps necessary to go from the inception of the order to the final policy. The segments included order processing, the search process, clearance items, curative items, HUD-1 preparation, document prep and review, the closing, recording and the policy.

In order to grab their attention from the very beginning, we opened with one of the best claims stories in title industry history – The Title Industry vs. Former

homebuyers who are too frightened to ask questions. Yet we are the people who know those questions and answer them without being asked. It is the people within our industry who know what the widow is feeling when she sits at the table selling the family home. We know that she is sitting there remembering her children playing in the backyard or her late husband trying to fix the kitchen sink and how she called the plumber after she mopped up his mess. We know she

## Title Industry vs. Former Heavy-weight Champion Joe Frazier

In 1998, hundreds of homeowners of the One Hundred Acre Woods development in Bucks County, PA, received



eviction notices from an attorney representing former world heavy-weight champion Joe Frazier. The letter informed residents that Frazier intended to reclaim the 140 acres of land they were now living on. He also filed a lawsuit for \$84 million in damages.

Frazier purchased the property in 1973 with a partner, now deceased, and subsequently sold his interest to a real estate investment trust. He received an upfront payment, and was to continue to receive payments until the total amount of \$1.8 million was paid. The trust went out of business before Frazier received all of his money, therefore, the lawsuit alleged that the transfers of title to the homeowners were void.

The title insurance policies, issued by several different companies, paid for the costly legal defense of the homeowners. Pending the outcome of the lawsuit, the title insurance companies agreed to insure the homeowners so that they could continue to sell and refinance their homes. The case was dismissed in 1999, one year after it was filed.

“ We, here at the Pennsylvania Insurance Department, are always looking for ways to keep abreast of any changes in the insurance marketplace. Anne Anastasi’s presentation offered a helpful primer on title insurance and I will be inviting her back to complete the marketplace picture for us so that we can better understand the affiliations among title insurers and title companies.”

**Randy Rohrbaugh**  
Deputy Insurance Commissioner

is hurting and we squeeze her hand as she leaves.

We talked about the importance of the title industry to the economy of the United States using my favorite line, “Without the title industry, lenders would not lend; without lenders lending, buyers could not buy; and without buyers buying, sellers could not sell. If that doesn’t make the title industry the most important cog in the wheel that is the real estate market, I don’t know what is.”

Our excitement at the end of the very successful session was raised to great heights when a few weeks later we were asked to put together three additional classes. In September we will take a few members of the Department to the local county courthouse and have them search a title with one of our great searchers. By the end of the day the

Department will understand that a title search is not just the push of a button.

In the following months we will conduct two additional sessions with department staff and representatives from Real Estate and Banking. The feedback from the department has been overwhelmingly positive, and we believe it is vitally important to help our regulators develop a better understanding of what we do and the value we provide to the real estate process.



**Anne Anastasi** is a member of ALTA’s Board of Governors and chairs the Abstracters and Title Insurance Agents Section Executive Committee.

# Multicultural Homeownership: Breaking Through Cultural, Ethnic, and Language Barriers

First American's Maria Y. Valentin talks about advancing financial literacy programs to help traditionally underserved communities attain the American Dream of homeownership.

**R**ecent statistics indicate the diversification of the U.S. population continues to grow, and yet the rate of multicultural homeownership lags significantly behind others. Real estate professionals may benefit by recognizing the opportunity to grow their business by reaching out to the ever expanding multicultural homebuying communities.

A “win-win” strategic move for business growth and success in the 21st century can often come by breaking through cultural, ethnic, and language barriers and advancing financial education about the home-

buying process within multicultural markets. Using innovative methods to teach financial literacy can not only empower real estate professionals to succeed, it can also help transform the American Dream of homeownership into a reality for traditionally underserved communities.

Multicultural communities and new immigrants often come from countries with traditions where a handshake is a contract. Trust is a major factor, and many do not have the frame of reference or an understanding of the complex real estate and lending process in the U.S. In addition, language and cultural bar-

riers can exacerbate the reluctance of qualified potential homebuyers from doing business with companies that are not culturally competent.

With extensive news reports about multicultural homebuyers being hit the hardest by predatory real estate practices, there is escalating pressure from regulatory agencies and consumer protection groups to better inform multicultural and low-income consumers regarding all facets of the real estate transaction. Companies that take the lead in voluntarily implementing real estate financial literacy initiatives within the growing multicultural segment of homebuyers could find themselves reaping market share gains.

## The U.S. Demographic Shift

- As of 2008, one-third of the U.S. population is of Hispanic, Asian and African-American origin. Currently, Hispanics make up 15.8 percent, Asians 4.7 percent and African-Americans 12.3 percent. By 2013, it is estimated that these three major ethnic groups will represent a combined U.S. population of more than 109 million, with Hispanics representing nearly half (54,375,657). [Source: Latin Force Group LLC; \*\*U.S. Census Bureau.]
- The U.S. Census Bureau has projected that in 35 of the country's 50 largest cities, Caucasians are, or soon will be, in the minority. It is this kind of data that has made diversifying into the multicultural



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market a strategically sound decision full of opportunities for the real estate industry.

- In 2007 the buying power of these three multicultural communities was:
  - Asian - \$459 billion
  - Black - \$845 billion
  - Latino - \$862 billion [ Source Selig Center]

### Legislative & Community Organizations Respond

Industry experts have determined that financial literacy education and customized products and services are critical components to close the ethnic homeownership gap and to help multicultural borrowers buy a home, even in the current slow economy.

John Hope Bryant, founder and CEO of Operation HOPE and vice chairman of the U.S. President's Advisory Council on Financial Literacy as well as chairman of the Committee on the Underserved, has emphasized that, as minority markets become a larger and more powerful segment of the U.S. and world economy, it is important that these populations be made aware of all of the financial services and opportunities available to them.

The President's Advisory Council on Financial Literacy was created by President Bush to assist the American people in understanding and addressing financial matters. On June 18, 2008, the Council endorsed a first-ever policy recommendation establishing "financial literacy at the very foundation [baseline] of future

responsible subprime lending." The Committee on the Underserved also made public its report on the future of responsible mortgage subprime lending, identifying what initiatives are needed to address the massive levels of financial illiteracy that contributed to the current subprime crisis.

Vice Chair Bryant said, "I believe that responsible mortgage subprime lending has done more to lift the poor out of poverty than most anything else over the past 50 years and that the real problem has been predatory subprime lending, irresponsible subprime lending, fraud-based and investor-speculation-based subprime lending, and massive levels of borrower financial illiteracy. We want to also signal that we want responsible mortgage subprime lending to con-

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tinue on some reasonable basis, and that the credit markets should remain available to the underserved in this nation.”

### Innovative Methods to Teach Financial Literacy

Following are some insights on how to grow your business in an expanding multicultural market.

#### Build strong relationships within multicultural communities

Multicultural communities are often tight-knit groups that support one another both socially and in business. In many multicultural communities, recommendations by word of mouth are deeply rooted in the culture, which carries over into what companies they do business with. A company that works to build strong ties and create trust within an ethnic community is often seen as a “member” of that community. Building a good reputation and trust is key to gaining support and business recommendations. It is about



sights, and enhance their knowledge of culturally sensitive and acceptable approaches to the marketing of the products and services you offer.

Seek speaking opportunities at meetings of community-based ethnic organizations that promote local business and an understanding of their culture.

#### Use “in-language” services

The lack of multicultural home buy-

educational materials that are translated and developed to help educate the new immigrant or multicultural homebuyer, who may have little or no knowledge of the mortgage industry process, in their own language.

Create a multilingual Web site that will explain a complex and unfamiliar process in languages more familiar to the fastest growing segments in the multicultural markets.

Your goal is to become a trusted partner with the best interest of the multicultural homebuyer in mind.

**In many multicultural communities, recommendations by word-of-mouth are deeply rooted in the culture which carries over into what companies they do business with.**

recognizing the values and makeup of their community and connecting with what is truly important to your potential multicultural customers, including lenders, real estate agents and consumers.

Educate your staff to increase their multicultural competency and in-

ers’ full understanding of the homebuying process, coupled with language barriers, can lead to confusion during the closing process. An important factor to bridging the language gap is providing educational materials that are “in-language.” This industry buzzword refers to marketing and



**Maria Y. Valentin** is Vice President of First American Title Insurance Company’s Strategic Markets Division.

Valentin leads the western

region to implement diversity initiatives and programs to further increase multicultural homeownership opportunities. She is charged with creating and executing innovative products and culturally insightful business solutions for real estate professionals to effectively serve the region’s rapidly growing multicultural homebuying communities. To contact Maria, she may be reached at [mvalentin@firstam.com](mailto:mvalentin@firstam.com) or (831) 620-6511.

# The Title Industry Gives Back

Title News is pleased to announce a new section to recognize companies and individuals in the title industry that have made their communities a better place.

## Interstate Title Helps Raise \$20,000 in Food Donations for Local Food Pantry

Interstate Title Search, Inc. played a key role in the St. Louis Food Drive on June 21, 2008, by providing logistical support, soliciting participation by local businesses, helping to promote the drive, web site maintenance, and route planning. Five tons of food was collected for the local food pantry “Feed My People.”

Representatives of the food pantry said this food drive was especially critical because summer is the hardest time to keep their shelves full. Volunteers collected enough food to last the entire summer, providing much needed support for area families in need.

“The food drive was a great opportunity to give back to the community, and we were proud to be a part of this successful event,” said Jay Duncan,

president of Interstate Title Search Inc.

Interstate Title Search Inc. has 20 employees and conducts searches in Missouri, Illinois, Indiana, Kansas, Florida, Kentucky, Michigan, Ohio, Pennsylvania, and most of Texas.

## Stewart Title – Cultivating a Sense of Responsibility for its Community

Stewart Title of Cameron County, GA, is a longtime supporter of the local United Way. The company was profiled in the United Way of Southern Cameron County’s April 2008 newsletter for its years of community service. In addition to financial donations totaling nearly \$47,000 to date from the office’s 30 employees, Stewart volunteers have continuously given their time to such projects as neighborhood beautification, water rehabilitation, and rallying local busi-



nesses and employees during workplace campaigns.

Monique Martinez, named United Way of Southern Cameron County’s “Volunteer of the Year” in 2006, says community involvement is a part of Stewart Title’s culture.

“It feels good to give back to your community, whether giving a donation, time, or, even better, both. I’ve been very fortunate to work for Stewart Title, which allows me and any other employee to volunteer for United Way.”

Rick Wickett, president of Stewart Title of Cameron County, says being a good employer and good corporate citizen is more than paying good wages and providing a pleasant work environment—it’s also about being involved in the betterment of community.



### Ohio Title Hits a Home Run

Ohio Title participated in RE-ALTOR® Care Day on June 5, 2008, sponsored by the Columbus Board of Realtors. Community volunteers spent a day cleaning up the Johnstown Youth Athletic Association's ball field.

Amy Albery, co-owner of Ohio Title, was part of the organizing committee, and says the event drew 42 volunteers who spread gravel and mulch, painted and built new roofs for the dugouts, cleaned and painted bathrooms, and made plumbing and electrical repairs to the concession stand.

"It was amazing how many volunteers showed up and the amount of work that was accomplished for the kids who play on those fields," said Albery.

Ohio Title has offices in Johnstown and New Albany.

### Former ALTA President Brings \$200 Million and 1,000 New Jobs to Durant County, Oklahoma

John R. Cathey, ALTA 1986-87 President and retired former owner of Bryan County Abstract Company in Durant, Oklahoma, is Chairman of the Durant Industrial Authority, a volunteer position he has held for the last ten years. Cathey's efforts were instrumental in obtaining three of



the largest single business investments in the history of Durant and Bryan County, totaling more than \$200 million and creating nearly 1,000 new jobs.

Cathey says his land title knowledge has been instrumental in working with industrial prospects to secure locations for their plants, factories, and retail businesses, as well as new office spaces. In recognition of his contributions to the community, Cathey was named "Volunteer of the Year" by the Durant Area Chamber of Commerce in 2001 and by the State of Oklahoma and Southern Economic Development Council in 2002.

Cathey is an Honorary Member of ALTA and an Honorary Member of the Oklahoma Land Title Association, where he continues to serve on the legislative and research committees. He says he plans to continue his volunteer work as long as it doesn't interfere with his golf game!

ALTA congratulates these individuals and companies for their generosity in supporting their communities.

If you would like to nominate an individual or company, send us your stories and photos by e-mail to Shawn Sullivan at [ssullivan@alta.org](mailto:ssullivan@alta.org)

# Boost Your Bottom Line with Niche Branding

Branding, how companies create positive and direct associations through images, words, and reputation, is a part of the American business culture. In the title insurance business, the large national underwriters have invested millions of dollars in establishing their brands, and very effectively so. Yet still they rely on the quality, effort, and competence of local agents to represent their brands in each market.

**I**dentification with a specific market niche, and building a reputation for that specialty, effectively brands a title agency within a local market. Direct agents can do this without compromising the integrity of their corporate brand.

Generally speaking, the title industry has historically divided its business into four market segments: Commercial, New Home/Builder, Residential Resale and Refinance. If you can identify specialized niches within these segments and create a strategic plan to go after that business, you can potentially create a buffer against the current real estate downturn.

Some suggested niches are listed in this article, but there may be others in your market. Perhaps you already have an established niche, but the market has either dried up or gotten

too competitive. We want to spur your thinking and get your juices flowing to explore other niche opportunities that are in fact growing.

The first step is determining a niche you'd like to target. You may already have particular knowledge, skills, or contacts that make you well suited to a specific business segment. Or perhaps there's one you have an affinity for.

Next, you'll need to determine how many other title companies are already serving that market. Look for a niche that is currently underserved.

Once you've identified a potential niche, determine what knowledge, skills, and staff it would take to go after that market. Do these resources already exist in your company? Do you already have contacts or would you need to develop them? What kind of sales and marketing efforts would it take? How much time would be involved, and how much would it cost? Is it realistically achievable?



Following are examples of niches to consider. Maybe there's an untapped gold mine in your market.

1. **Top Producers:** Our ongoing research continues to show a national trend that top-producing residential real estate agents (those in the top 20 percent of production in their market) are gaining more and more shares of individual markets. This trend also shows that top-producing real estate agents have increased their share of the market over 160 percent during the past twelve months. Creating a "Private Client Services" division that is more in tune with these high volume clients will enable you to be the company of choice for this niche.
2. **Reverse Mortgage:** Rapidly growing in volume and expanding in product type, the Home Equity Conversion Mortgage (HECM) is a great source of business. Over 100,000 closed in fiscal year 2006/2007, according to HUD, and these are likely to grow at the current rate (35 percent growth in the past two years) or higher given the aging of the baby boomer population. Isolating this business as different and unique, serving its customers specifically, and branding that effort separately from your core products and services is essential. Everyone might be closing reverse mortgages, but who is serving the needs of the clients in such a way that they become recognized as THE provider of these services?
3. **Loan Modifications:** If you have midsized mortgage bankers in your area, chances are they are performing loan modifications in order to stem the foreclosure tide. Although the national lenders have contracts to handle these limited title searches on a nationwide basis with title information service providers, there are opportunities at the local and regional level. Talk to your banker to see if your bank is actively performing loan modifications in their servicing department.

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4. **Credit Unions:** Credit Unions are one of the fastest growing locally sourced high-quality areas of refinance transactions. Don't overlook the multitude of credit unions, many of which outproduce community banks at a rate of approximately 2 to 1 in certain markets (CUNA Statistic).

5. **Private Banking and Private Mortgage Services:** The Private Banking and Wealth Management departments of national, regional, and local banks represent the majority of deposits in the United States by wealthy clients. Many of these people own a lot of commercial and residential real estate, and their banker can approve commercial mortgages as well as refer residential refinances and purchases. The upside in terms of deal size and frequency is unlimited.

6. **Pre-foreclosure/Short Sales:** Teach real estate agents to handle pre-foreclosure transactions, becoming the local expert in this rapidly growing market segment. In certain parts of the U.S., more than 20 percent of all residential transactions are predicted to be "short sales" over the next year or two. Even if your area is less affected by this trend, it is still a great way to get introduced to real estate professionals around a hot topic.

7. **REO and Foreclosure:** Local and regional banks have a growing foreclosure problem. Typically, large bankers will use an asset management company to take the foreclosure stem to stern, which makes it difficult for title agents to compete. However, many smaller banks, mortgage lenders and credit unions also have foreclosures and



REO property. Meet with the head of asset management in these more locally oriented banks to see if you can handle both the foreclosure and the REO sale outs.

8. **Municipalities and Redevelopment Projects:** Everything from downtown revitalizations to freeway expansions can mean big bucks to a title agent. I've seen many of our clients make hundreds of thousands of dollars on these "under the radar" opportunities. Take a look at the general plan in your city, and pay a visit to the appointed officials/consultants in charge of these projects.

9. **Serial Investors:** These "under the radar" folks are major players in your market and can be local or international investors taking advantage of a weak dollar. A serial investor owns more than five residential or commercial properties and is often buying, selling, and trading their way into bigger and better deals. Find out who they are (lots of data sources exist for this, depending upon your area. Talk to the folks at Dataquick and see how

you can put this list together for your area).

Building a "niche brand" by becoming an expert in a specific market segment can help your company weather the current economic downturn. When business improves, and former customers become active again, you still have a significant revenue stream from the specialties you have developed. This will allow you to continue growing your business and come out the other side of this market stronger than ever.

## Joe Curtis

Professional Development  
Speaker at this year's Annual  
Convention, August 15 - 18  
in Koloa, Hawaii.



**Joe Curtis** is a Senior Consultant with RightNow Consulting, a nationally focused profitability company committed to partnering with

individuals and organizations in the title industry to effectively track, measure and achieve new revenue growth.



# Updating Your Title Plant

A title plant is a record of the land (and to some extent, the people) in a county, but the history of the title plant itself can be as diverse as the land history it holds. How many plants maintained for 20 or more years, tract books included, have had the same person manning the indexing duties? Not many.

**D**ifferent people managing or keying data can lead to user-specific decisions being made that create inconsistencies, especially in the absence of standard operating procedures for the indexing. Importing third-party data puts the title company at the mercy of someone else's keying standards. Also, converting a legacy system into new software can sometimes mean putting a square block into a round hole. This doesn't mean a title company shouldn't have the legacy data converted into more up-to-date software, but it should be prepared to verify that the old data fits into the new software's fields properly.

Christopher Bowman, production software administrator for First American Title Company in Blackfoot, Idaho, said there were several reasons that led his company to make repairs to the county data.

"We have some data imported from other systems which included punc-

tuation in names that needed to be removed. There have been inconsistencies on subdivision names that had to be updated in order to keep our searching processes uniform. And we've had data that had to be duplicated in legacy systems that could be collapsed in newer systems, which makes the search results much easier to read."

## Create a Distinct List of Index Fields

Creating a distinct list of the important index fields is an effective way to start assessing the data. The title company should see how many variations it has for book and instrument types, additions, and cities. Many times a script or report can be generated to check for missing documents within an instrument number or book and page range. It should be determined if the name fields consistently follow the rules or specifications of the software. If the last name is first and the first name is last,

is that consistent within the database? Also, in some cases, obvious misspellings can be caught when a list is created and alphabetized. If the plant has the document images attached, it should be possible to see if any images are missing.

Les Covington, senior vice president of PropertyInfo Corporation's Title Plant Software & ePublishing Division in Hardy, Arkansas, has worked on numerous conversions and understands the difficulties that can arise.

"First, fix the problem on a go-forward basis. Next, develop a game plan for correcting the back data. The largest problem with doing this is finding someone to dedicate the time to the process who knows the plant."

If the software has a land-validation feature (as in the ability to compare a keyed legal description against a base file), this feature should be utilized. A validation file alone can be a big factor in maintaining consistent legal description indexing, but make sure it also meets the current keying standards. Also, comparing the validation file to the keyed entries a second time is a good idea. Even though the keyed documents were originally checked against the validation file, rechecking might expose problems. Possibly there is, or was, a user with edit rights who wasn't being monitored by validation.

## Break the Processes Down Into Small, Achievable Parts

Does the title company have time in their schedule to perform a proper database cleanup? With today's smaller staffs, it would be easy to say they don't.

But how much time will be saved in the long run – especially when the real estate market improves? A perfected title plant will search much more quickly and accurately.

“Depending on the extent of the work needing to be done, break the processes down into small achievable parts that can be done in a short duration so as not to overwhelm the staff involved,” added Covington. “Also, it helps to show the staff the benefits of the work being done.”

Changes should not be made in a vacuum. All ideas for improvements should be brought to the very people they will benefit most -- the researcher. Keep in mind that some people get set in their ways and may not see the benefit of ‘cleaning’ the data, but their input is still very valuable.

“Most of the modifications were requested by the staff so they would not have to make changes to individual indexes,” said Bowman. “It saved them a great deal of time, so they were very excited about the changes that were made.

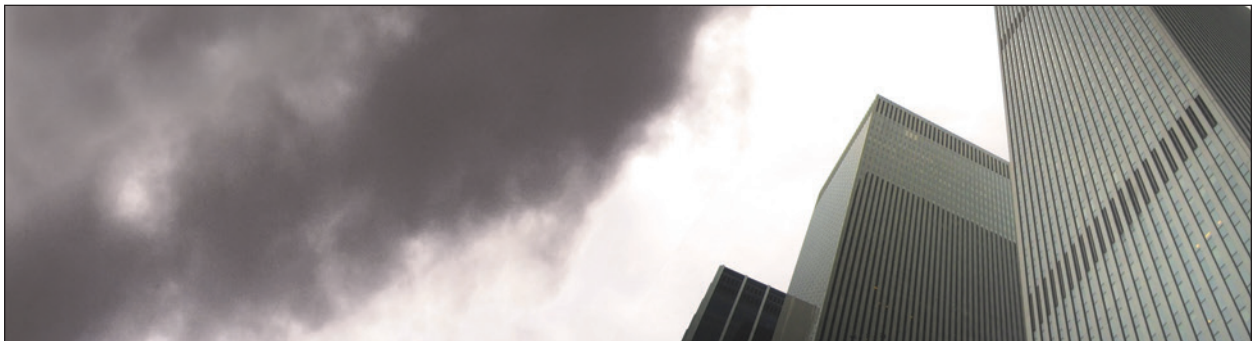
Lupita Castillo, MIS Manager for Edwards Abstract and Title Company in Edinburg, Texas, agreed with Bowman saying that the Edwards “employees were looking forward to the outcome of the changes and cutting down time on searches.”

### Determine Who Will Do the Work

The first decision should be who will do the work. Will the title company do all of the work manually, or can changes be made at the database level? Naturally, this will depend on the software the title

company is using, but in many cases mass changes can be made within the database. Plant software that uses SQL, Access, Oracle, and the like has the ability to create lists of information, find holes in recording numbers, and make the changes necessary to improve the plant. Small or delicate changes should be made manually where a user can visually see what is being changed.

Manual edits can be made by users within the software. Typically, plant administrators are not qualified or trained to run scripts against the database. In these cases, it’s best to look to the software company’s support department for guidance. It is certainly possible to find a third party who can assist with the changes, but the software company will know the structure of the database



## Would Your Business Be Able To Weather A Bank Failure?

Over the past 20 years, hundreds of U.S. financial institutions have failed. Since 1984, LACE Financial has specialized in providing clients with unbiased credit ratings for approximately 19,000 institutions and has consistently given ample warning time (approximately 13 months) to investors.

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and be better suited to help with these changes.

“You must have a thorough understanding of the data structure to make sure you are updating all the necessary information needed to interact with the program,” says Bowman. “If you don’t know, or if you have any hesitancy, work with someone or outsource to someone who knows what they are doing.”

### Be Sure You Have Back End Support

It should be noted that, in most cases, back end support is not covered under a support agreement and a fee could be charged. Castillo reported that her staff did 80 percent of the work either directly through the software or by providing help to back end support.

“Teamwork and back end support are the key to a successful plant,” said Castillo.

Not all software databases have the ability to make back end changes, but most systems will have an edit feature built into the software, which is usually one record at a time. If this is all the user has to make edits, the task can still be completed. As with keying the daily records, having someone verify the edits is a good idea. Sometimes the software provider will build a mass edit tool into their software for just this situation. Ask the software support department if you are not sure. Otherwise, it might be time to look for new software that gives

the title company more ownership over their database.

If the title company keeps its data in a remote location, like an Application Service Provider (ASP), or has partnered with other title companies to create a joint plant, getting to the data through the back end may be restricted. Most ASP companies can provide help in accessing the database, and joint plants usually have someone managing the plant that can help as well. The title company has some ownership in a joint plant and should inquire about its condition.

### Determine the Merit of Performing a Major Update

A title company may decide that the current condition of the plant is acceptable, even with some issues. They may feel that performing a few extra searches to compensate would be better than performing a major update, and that their plant is usable in its current condition.

“Usable in the sense that you can find what you need in order to produce the needed title product – yes,” says Bowman. “Usable in the sense that you can find what you need in a timely fashion, so that the revenue from the title product ends up being less than the expense needed to produce it— no.”

Castillo says, “The software, without these changes, would not be used to its full potential.”

The goal is to make sure the title company has all of the data it needs, and to make sure it can be found when it is needed.

### Back Up the Data

Cleaning up the title plant is not the only thing that should be reviewed on a scheduled basis. Are the database and images backed up on a nightly basis and taken off-site for safekeep-

ing? Has the backup been tested to see if it will restore properly? Are all of the maintenance procedures suggested by the software company being followed?

Bowman says “Before you make changes to the data, no matter how small you may think the change is, be absolutely sure you have a good backup. It has been a lifesaver for me more than once.”

### Conclusion

Creating detailed procedures for keying and processing of the data can help limit problems in the future. Putting more eyes on the data during the keying process will uncover more issues before being lost in the database. Here, a two-step process is recommended—having one person key the plant while a second person verifies it. The title company might consider hiring a service bureau to key their plant. These companies, or at least the good ones, are designed to create reliable indexing procedures. It’s important to choose a company that asks a lot of questions up front about the needs of your data, and to verify that their work is still a necessary task.

The responsibility of a properly indexed plant always lies with the title company. Each title company should plan scheduled maintenance on a yearly basis, if not more often. Just like that dreadful spring cleaning – you may not look forward to it, but you’ll definitely feel better when you’re done.



**Mitchell Sparks** is product manager of development and support for the Title Plant Software & ePublishing Division of PropertyInfo

Corporation, a Stewart company that develops, sells, deploys, and supports Stewart title production technologies for independent title agencies and affiliates.

# > member news

## Inducted

### Kentucky Cabinet for Economic Development Inducts Pendleton DataFarm LLC into the Pacesetter Business Recognition Program

Pendleton DataFarm LLC, the parent company of ALTA member company DRN Title Search, was inducted July 31, 2008, into the Pacesetter Business Recognition Program by the Kentucky Cabinet for Economic Development. The Cabinet, which recognizes small businesses that have made a significant impact in their community and in the region, recognized DataFarm for its community service and entrepreneurial leadership.

"Pendleton DataFarm's rich history of product innovation and the employment opportunities they provide to the citizens

of Pendleton County prove they are a successful business that others aspire to emulate," said Becky Naugle, Ph.D., State Director, Kentucky Small Business Development Center. "It is an honor that a business of this caliber chooses to do business in Kentucky."

The Pacesetter Business Recognition program is a joint effort by the Kentucky Cabinet for Economic Development, the Kentucky Small Business Development Center, the U.S. Small Business Administration, and the Federal Reserve Bank of St. Louis – Louisville Branch.



## Decision

### Benchmark Escrow and Title Agency Selects TSS Software Corporation's TitleExpress



Maryland-based TSS Software announced that the company's TitleExpress system was selected by Ohio-based Benchmark Escrow and Title Agency. TitleExpress, developed by title professionals, fully integrates the title and settlement process, including data entry, HUD-1 preparation, document preparation, check writing, escrow account reconciliation, and management reporting.

In a survey of independent title agents conducted by October Research comparing the four leading national software brands, TitleExpress received the highest ratings in overall customer satisfaction, ease of learning and use, value for the money, quality and availability of technical support, and the ability to deliver products in an increasingly electronic environment.

## Kudos

### SoftPro Wins Stevie® Award at 6th Annual American Business Awards™ Ceremony



SoftPro, a division of Lender Processing Services, for the second year in a row has won a Stevie Award for Best Customer Service Organization in the Computer Software Category. The awards ceremony was held June 12 at the Marriott Marquis Hotel in New York City.

The Stevie awards were created to honor and recognize outstanding achievements and positive contributions of organizations and business people worldwide.

SoftPro, headquartered in Raleigh, NC, is a leading provider of integrated technology and services to the mortgage industry, with more than 12,000 customer sites and 60,000 users nationwide.

## Have Member News?

*If you are a member of the American Land Title Association and have news you would like to share with other members, please let us know by sending your news item to [ssullivan@alta.org](mailto:ssullivan@alta.org)*

## New Members

### CONNECTICUT

Michael V. Lanese  
**M & M Title**  
*Woodbridge*

### FLORIDA

Candiss N. Walek  
**Signature Title Associates, LLC**  
*Trinity*  
Pilar Vidal  
**Top Title Services, LLC**  
*South Miami*

### GEORGIA

John H. Coleman  
*Atlanta*  
Ernie S. Perez  
**E.S.P. Title, Inc.**  
*Atlanta*  
S. Lynn Sassano  
**Southeast Georgia Real Estate**  
*Vidalia*  
Joseph G. Wall  
*Mcdonough*

### ILLINOIS

Bill Andrews  
**National Builder and Bancorp Title, LLC**  
*Chicago*  
Teresa McHugh  
**Precision Land Research**  
*Alton*

### INDIANA

Heidi Pierson  
**Quality Abstracting Inc.**  
*Brownsburg*  
Jerry Wolf  
**Quantum Title Research, Inc.**  
*South Bend*  
Rebecca Garner  
**Rush County Abstract LLC**  
*Rushville*

### KANSAS

Hank Kipp  
**Kipp Title Insurance Agency**  
*lola*

### KENTUCKY

Nancy Wilson  
**Wilson's Title Services**  
*Westview*

### LOUISIANA

Christian Junkin  
**ArkLaTex Abstract**  
*Bossier City*  
Melissa Craig  
**Craig Title LLC**  
*Pineville*

### MARYLAND

Ralph L. Davis, Jr.  
**Davis Abstracts**  
*Dunkirk*  
Joseph A. Warth  
**Harbour Title Services**  
*Ocean City*

### MASSACHUSETTS

David Cheimets  
**Cheimets & Tichnor**  
*Cambridge*

### MICHIGAN

Jill Cadwell  
**Talon Title Agency, LLC**  
*Petoskey*

### NEW HAMPSHIRE

Kimberly T. Burnham  
**Exclusive Title & Closing Services, LLC**  
*Danville*

### NEW JERSEY

Bruce Dostal  
**Benevolent Title Services, LLC**  
*Parsippany*  
Stephanie Lafferty  
**Search Facts Company**  
*Mays Landing*

### NEW MEXICO

Janet M. Gray  
**Fort Sumner Land & Title LLC**  
*Fort Sumner*

### NEW YORK

Ross Ivry  
**Expert Abstract, Inc.**  
*Brooklyn*

### NORTH CAROLINA

Eric August  
**America's Title Insurance Agency, Inc.**  
*Raleigh*  
Wendy B. Butler, Paralegal  
*Jamestown*

### OHIO

Michael F. Waiwood  
**EnTitle Insurance Company**  
*Independence*  
Keith G. Mains  
*Columbus*  
Amanda L. Rumfield-Sollars  
*Frankfort*

### PENNSYLVANIA

Nancy D. Ceglia  
**Grapevine Settlement Services, Inc.**  
*Shawnee On Delaware*

### TENNESSEE

Darlene M. Roberts  
*Cookeville*

### VIRGINIA

Luanna Lestyk  
**April Moon, LLC**  
*Powhatan*  
Sharon Lynn Cousins  
*Glen Allen*  
Nita Eakin  
**Grant Avenue Title Insurance Agency, Inc.**  
*Manassas*  
Andrew C. Edwards  
**Insight Settlement Services**  
*Virginia Beach*  
Greg Bloom  
**Latreia Solutions**  
*Roanoke*  
Greg Pedersen  
**Myriad Title, LLC**  
*Williamsburg*  
Sherry L. Hurst  
**Optimum Title Ltd.**  
*Suffolk*  
Jamie Stuples  
**Peninsula Settlement Services, LLC**  
*Newport News*

# > member news

## VIRGINIA CONT.

**Cynthia B. Shelton**  
*Draper*  
 Tiffani Tillman  
**Title Alliance of Richmond, LLC**  
*Richmond*  
 Harry Rithman  
**Title Search Services of Virginia, Inc.**  
*Richmond*

## WISCONSIN

Lydia A. Heider  
**Compass Title, LLC**  
*Waukesha*  
 Currie J. Dolata  
**Searching Solutions, LLC**  
*Oconto*

## Associate Members

### CALIFORNIA

**Jeffrey Bates**  
*Pasadena*

### GEORGIA

**Annette McBrayer**  
*Atlanta*

### HAWAII

Jade L. Ching, Esq.  
**Alston Hunt Floyd & Ing**  
*Honolulu, HI*

### ILLINOIS

**Ted A. Meyers**  
*Geneva*

### SOUTH DAKOTA

**Thomas W. Clayton**  
*Sioux Falls*

## Retraction

We wish to retract an incorrect New Member listing in the June/July issue:

### NEW YORK

Rob Arnold  
**4 Hour Abstract, Inc**  
*Syracuse*

*This should have read:*

### NEW YORK

**Erin Carraway**  
**4 Hour Abstract, Inc**  
*Syracuse*

## Marketplace

Situations wanted or help wanted ads are \$80 for the first 50 words, \$1 for each additional word, 130 words maximum. Insertion rate drops to \$70 for first 50 words for three or more consecutive placements. For sale or wanted to buy ads are \$250 for 50 words, \$1 for each additional word, 130 words maximum. Insertion rate drops to \$225 for 50 words for three or more consecutive placements. Placing a box around an ad costs an extra \$20 for help wanted or situations wanted, \$50 for sale or wanted to buy. Blind-box service available upon request.

To place a classified ad in Marketplace, send ad copy and check made payable to ALTA to:

**Title News Marketplace**  
 ALTA, 1828 L Street, N.W., Suite 705,  
 Washington, DC 20036.

## Title News Advertisers

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Closing.com— <a href="http://www.closing.com">www.closing.com</a> . . . . .	Cover 4
Fidelity National Title Group— <a href="http://www.fntg.com">www.fntg.com</a> . . . . .	27
First American Title Insurance Company— <a href="http://www.firstam.com">www.firstam.com</a> . . . . .	22
First American SMS— <a href="http://www.payoffassist.com">www.payoffassist.com</a> . . . . .	16
Lace Financial— <a href="http://www.lacefinancial.com">www.lacefinancial.com</a> . . . . .	40
LandAmerica (Right Minds)— <a href="http://www.landam.com">www.landam.com</a> . . . . .	19 & 37
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