January 2017

TitleNews

Official Publication of the
American Land Title Association

2017 Market Forecast: Steady With a Chance of Meatballs?

Rising Rates, Millennials, Technology, Trump Administration Will All Influence Origination Volume, Home Sales

contents

TitleNews • Volume 96, Number 1

Features

Departments

calendar

2017 ALTA CONFERENCES

February 21-22	Innovation Boot *Camp Denver, CO*
March 8-10	ALTA SPRINGBOARD *Fort Worth, TX*
May 8-10	ALTA Advocacy Summit *Washington, DC*
June 20-21	Innovation Boot Camp *Nashville, TN*
August 23-24	Innovation Boot Camp *Baltimore, MD*
October 10-13	ALTA ONE *Miami, FL*

STATE CONFERENCES

April 6-7	Tennessee *Nashville, TN*

TitleNews

PUBLISHER
Michelle L. Korsmo

EDITOR IN CHIEF
Jeremy Yohe

DIRECTOR OF DIGITAL AND PRINT MEDIA
Shawn Sullivan

TitleNews is published monthly by the American Land Title Association. United States and Canadian subscription rates are $100 a year for members and $300 a year for nonmembers. For subscription information, call 800-787-ALTA.

Send address changes to *TitleNews*, American Land Title Association, 1800 M Street, Suite 300 S, Washington, D.C. 20036-5828.

Anyone is invited to contribute articles, reports, and photographs concerning issues of the title industry. The Association, however, reserves the right to edit all material submitted. Editorials and articles are not statements of Association policy and do not necessarily reflect the opinions of the editor or the Association.

AMERICAN LAND TITLE ASSOCIATION

Members Call Toll Free: 800-787-ALTA • Members Fax Toll Free: 888-FAX-ALTA
Visit ALTA Home Page: www.alta.org • Email Feedback to: service@alta.org

ALTA Membership Is Your Path Forward

Think about this: *The Atlantic* magazine recently ran the results of its third-annual Silicon Valley Insiders Poll, titled "The View from the Valley," which garnered insight from 50 tech execs, innovators and thinkers. One of the most interesting answers was in response to the question, "Which company will be the first to bring a fully driverless car to market?" Nearly two-thirds of respondents said Tesla, 13 percent said Google, and 6 percent each picked Mercedes-Benz and Uber. The top choice isn't just a car company. It's a technological and energy powerhouse wrapped in metal. Just as digital photography swallowed Kodak, smartphones appear to be the future of photography.

This same thinking can be applied to our industry. It's about getting out of our comfort zone, our own self-interests and our own business models. It's about truly thinking about what the customer wants. Innovation can help our industry provide better service to home buyers and sellers, and improve workplaces for our members. Innovation also creates opportunities for disruption in business and threats to the security of operations. ALTA is your forum to discover innovative ideas and trends in order to help ensure your business is protected and that you have the very best opportunity to succeed during this dynamic business and regulatory environment. I hope you enjoy this edition's cover article, as we provide a market forecast and look at how technology is driving change.

Thank you for being an ALTA member. Your membership is an investment in knowledge, your career and your industry. Your membership helps strengthen the industry's future and gives you access to an array of resources to help your company differentiate itself and compete in the market. You are also served by a dedicated team at ALTA—people who want to make sure you get the most out of your membership.

We look forward to providing you with the tools, educational resources and networking opportunities to help you achieve your business goals and objectives over the next year. Your membership is important to us. As an industry united as one, we will continue to do great things.

— - Michelle Korsmo, ALTA chief executive officer

CFPB Listens to ALTA, Highlights 'Beneficial' Practices for Compliance Management Systems

Heeding the advice of ALTA, the Consumer Financial Protection Bureau (CFPB) for the first time highlighted what it views to be beneficial practices that compliance management systems (CMS) should include. Previous editions of the Supervisory Highlights focused only on CMS deficiencies.

When examining for compliance with the TILA-RESPA Integrated Disclosures (TRID) rule, the CFPB reported that one or more institutions' overall CMS were "strong for the size, risk profile, and operational complexity of their mortgage origination business."

In a letter to the CFPB, ALTA asked the bureau to modify its Supervision and Examination Manual to include the same requirements entities use in assessing internal processes. The letter said the manual should be modified to include the following statement:

The compliance management program for service providers is tailored to the size, nature, and complexity of the service provider, and the number of consumers who may be directly impacted.

Other CMS strengths noted by the CFPB included:

- *Board and management took an active role in reviewing and approving policies and procedures.*
- *The program addressed compliance with applicable federal consumer financial laws.*
- *Training was tailored to the institutions' job functions and was updated and delivered annually.*
- *The monitoring function adapted to changes and took corrective action to address deficiencies.*
- *Institutions had policies and procedures that established clear expectations for timely handling and resolution of complaints and analyzed their root causes.*
- *Audit programs that were comprehensive and independent of the compliance program and business functions.*

Take Our TitleNews Survey

In 2017, we will start the process to redesign ALTA's monthly publication, TitleNews. We'd like your feedback to help guide us. Please take a short survey and let us know what you think of the magazine: *www.surveymonkey.com/r/titlenews*.

Q3 2016 Title Premium Volume Up 7 Percent

ALTA reported title insurance premium volume increased 7.4 percent during the third quarter of 2016 when compared to the same period a year ago.

The title insurance industry generated $3.88 billion in title insurance premiums during the third quarter of 2016 compared to $3.61 billion during the third quarter of 2015, according to ALTA's Market Share Analysis.

On a state-by-state basis, 41 states, plus the District of Columbia, showed written premiums increasing from during the latest quarter compared to the same period a year ago.

Family Market Share

- *Fidelity, 32.7%*
- *First American, 26.6%*
- *Old Republic Family, 14.6%*
- *Stewart Family, 11.4%*
- *Independent Companies, 14.7%*

See page 19 for a chart of market share by company. For more stats, go to *www.alta.org/industry-research*.

Register for In-person HOP Leader Training and Use New Strategies to Gain Marketshare

Want to do the one thing that will separate you from the competitor down the street? Register for one daylong in-person training and become an ALTA Homebuyer Outreach Program (HOP) Leader.

Four regional trainings are available:

- *Austin, TX, Jan. 17*
- Las Vegas, NV, Jan. 26
- Miami, FL, Feb. 9
- Wash., D.C., Feb. 16

For more information, go to *meetings.alta.org/hop*.

ALTA Publishes Technical Corrections to Existing Forms

ALTA's Title Insurance Forms Committee has published several technical corrections to existing forms. These changes went into effect Dec. 1. The forms may be downloaded from the ALTA website at www.alta.org/policy-forms.

Here's a list of the corrections:

ALTA Endorsement 4-06: *The name of ALTA Endorsement 4-06 (Condominium) was updated from "Condominium" to "Condominium – Assessments Priority" for clarity. An optional [DATE] was added to the witness clause.*

ALTA Endorsement 4.1-06: *The name of ALTA Endorsement 4.1-06 (Condominium) was updated from "Condominium" to "Condominium – Current Assessments" for clarity. An optional [DATE] was added to the witness clause.*

ALTA Endorsement 5-06: *The name of ALTA Endorsement 5-06 (Planned Unit Development) was updated from "Planned Unit Development" to "Planned Unit Development – Assessments Priority" for clarity. An optional [DATE] was added to the witness clause.*

ALTA Endorsement 5.1-06: *The name of ALTA Endorsement 5.1-06 (Planned Unit Development) was updated from "Planned Unit Development" to "Planned Unit Development – Current Assessments" for clarity. An optional [DATE] was added to the witness clause.*

ALTA Endorsement 18.1-06: *The name of ALTA Endorsement 18.1-06 (Multiple Tax Parcel) was updated from "Multiple Tax Parcel" to "Multiple Tax Parcel – Easements" for clarity. An optional [DATE] was added to the witness clause.*

ALTA Endorsement 28.3-06: *The name of ALTA Endorsement 28.3-06 (Encroachments—Boundaries and Easements—Described Improvements and Land Under Development) was updated from "Encroachments—Boundaries and Easements—Described Improvements and Land Under Development" to "Encroachments—Boundaries and Easements—Land Under Development" for clarity. Additional minor corrections were applied and an optional [DATE] was added to the witness clause.*

ALTA Joins Groups Commenting on New York's Proposed Cybersecurity Requirements

ALTA joined several trade associations and groups in sending letters to the New York Department of Financial Services (DFS) regarding proposed cybersecurity requirements for financial services companies.

In a 19-page letter to the DFS, ALTA and seven other groups wrote that the proposal should be complementary and consistent with existing cybersecurity requirements and embody a risk-based approach. The letter provided several suggested revisions to the proposed regulations.

ALTA encouraged the DFS to implement modifications that follow the National Institute of Standards and Technology's (NIST) Cybersecurity Framework, which has served as a model of collaboration between government and industry in developing a comprehensive risk-based cybersecurity framework widely used across financial firms and more broadly across other critical sectors.

The letter addresses several problem areas including the scope of the proposal; administrative controls; cybersecurity program, incident reporting, technical and certification requirements; and effective date and transition period. The letter says it's "impractical to comply" with the proposed effective date of Jan. 1, 2017. Even with the suggested modifications, many of the necessary changes will take over a year or multiple years to implement. The letter recommended extending the effective date to Jan. 1, 2018, and providing a transition period of a year beyond the effective date.

In a six-page letter, a diverse group of 13 insurance associations joined ALTA in sharing concerns with the DFS proposal. All of the groups support the goal of protecting customer information, but said that the most effective way to protect sensitive data and information technology systems is to employ cybersecurity frameworks that are risk-based, flexible and workable. The letter asked the DFS to provide a transition period of 180 days from the effective date of the proposal. Additionally, the letter asked for a period of two years after the effective date for companies to come into compliance.

Innovation Boot Camps: Register Now!

Registration is now open for all three of ALTA's Innovation Boot Camps. These regional Boot Camps combine our Social Media Summit, Agents & Abstracters Conference and Homebuyer Outreach Program Workshops into a new experience for the industry. The Boot Camps offer a day- and-a- half conference for networking and digital marketing and consumer education. Perfect for small businesses, ALTA's Innovation Boot Camps will leave you with a marketing plan to grow your business the minute you return to the office. These events offer more than nine hours of education and require only one night in a hotel making this event ALTA's most affordable meeting for small businesses. Learn more at *meetings.alta.org/bootcamp*.

Social Media Pro-Tip: Conduct a Yearly Social Audit

Are you devoting too much time and too many resources to Facebook? Are you engaging enough with your Twitter followers? Are your LinkedIn connections providing enough new leads? These are all questions that you should include in a yearly social audit. Each January, review all of your social media channels to determine which are communicating your message most effectively and which social channels are generating the most engagement from your audience. Don't be afraid to cut off your Twitter account or start a new conversation with your Facebook audience. With limited time and resources, it's important to ensure your efforts go to the most engaged and influential audience.

If you need help developing a social media audit, or have any questions, please email us at *social@alta.org*.

Have a Job Opening to Post?

Did you know that members of ALTA's LinkedIn group are able to post job openings to our group account? Our group of nearly 9,000 title professionals utilizes the page frequently to identify new job opportunities in their local market. Simply go to *www.linkedin.com* and search for "American Land Title Association – ALTA" and select the ALTA group. For help or more information, email *social@alta.org*.

United We Protect

ALTA's "United We Protect" t-shirts are available in the ALTA store at *www.alta.org*. With men's and women's sizes ranging from S-3XL, these t-shirts make a great staff gift or office giveaway. Shirts are available to ALTA members for $20 including shipping.

Become a Marketing Power

With nearly 70 marketing and education resources, the Homebuyer Guide is an exclusive ALTA member benefit that you can begin to utilize today. Each of the resources is available to download and customize to add your company logo, website and more. The resources include blog posts, social media content, training presentations, marketing documents, rack cards and much more.

For more information, visit *www.alta.org/homebuyer*. For printing needs and great discounts, use *www.ALTAprints.com*.


Instincts.
They are what have gotten you this far. They have helped you survive. They have helped you know where to be, how fast to move, and who to move with. Your instincts will help you know how to take advantage of what's next.
What are your instincts telling you now?
Trust your Instincts.
FIDELITY NATIONAL
TITLE GROUP®
With you...for what's next.
fntg.com/next

2017 Market Forecast: Steady With a Chance of Meatballs?

Rising Rates, Millennials, Technology, Trump Administration Will All Influence Origination Volume, Home Sales

Former U.S. general and President Dwight D. Eisenhower once said that in preparing for battle, he found plans to be useless, "but planning is indispensable." Former professional fighter—and part-time philosopher—Mike Tyson once uttered a quote laced with the same connotation. Asked what was going to happen before a fight to counter the other boxer's strengths, Tyson replied "Everybody has a plan until they get punched in the mouth.

While Tyson and Eisenhower will probably never be mentioned in the same leadership conversation, both thoughts share similar insight into the act of preparing. Whether the fight is over a military victory, a prizefighter's purse, or an increased market share, it's not the adversity itself that defines a person or company. It's the reaction that matters. >>

By Jeremy Yohe


Trum
Ho
Tech
Rates
?

"As much as people like certainty, it's important to remember that there is potential and opportunity in an environment that lacks certainty," said Michelle Korsmo, ALTA's chief executive officer. "It's hard to predict how the election of Donald Trump will impact the mortgage and housing industries, but ALTA has a unique opportunity during these next few months to affect change in the laws and regulations governing ALTA member companies."

In addition to any policy changes made by the Trump Administration, other key factors that will drive the 2017 market include slowly rising mortgage rates, Millennials coming into their main homebuying years, a trend toward federal government deregulation, labor shortages that could drive up costs of production and an economy that continues to plod along. We're currently in one of the longest-lasting business cycle recoveries in history. In fact, Morgan Stanley predicted that the U.S. economy could continue expanding until at least 2020. Meanwhile, the Congressional Budget Office projected the economy to continue growing for the next five years.

What's clear is that overall one- to four-family mortgage loan origination volume is predicted to fall more than 15 percent in 2017 (from $1.89 trillion to $1.57 trillion) compared to 2016. The culprit will be a significant decrease in refinancing due to rising mortgage interest rates. The MBA forecasted refis will fall 40 percent this year, decreasing from $901 million to $529 million and comprising 30 percent of all volume. Refis are projected to fall even more in 2018 ($410 million) and 2019 ($395 million.) Meanwhile, purchase origination volume is expected to increase 11 percent and crack the $1 trillion mark for the first time in 11 years.

The MBA lowered its origination volume for 2017 shortly after the Federal Reserve raised its benchmark interest rate for only the second time in a decade. While it was widely expected that the Federal Reserve would raise the federal funds interest rate, what raised eyebrows was that the Fed penciled in three more quarter-point hikes throughout 2017. Lawrence Yun, chief economist for the National Association of Realtors, agreed that the market should expect several additional rounds of increases over the next two years.

"The era of ultra-low interest rates is over," Yun added. "[The] short-term rate hike will be followed by several additional rounds of increases in 2017 and 2018. Despite these moves, mortgage rates will not rise alarmingly. By this time next year, expect the 30-year fixed rate to likely be in the 4.5 percent to 5 percent range."

Loan Limits Rise in 2017

While the Fed made waves with the rate increase, Fannie Mae, Freddie Mac and the FHA raised the dollar limit on loans they will purchase for the first time in 10 years. Collectively, they support roughly 95 percent of the current mortgage market.

In January, the GSE's conventional loan limits increased $7,000, to just over $424,000. In high-cost areas such as New York City and San Francisco, the limit increased to just over $686,000. After Congress set a baseline in 2008, the GSE loan limits are adjusted each year based on housing prices. In November, the FHFA announced that its third-quarter 2016 House Price Index (HPI) showed average home prices are now above the previous high point in 2007.

The FHA's national loan limit "ceiling" increased to $636,150 from $625,500, while its "floor" increased to $275,665 from $271,050. The FHA's minimum is set at 65 percent of the national conforming loan limit. The increased loan limits will help ensure that mortgage markets are able to continue to meet demand in 2017.

In a report in November, Black Knight Financial Services said that raising the conforming loan limit by $10,000 could result in a 1 percent increase in originations, equating to approximately 40,000 new loans and $20 billion in new loan balances. Meanwhile, Kroll Bond Rating Agency (KBRA) is not as optimistic that the increase in conforming loan limits will boost mortgage lending volume.

"Indeed, while 2016 has been an excellent year for the U.S. mortgage industry with almost $2 trillion in new loan originations, we believe that this year is also likely to be the peak in terms of lending volumes for years to come," KBRA reported, citing three key considerations to justify its pessimism:

1. The change in the conforming loan limit is insignificant compared with the double-digit home price appreciation seen over the past decade, especially in high priced markets such as East and West coasts and South Florida. Affordability is an issue in all of these markets.
2. The impact of rising interest rates and widening credit spreads is a far larger negative influence on prospective mortgage origination volumes than the relatively small increase in the conforming loan limit. Mortgage lending volume

is about interest rates first and foremost.

3. The negative regulatory environment and low (or zero) risk adjusted returns in the residential mortgage sector will likely encourage the continued exodus of insured depository institutions from the one to four family loan market, reducing overall mortgage lending capacity.

KBRA also reported that it believes 2016 will likely be the peak year for mortgage originations for "years to come," as a fall in origination volume will occur in 2017 and beyond.

"While 2016 has been an excellent year for the U.S. mortgage industry with almost $2 trillion in new loan originations, we believe that this year is also likely to be the peak in terms of lending volumes for years to come," KBRA stated.

Jonathan Smoke, chief economist for Realtor.com, characterizes market expectations for 2017 as a "moderation" as opposed to a slowdown. With home values reverting to pre-crash prices and mortgage rates inching up, many first-time buyers may be priced out of the market.

Although increasing interest rates have dampened expectations for the Millennial homebuyer marketshare, Smoke still predicts this segment to comprise a third of the buyer pool. In addition, Baby Boomers are expected to make up 30 percent of buyers in 2017. Smoke said this group tends to be less dependent on financing and more successful in closing a greater percentage of transactions.

Looking at price appreciation, national home prices are forecast to slow to 3.9 percent growth year over year, from an estimated 4.9 percent in 2016. Smoke added that

Digital TitleNews Extra: TitleTopics Webinar

Has the Game Changed? 2017 Housing Market Forecast and Homebuyer Trends

Market Forecast Highlights

Here's a look at some projections from the Mortgage Bankers Association:

$1.09 trillion
The MBA projects that home purchase originations will increase again in 2017, building on an estimated 10 percent increase in 2016.

$479 billion
The MBA adjusted its forecast downward as rates have moved higher, forcing a more rapid decrease in an already slow refinance market.

1.27 million
Housing starts are forecasted to rise over the next couple of years, hitting 1.27 million in 2017, 1.36 million in 2018 and 1.28 million in 2019.

5.704 million
The number of existing home sales is expected to rise in 2017, up from 5.414 million in 2016.

647,000
The number of new home sales is projected to be higher in 2017, up from 583,000 in 2016, increasing to 695,000 in 2018 & to 725,000 in 2019.

4.2%
The 30-year fixed rate is forecast to rise to 4.2 percent in 2016, and then steadily rise to 4.6 percent in 2018 and 5.3 percent in 2019.

1.375%
Projection for the federal funds rate by the end of 2017, with an upward trajectory of 2.375 percent in 2017 and 3.375 percent in 2019.

2.0%
The U.S. real gross domestic product is forecast to increase from 1.8 percent to 2.0 percent in 2017 before falling slightly to 1.9 percent in 2018 and to 1.7 percent in 2019.

of the top 100 largest metros in the country, 26 markets are expected to see price acceleration of 1 percentage point or more. Western metros will continue to lead the nation in prices and sales, according to Smoke. He said this region is expected to see a price increase of 5.8 percent and sales increase of 4.7 percent. Conditions limiting supply will carry over into 2017, however. Currently, homes are only on the market an average of 68 days in the top 100 metros.

Millennial Movement

Despite overall affordability issues, markets able to offer buyers new construction at affordable prices will take center stage in 2017, since many first-time homebuyers have been priced out of the starter-home market in more expensive metros. Redfin analysts expect cities like Raleigh, N.C, Austin, Texas and North Port, Fla.—which lead the country in the number of new residential building permits per 1,000 people—to lead this trend.

While the financial picture may look grim for younger homebuyers, Smoke believes affordable cities in the Midwest remain viable options for Millennials.

"We believe Midwestern cities will continue to beat the national average in terms of their proportion of millennial home buyers in 2017," said Smoke, adding that Madison, Wis., Columbus, Ohio, Omaha, Neb., Des Moines, Iowa and Minneapolis are leading the pack. "We're also seeing large numbers of Millennials buying in Midwestern markets with or near big universities. So part of this is an effect of recent graduates with good jobs being able to settle down in these more affordable markets."

Trulia, however, reported that Millennials have lost some enthusiasm when it comes to homeownership. According to a survey, Millennials' dream of homeownership has fallen more than any other age group, dipping to 72 percent this year from 80 percent last year. Though 83 percent say they plan on buying a home someday, 72 percent say they won't do so until at least the end of 2018.

Commercial, Multifamily

In the commercial and multifamily mortgage space, the MBA predicted originations could reach $537 billion in 2017, up by 4 percent from expected 2016 volumes.

The MBA Commercial/Multifamily Real Estate Finance Forecast calls for mortgage banker multifamily originations to reach $224 billion in 2017. Originations for commercial real estate are forecast to reach $265 billion.

"Commercial real estate markets are carrying a great deal of momentum as they close out 2016," said MBA Vice President of Commercial Real Estate Research Jamie Woodwell. "Strong property fundamentals, increasing property values and sturdy sales activity—particularly among multifamily properties—are driving borrowing and lending to record levels."

Uncertain Times

Depending on the President-elect Trump's policy priorities, the 2017 forecast faces upside and downside risks. As an example, Fannie Mae Chief Economist Doug Duncan expects that any tax cuts and spending increases would result in near-term growth. However, if new policies result in higher tariffs on China and Mexico, rethinking the Trans-Pacific Partnership, and renegotiating the North American Free Trade Agreement, it would likely drag on growth, he added.

"We haven't changed the general tone of our forecast at this time, but we will incorporate new policy assumptions as they become more concrete," Duncan said.

Mark Fleming, chief economist for First American, believes the "Trump Bump" and the Fed rate increase will impact many areas of the economy, including the housing market. Highlighting his case, Fleming pointed to the "taper tantrum" that occurred after Fed Chairman Ben Bernanke announced a plan in May 2013 to reduce asset purchases. The shift in policy drove the average 30-year fixed-rate mortgage rate up nearly a full point. Subsequently, existing-home sales fell by 10 percent between July 2013 and February 2014. The annualized pace of house price growth slowed from 10 percent to less than 5 percent by the end of 2014.

The combination of the post-election and Federal Reserve changes may have a similar impact, so the natural question to ask is 'what are these changes likely to mean for the housing market in 2017?'" Fleming said.

"In recent years, we have seen rate changes have a greater impact on house price appreciation than on the annualized rate of sales," Fleming added. "When rates go up, house price appreciation slows down. That's good news for potential first-time homebuyers. Even after the 'Trump Bump' and FOMC rate increase, 2017 will still be a good time to buy." ■

Technology Driving Change in Lender, Real Estate Business

Companies Must Adjust to Increased Demand for Digital Homebuying Process

Consumers' mobile experiences with leaders such as Amazon are reshaping their expectations in all aspects of their lives, including for their financial and mortgage activities.

According to a survey results released in December by Fannie Mae, demand for and usage of mobile mortgage products has almost doubled over the past 12 months. The survey covered 1,200 low- to moderate-income homebuyers who bought homes in the last year and have a mortgage guaranteed by Fannie Mae.

"This is a startlingly large increase reflecting the pervasive and growing use of mobile technology among consumers at all income levels," wrote Steve Deggendorf, director of market insights research for Fannie Mae. "Although this research focused on low- and moderate-income homebuyers, our prior research suggests the results would be even larger for mobile usage and interest among higher-income consumers."

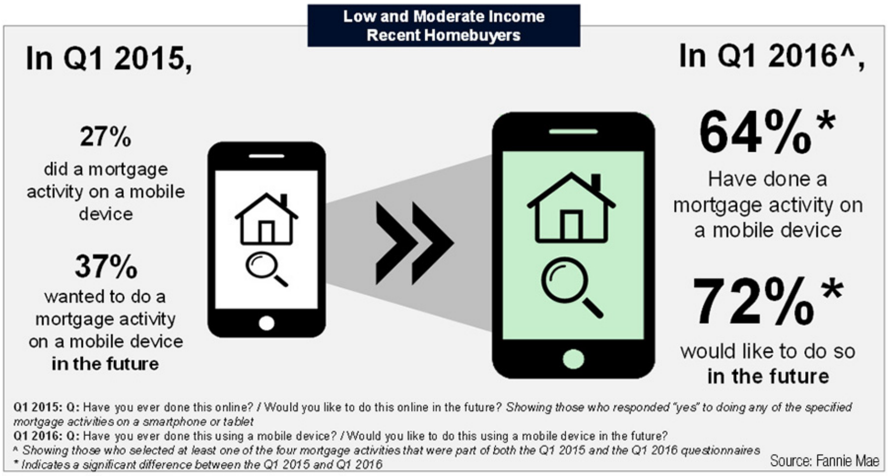
The survey suggested that interest in mobile mortgage products will only increase among consumers in the coming year, particularly among first-time buyers and younger consumers with a college education. Fannie Mae's Mortgage Lender Sentiment Survey, covering the third quarter of 2016, noted the growing number of lenders that were making mobile apps part of the process. Additionally, Deggendorf said there is significant opportunity to meet consumer demand beyond using mobile devices to research homes for sale.

"Though some lenders have begun building out the mobile experience for consumers, all lenders should evolve their online and mobile capabilities to address the rapidly changing consumer demand as well as the potential for competitive shifts," Deggendorf wrote. "The potential for the competitive repositioning in the broader mortgage market value chain is high, maybe much higher than in many years, as next-generation technologies and providers focus on offering exciting mobile opportunities to improve the consumer experience through digitization and by removing inefficient manual processes."

Regulators have taken notice in how consumers and industry have embraced mobile technology. In December, the Office of the Comptroller of the Currency (OCC) announced it will start granting limited-purpose bank charters to financial technology (fintech) companies. In a speech, Comptroller of the Currency Thomas Curry said "consumers want better, faster, more accessible products and services, and they are willing to switch providers or use multiple providers to get what they want. These consumers expect to be able to transact basic banking and financial business anywhere, anytime, from the palm of their hands."

Fintech companies that obtain a limited-purpose bank charter will still have to comply with several regulatory requirements, including the Bank Secrecy Act and other anti-money-laundering provisions, as well as relevant consumer protection laws.

Concerns about usurping state regulation were quickly expressed by the New York State Department of Financial Services. In a statement, the department's superintendent said her state would not allow consumer protections to fall into the void and opposed "any effort to federalize what states have been doing for over a century."



"Any reliance on a federal fintech regulatory framework, such as the proposal contemplated by the OCC, would be irresponsible if it were to ignore the states' historical role and longstanding expertise in this arena," Maria Vullo said. "History has demonstrated that states, not the federal government, have the requisite knowledge and experience to effectively regulate nondepository financial service providers and guard against predatory and abusive practices.

Real Estate

In the real estate space, executives at Redfin have asserted that technology will play a role in speeding up the homebuying and selling processes as well. According to a report from the online real estate brokerage, the next generation of real estate technology will see innovation shift from online listings to hardware and real-world services that increase the efficiency of real estate transactions.

"More and more there are buyers who are comfortable with an online offer process that makes it easier and faster to close a deal," said Karen Krupsaw, senior vice president of real estate operations at Redfin. "There's a new mindset that the home purchase isn't the once or twice in a lifetime move it once was and the wide acceptance of technology makes online offer writing a reasonable and often preferred approach for buyers. People see it as more of a transaction. They want to get it done efficiently and move on."

As an example, Caliber Home Loans recently launched a digital mortgage process that allegedly can close a loan in 10 days or less. Called the "Ultimate Homebuying Experience," the company said the program takes nearly all of the mortgage process online, using various technological advancements to automate the process, from application all the way through closing.

Opendoor, another company with an online focus, plans to expand beyond the two markets where it's currently available thanks to a round of funding that reportedly values the company above $1 billion.

The company, which launched in 2014, is an online marketplace that buys homes direct from homeowners and currently operates in Phoenix and Dallas-Fort Worth. With this model, a homeowner seeking to sell a home can go to Opendoor, enter details about the property and get a near-instant price quote. If the seller accepts, Opendoor then allows the seller to close on the sale when they're ready, rather than on the timeline of the eventual buyer.

According to details provided by the company, it is currently handling $60 million in home volume each month and has served more 4,000 homeowners since it launched. The company said that it will use the $210 million in funding it has received to expand market share in flagship markets and to extend its service to 10 cities in 2017.

Despite more consumers flocking to websites to get help with the homebuying process, usage of real estate agents continues to grow, according to the 2016 homebuyer profile from the National Association of Realtors (NAR). The report showed that while 44 percent of recent buyers started the search process online, 88 percent purchased their home through a real estate agent. This percentage has grown steadily from 69 percent in 2001.

Jeremy Wacksman, chief marketing officer at Zillow, sees technology shifting the role of real estate agent from an information negotiator to a local market expert and service provider. Title companies also will need to adapt to the changing needs of their clients and consumers.

"Before, you spent a lot of time doing information gathering, and collecting, and response," he said. "The Internet really opened the doors. Agents are freed up to help get the deals done. But now they have to be agent, negotiator, price setter, and a community resource." ■

OLD REPUBLIC TITLE

Meet John.

Native Texan. Avid golfer. Natural storyteller. President of Old Republic Title Companies, Inc.

John is the first person to tell you that Old Republic Title's story is one of grit, determination and striving for perpetual success in the title insurance industry. It's a tale of protecting customers' property rights with solid underwriting and support for thousands of title agents who depend on us.

John also would tell you that people come first at Old Republic Title. In every real estate transaction we handle, we understand that homes, businesses and properties are just the beginning. It's our unwavering commitment to helping the people we serve – customers, agents, lenders, real estate professionals and neighbors in our communities – that makes ours a story worth telling... that's doing business the right way.

For more than a century, Old Republic Title has been doing business with integrity.

We make it easy for our title agents to succeed. Accessibility, underwriting prowess, unsurpassed financial strength, convenient resources and support. Visit **oldrepublictitle.com/rightway** to learn more!

Title Insurance | Real Estate and Mortgage Loan Settlement Services | National Commercial Title Services
Mortgage Servicing Solutions | Default Management Services | Real Estate Information Services
Real Estate Valuation Services | Flood Reports | Section 1031 Exchanges | Home Warranty | Notary Services
Relocation Services | Nationwide Commercial Due Diligence Services | Nationwide Commercial Survey Services
Timeshare/Fractional Interest Services | Residential Information Services

oldrepublictitle.com

OLD REPUBLIC INSURANCE GROUP

ALTA Sets 2017 Strategic Priorities

Association Dedicated to Helping Members Succeed for Long Term

The power shift in Washington, D.C., and the incoming Trump Administration could bring big changes to financial and housing policy. In addition, the market is experiencing a time of great change. To help ensure the title and settlement services industry is prepared, ALTA will focus on six strategic priorities in 2017 to help its members excel in a dynamic business and regulatory environment.

"ALTA exists to advocate on behalf of its members' and the industry's interests, provide education and information to its members, offer networking opportunities, and create and promote professional industry standards," said Michelle Korsmo, ALTA's chief executive officer. "The strategic priorities help inform our advocacy efforts, education programs, business tools, events and industry standards we create and maintain."

2017 Strategic Priorities

1. **Best Practices:**
   - Expand the understanding in the lending community of ALTA's "Title Insurance and Settlement Company Best Practices" as an industry standard for compliance management programs.
   - Promote the ALTA Registry as an industry utility to validate the identity of title insurance agents.
2. **Communicating With Homebuyers:**
   - Promote simple, clear communication directly with homebuyers who want and deserve information about title insurance and settlement services.
   - Promote innovative consumer education and a better online presence for title and settlement companies.
3. **Core Industry Values:**
   - Create a program for ALTA members that reflects the strength of the title and settlement industry through strong professional values. The tenets of the program are centered on understanding and complying with the laws and regulations governing the industry, educating and communicating with homebuyers about the benefits of our products and services, and encouraging strong, ethical corporate cultures.
4. Information Security:
   - Educate our members on security threats to the information and funds entrusted to their businesses in a cyber and physical environment.
   - Provide collaborative opportunities to engage and educate security professionals in the industry.
5. **Talent Focus & Business Basics:**
   - Increase skills of the current workforce and enhance knowledge about the business of title and settlement for ALTA members.
   - Promote this great profession to prospective employees to attract talent and build future leaders for our members and ALTA.
6. **TILA-RESPA Integrated Disclosures:**
   - Manage continued implementation of the TRID rule and the 2016 revisions with special attention to programs and policies that can ease collaboration and transparency for the consumer, such as uniform recording fees.

"Successful outcomes happen when people and organizations collaborate," said Dan Mennenoh ITP, NTP. "Your association is a forum to discover innovative ideas and trends in order to help our members ensure that their businesses are protected and that they have the very best opportunity to succeed for the long term." ■

market share data

2016 Third Quarter Market Share

	3rd Quarter Total Premiums Written - 2016	Market Share	3rd Quarter Total Premiums Written - 2015	Market Share
FIDELITY FAMILY				
Chicago Title Ins. Co.	550,081,949	14.2%	526,643,194	14.6%
Fidelity National Title Ins. Co.	499,714,213	12.9%	452,399,013	12.5%
Commonwealth Land Title Ins. Co.	176,999,644	4.6%	158,468,884	4.4%
National Title Ins. of NY.	21,335,141	0.6%	18,373,564	0.5%
Alamo Title Ins. Co.	20,635,147	0.5%	18,867,272	0.5%
TOTAL - FIDELITY FAMILY	1,268,766,094	32.7%	1,174,751,927	32.6%
FIRST AMERICAN FAMILY				
First American Title Ins. Co.	933,482,811	24.1%	888,896,928	24.6%
First Canadian Title Ins. Co.	37,732,714	1.0%	33,678,666	0.6%
First American Title Guaranty Co.	37,529,155	1.0%	20,122,319	0.6%
First American Title Ins. Co. of LA	10,951,693	0.3%	14,936,541	0.4%
TOTAL - FIRST AMERICAN FAMILY	1,031,263,349	26.6%	968,809,911	26.8%
OLD REPUBLIC FAMILY				
Old Republic National Title Ins. Co.	553,312,540	14.3%	528,234,874	14.6%
American Guaranty Title Ins. Co.	11,638,504	0.3%	8,529,726	0.2%
TOTAL - OLD REPUBLIC FAMILY	564,951,044	14.6%	543,215,760	15.1%
STEWART FAMILY				
Stewart Title Guaranty Co.	382,086,149	9.9%	376,759,306	10.4%
Stewart Title Ins. Co. of NY	56,603,611	1.5%	63,838,657	1.8%
TOTAL - STEWART FAMILY	443,144,381	11.4%	445,007,462	12.3%
FAMILY TOTALS	**3,308,124,868**	**85.3%**	**3,131,785,060**	**86.8%**
TOP INDEPENDENT COMPANIES				
Westcor Land Title Ins. Co.	133,527,999	3.4%	110,542,010	3.1%
Title Resources Guaranty Co.	92,324,174	2.4%	76,575,407	2.1%
WFG National Title Ins. Co.	90,185,071	2.3%	84,118,296	2.3%
North American Title Ins. Co.	63,844,211	1.6%	49,586,216	1.4%
Alliant National Title Ins. Co.	33,716,811	0.9%	26,155,505	0.7%
Investors Title Ins. Co.	29,409,054	0.8%	24,337,187	0.7%
Connecticut Attorneys Title Ins. Co.	24,917,883	0.6%	20,682,568	0.6%
First National Title Ins. Co.	20,663,349	0.5%	14,560,395	0.4%
Attorneys' Title Guaranty Fund of IL	18,812,917	0.5%	19,154,015	0.5%
Security Title Guarantee Corp. of Balt.	14,395,761	0.4%	10,992,459	0.3%
Land Title Ins. Corp. of CO	11,942,337	0.3%	8,103,967	0.2%
National Investors Title Ins. Co.	7,069,496	0.2%	6,466,706	0.2%
TOTAL - INDEPENDENT COMPANIES	568,644,241	14.7%	476,486,183	13.2%
TOTAL - ALL COMPANIES	3,876,769,109	100.0%	3,608,271,243	100.0%

Note: Individual numbers do not equal totals as not all underwriters are listed

Source: ALTA

Five Keys to Becoming a Savvy Shopper for Your Business Insurance

Tips Can Help Title Companies Obtain Best Coverage at Lowest Premiums

BY DEREK DIAZ AND ANDREW AGATI

In the title industry, any effort to follow "best practices" must include having adequate insurance for your business. That could take the form of errors-and-omissions coverage, a fidelity bond, crime protection, or cyber insurance.

But how do you actually achieve that best practice? Here are five things you can do to obtain the most insurance benefits for the lowest premiums.

Key No. 1: Know Your Risk

Before you know what (and how much) to buy, you first need to know the risks you face. Every day, title companies look for risk by searching and examining the public record. Apply that same "search and exam" mentality to your own business to uncover what risks you truly face, and what coverage you really need.

Stated another way, you have to do an internal risk assessment. And because risks and businesses change, that assessment has to be updated—preferably on an annual basis. This will coincide with the fact that these insurance policies generally have one-year terms and are renewed annually.

When conducting your internal risk assessment, remember to look at your operations exhaustively. For example, in a recent lawsuit, the restaurant chain P.F. Chang's had contracts that subjected it to potential credit card "assessments" if its customer information was hacked. When a data breach later occurred, and a million-dollar-plus assessment was levied, the company had no coverage. As the court noted, had P.F. Chang's "wanted coverage for this Assessment, it could have bargained for that coverage."

Key No. 2: Know the Issues

Although knowing your risks will give you a general idea of the coverage you need, you also need to know the issues. Those issues are common coverage issues, particularly under "standard form" policies, which oftentimes can be negotiated away.

Consider standard form E&O policies, which are written on a "claims-made-and-reported" basis. That means coverage exists only for claims that are both made against the insured and reported to the insurer during the policy period. The problem this presents is that, if one of your employees learns of a claim, but does not know about, or does not have responsibility for, your reporting obligations, coverage could be lost as the claim works its way to the person who knows to report. Even if a claim were reported a "day late"—one day after the policy expired—coverage would be forfeited.

However, some carriers will modify the reporting language to be based on the knowledge of a certain individual, like a risk manager. And still others might attach a monetary threshold to what needs to be reported—such as claims the risk manager determines will exceed a portion of what the company must pay before coverage begins its "retention." In this way, you will not lose coverage as a claim makes it way up the chain-of-command.

Key No. 3: Know the Market

Just as you have competitors, there is competition for your insurance business. You can use that to your advantage, both with respect to the price point and policy language. Given the need for annual renewals, every year you should develop a renewal strategy—whether it be reduced pricing, so-called coverage enhancements, or both.

Sometimes, insurers are less willing to negotiate on price or coverage, but that may not be the case for cyber policies, at least at the present time. Cyber-insurance policies are not yet standardized, and different carriers offer different terms. This presents an opportunity to shop the market as you negotiate for the most favorable cyber policy.

Key No. 4: Know the Policy

Although knowing the policy might seem obvious, in practice it is not. For example, significant errors impacting coverage are often made but not caught until it is too late. Insurers will first issue a quote, which only provides a general description of the coverage being provided.

If that is accepted and coverage is bound, a binder is then issued. The binder specifies the date the policy takes effect, triggering the date the premium is due (20-30 days out, for example). But the binder does not contain the policy terms. Rather, the actual policy is not typed up until after, and in many cases many months after, the binder is issued.

You will have the opportunity to review the final policy to make sure it is accurate, and that is the time to raise issues, not after a claim develops. If you wait until then, you will then have to try to explain away how you missed it during your review.

Really knowing your policy can also avoid what we call "generality" and "technicality" problems. The generality problem relates to relying on shorthand summaries of what the policies provide, as opposed to the actual terms of the policies themselves, to determine which insurers to put on notice of a claim. Each claim is unique and may trigger coverage under more than one policy. Or it may trigger coverage under a policy you would have never thought of.

Similarly, all policies have preconditions to coverage, such as timely notice, and they impose duties upon the insureds, such as the duty to cooperate.

One must know and understand those technicalities, and what must be done to meet them, so that coverage is not lost for an otherwise covered claim.

Key No. 5: Know to Respond to 'No'

The peace of mind you might get after making your purchase will be shattered when you have a claim that is denied. To be sure, some claims are legitimately denied, but there is also another, unfortunate reality. Legitimate claims are sometimes denied, and when that happens, you have to be willing to say "No" to "No."

This does not necessarily mean you will have to file a coverage lawsuit; many times a well-supported (and strongly worded) letter can cause the insurer to reverse course. ■

Andrew Agati and **Derek Diaz** are partners with the law firm Hahn, Loeser & Parks LLP. They presented on this topic in October 2016 at ALTA ONE in Scottsdale, Ariz. The information provided herein is not intended to serve as legal advice. Any views expressed herein are those of the authors only. Diaz and Agati can be reached at 216-621-0150, or by email at *ddiaz@hahnlaw.com* or *aagati@hahnlaw.com*.

How the Title Industry Can Manage Cybersecurity Risk

Companies Encouraged to Integrate Financial Industry Assessment Tool With Proven Risk-management Approach

BY DAN SCHROEDER AND ADAM KLEIN

Not so long ago, cybersecurity was something title agents and underwriters considered the domain of the big banks and other high-profile financial institutions. Today, the mortgage and settlement services industry—like virtually every other industry—is clearly under attack.

Phishing scams targeting homebuyers have become so commonplace that the Federal Trade Commission (FTC) issued a warning earlier this year. Ransomware, which locks up the computer systems necessary to execute the time-sensitive mortgage transactions, are causing damage to title agents' reputations—not to mention the reputations of the other entities involved in the transaction.

Perhaps most devastating for members of the title industry is wire transfer fraud. In the case of one California escrow firm, a series of fraudulent wire transfers to the tune of $1.1 million brought about the downfall of the company. Even if a title agent or escrow firm manages to survive such a cyber attack, the company is almost certain to be considered toxic by underwriters who would have to make those losses whole.

Mortgage lenders increasingly are being scrutinized for their vendor management practices, and they demand assurance from their title agents about how they are protecting the non-public personal information (NPI) that they store or access.

As a result of these emerging cyber risks, title agents have simple questions that demand simple, straightforward answers:

- How do we protect our business from cyber threats?
- What do we need to do to comply with financial industry regulations?
- How do we maintain our banking and underwriting relationships by providing the information these stakeholders need?

What About ALTA Best Practices Compliance?

ALTA Best Practices Pillar 3 calls for a comprehensive written privacy and security risk management program, as do federal and state laws such as the FTC's Privacy and Safeguards Rules.

But what exactly does such a risk management program look like and entail? Pillar 3 says that "the program must be appropriate to the Company's size and complexity, the nature and scope of Company's activities, and the sensitivity of the customer information Company handles." In addition, the program should evolve as the company's circumstances do.

So how does an organization—especially a company the size of the thousands of small title agencies—go about designing this "appropriate security risk management program?"

A Roadmap to Cyber-Risk Management

The good news is that cyber risk management does not have to be complex—and, in fact, there is a roadmap for addressing it. This roadmap consists of the following critical tenets:

1. Identify Digital Assets

Effective cyber risk management begins with understanding the relative value of the information that your business holds, and the business impact if those digital assets were compromised.

For title agents, those high-value digital assets are commonly regarded as:

- NPI on homebuyers and sellers
- banking credentials that provide access to escrow funds
- access to the company's network and applications that can be prevented through ransomware

Compromise of any of these (or other) digital assets can cause significant financial, reputational and operational damage to the title agent, the escrow insurance company, the mortgage lender and the borrower.

2. Understand the Threats and Resultant Risks

Once we understand what we are protecting (i.e., digital assets), we can assess the real threats and risks to those assets.

For example, some of the threats to the digital assets described above include wire transfer fraud and phishing scams. The inherent risks might include loss of escrow funds, being found in breach of a bank contract and potential class action lawsuits brought by individuals whose information was compromised.

Any assessment of threats and risks must be done within the context of the title agent's business model and industry. A model has been adopted by the financial industry to "help institutions identify their risks and determine their cybersecurity preparedness," which can be tailored for the title industry. In 2015, the Federal Financial Institutions Examination Council (FFIEC) released its Cybersecurity Assessment Tool (CAT), which consists of two parts:

- The Inherent Risk Profile helps management determine their exposure across a number of risk categories (for example, delivery channels and external threats) due to the organization's specific activities, services and products.
- The Cybersecurity Maturity portion is designed to help management measure the institution's level of cybersecurity preparedness, with levels ranging from baseline to innovative, within five domains (for example, cyber risk management and oversight, and cybersecurity controls).

The CAT model was designed to be specific to banks and is not a "plug-and-play" tool. However, using their discretion and their understanding of threats and risks to their business, title agents can use this model as a general guide to determine their inherent risk profile. That inherent risk profile, in turn, points to the type of risk management that is appropriate for the title agent and its banking and underwriting partners.

3. Develop and Implement Appropriate Security Program

As you can see in the chart above, the minimum bar that organizations of any inherent risk level should be prepared to demonstrate is the level of "evolving" controls. Some examples of these controls include a formal cybersecurity program that is based on technology and security industry standards or benchmarks; incorporation of cyber risk identification, measurement, mitigation, monitoring and reporting into that program; and an annual review of the program by an appropriate board committee.

If the nature of the threats and risks demand more stringent controls, title agents can use the CAT as a roadmap to determine the steps required to improve their organization's cybersecurity maturity and reduce its inherent risk profile.

4. Ongoing Monitoring and Reporting

The final piece of this security program involves regular monitoring and reporting to drive improvement and provide the peace of mind that title agents are doing the right things to protect their valuable information and systems.

The risk-management approach outlined in this article can be leveraged to strengthen and enhance the ALTA best practices certification program, as well as other forms of assurance reporting, such as the AICPA's SOC 2 reporting protocol.

Fulfill Banking Requirements, Protect the Business

Following the above roadmap and leveraging the FFIEC CAT, title agencies and their stakeholders are equipped to realistically assess the threats to their funds and NPI and appropriately manage those risks. Not only does this approach fulfill the intent behind Pillar 3, but it also meets or exceeds stringent banking vendor management requirements. ■


Dan Schroeder is partner-in-charge of information risk management and assurance services, and **Adam Klein** is client relationship executive with HA&W, which is a CPA firm providing services to the title industry.


You Time
...brought to you by RamQuest
They say it's all in the details. But, with a list of task assignments, due dates, dependencies, plus the need to track progress and analyze results, it's easy to lose yourself in those details.
RamQuest's Workflow ensures that none of the details get missed, reduces effort and brings consistency to the entire process. All this leaves you more time for...well, you.
Learn how RamQuest's Workflow takes care of the details during a free Webinar on February 15th.
Registration details at RamQuest.com/youtime
RQ
RamQuest
RamQuest.com | 800.542.5503

Pillar IV and the Compliance Mosaic: Compliance Concerns of Settlement Providers

Companies Must Understand Regulatory Terrain of Each Geographic Market They Operate

BY VINCENT G. DANZI

ALTA members understand the need to stay up-to-date on settlement services compliance. Our industry devotes great energy in pursuit of that goal. For various reasons, including the national crises generated by the "mortgage meltdown" of several years ago, the federal government has, of late, been particularly active in rethinking the regulation of the mortgage lending and settlement services industries. Indeed, these have been interesting times for our industry.

With the amendments to Regulation X in 2010, we adjusted to binding tolerances on our cost estimates, and with the new TRID Rule, our industry has had to make even greater adjustments. The compliance challenges posed by TRID are now combined with headlines about the constitutionality of the Consumer Financial Protection Bureau's (CFPB) executive structure and how it has interpreted and enforced the Real Estate Settlement Procedures Act (RESPA) since taking over that function from the secretary of HUD. It is therefore natural that we have paid so much attention to compliance with TRID, but it is also important to not lose sight of the fact that TRID is a rule, primarily, for lenders. It can be easy to forget that our own industry has compliance concerns that have nothing to do with TRID or RESPA. The rules that our title agent businesses are most directly regulated by are often found at the state level, or even more locally, rather than at the federal level.

Agents for title companies can take a variety of forms and structures. For example, title agents can be individual human beings or they can be business entities. A title agent's duties could include the maintenance of an entire title plant, or those duties may be limited to that of an examining attorney's review of a title commitment prepared by the insurer itself. There are many who believe this heterogeneity in business practice is problematic, yet ours is a "Jurassic Park" of an industry where locally ancient, arguably obsolete, conveyancing practices contemporaneously exist alongside modern electronic systems. The extent of attorney involvement in the provision of title insurance and the conduct of real estate settlements is also an intrinsically local affair that requires a locally-specific approach. We know that the regulation of insurance has been left to the states as their exclusive purview. Each of these local compliance elements are expressed in varying degrees from location to location, and together represent a "mosaic" of sorts of compliance concerns.

The ALTA Best Practices were promulgated with this local tapestry of regulation in mind. In October, ALTA's Board of Governors approved changes to the Best Practices to better reflect market needs and trends. Pillar IV of the Best Practices tells us to, "Adopt standard real estate settlement procedures and policies that help ensure compliance with Federal and State Consumer Financial Laws as applicable to the Settlement process." We are further told that, "Adopting appropriate policies and conducting ongoing employee training helps ensure [the] Company can meet state, federal, and contractual obligations governing the Settlement."

So how does a title agent actually go about promulgating the procedures and policies in Pillar IV? How do we understand what our state, federal and contractual obligations are? As stated earlier, there are many resources available to help us stay apprised of our federal compliance obligations. Contractual obligations are also readily ascertainable by simply reviewing our contracts. However, gathering the relevant local rules for title agents requires that we cast a wider net than simply looking at the insurance law.

State Insurance Law and Regulation

Although the insurance law in most states will have a specific article or section on title insurance, the vast majority of the law found will concern title insurance companies: the insurers, rather than the title insurance agencies. While issues such as what assets can be used to satisfy a title insurer's reserve requirements, and what forms of business entities can conduct the business of title insurance, are chiefly of concern to underwriters, statutes of importance to title agents are also often found in state insurance law. Of course, we expect to find law and regulations concerning such basic things as licensing, but to varying degrees, states may have their own local rules about matters which are already dealt with on the federal level. New York State Insurance Law §6409(d), with its RESPA-esque prohibition on providing inducements for title insurance business, is a good example of such a generally-applicable statute, nestled within an article of the insurance law chiefly devoted to insurance company (underwriter) issues.

Judicial and Bar Opinions

As was mentioned earlier, the boundary line between settlement services business and the practice of law is one that meanders from region to region. In addition, to borrow an analogy from a survey map, this boundary line often has a soft edge that defies precise placement. The reason for this is simple and fundamental: the regulation of the practice of law is reserved to the judicial branch of our government. Legislatures may seek to define what is not the practice of law, while the judicial branch defines what is. To the extent available, previous court opinions and written opinions of committees of local bar associations are great resources for learning about the interaction of statutory law, the regulation of the practice of law by the judiciary and the also-important local customary practice.

Indirect Regulation

The concept that our business may be indirectly regulated by laws and rules, which primarily regulate our customers is one which we should be familiar to us already. We see this every day in our compliance efforts regarding RESPA and the Truth in Lending Act (TILA). This same concept applies at the local level as well. Issues such as the type of bank account which may be used for disbursements of mortgage proceeds, and requirements in connection with settlement agent registration can often be found outside of a state's insurance law, and yet still be entirely applicable to the work of a title insurance agency.

Part of your company's plan for compliance should include investigating the legal compliance obligations of your customers. A great way to do that is to take continuing education courses on compliance. Other state-level, non-insurance compliance subjects, which should be part of your Pillar IV policies and procedures include:

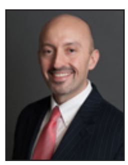
- Abandoned funds and procedures for escheating unclaimed escrow funds to the state
- Sales tax
- Good Funds Requirements/Wet Settlement Acts

Conclusion

The regulation of the title insurance agent can come from many different directions. Regulators are found on the national and the local level, and our industry is regulated both directly by our insurance overseers, and indirectly by those who regulate our customers.

ALTA's Best Practices require that we balance and take into account these various forms of regulation, and promulgate policies and procedures which are compliant with them. In order to do this, it is necessary that we appraise the compliance landscape in each geographic location our companies operate within, understanding that compliance in one state versus another may require quite different approaches.

However, only by appreciating the unique compliance challenges each locality presents can we create truly compliant policies and procedures that are responsive to the title agent's unique compliance mosaic. ■



Vincent G. Danzi is a senior compliance attorney with AmTrust Title Insurance Company. He can be reached at *vdanzi@firstnat.com*. The opinions expressed herein do not necessarily constitute the formal position of AmTrust Title.

HAPPY NEW YEAR!
Ready for New Opportunities?

With more title plants and powerful innovations, now is the time to leverage Data Trace to conquer new markets and ignite workflow efficiencies that can expand your title business.

Get Access to More Title Information

Harness the power of the nation's largest title plant network, now with 546 regional plants and the most advanced repository of tax and recorded property data. Big things are also happening in Texas, and that's just the beginning of what's new for 2017.

Benefit Even More with Data Trace and RedVision

Two title industry forces are now united. Look to grow your business in new ways with Data Trace's industry-leading title, tax and property data paired with innovative technology, title search production and industry expertise from RedVision.

GO BEYOND Where Your Title Business is Today.

DataTraceTitle.com/newyear • 800.221.2056

Data Trace®

RED|VISION|

GSEs Delay Portion of Closing Disclosure Data Reporting Requirement

Title and Settlement Agents Should Prepare Now by Working With Lenders, Tech Vendors

Fannie Mae and Freddie Mac recently announced they would delay requiring lenders to submit seller Closing Disclosure data until September 2018.

In an effort to standardize the underlying data required by the new Closing Disclosure, Fannie Mae and Freddie Mac created a new standard dataset called the Uniform Closing Dataset (UCD). The UCD is a common industry dataset that allows information on the Closing Disclosure to be communicated electronically. Fannie Mae and Freddie Mac have developed the UCD at the direction of the Federal Housing Finance Agency as part of the Uniform Mortgage Data Program (UMDP), an ongoing initiative to enhance loan quality and consistency through uniform loan data standards for the single-family loans the GSEs purchases.

On the borrower side, lenders still must start transmitting the UCD whenever they sell a loan to the GSEs as of Sept. 25, 2017.

The GSEs postponed the seller reporting requirement due to difficulty lenders are having preparing systems for changes to the Home Mortgage Disclosure Act and Uniform Residential Loan Application. In a letter sent by the Mortgage Bankers Association, lenders expressed concerns that most seller information does not originate in their system, and efforts to easily integrate the data are not going as smoothly as hoped.

This is not something title and settlement agents are going to be able to ignore if they want to continue doing business with lenders that sell their loans to the GSEs. With these new requirements, title agents and lenders should take time now to verify that their respective systems can accept electronic information from the other. Lenders, in particular, will likely demand this capability from settlement providers in order to ensure compliance with the three-day rule. Rekeying of data from one system to the other is not going to be an acceptable practice under the new rules.

The UCD is incorporated into many title and settlement software systems, allowing users to transmit that data to their lender customers. To prepare for UCD collection, title and settlement agents should consider asking their lender partners the following questions:

Questions for Lender Partners

1. By what date will you require title professionals to have the ability to transmit the Uniform Closing Dataset to you?
2. Do you have a plan/timeline for UCD testing with us?
3. How will I submit this data to you?
4. Is there a technology contact within your organization that we should talk to?
5. Is your loan origination technology proprietary or do you use an off-the-shelf product?
6. Are there other partners you would like us to contact in order to ensure that we have consistent plans and a common understanding about the UCD implementation?
7. What title software vendors are you either currently integrated with or have plans to integrate with?

If you have any questions about the UCD, contact Steve Gottheim, ALTA's senior counsel, at *steve@alta.org*. ■

loanDepot Purchases Two Title Companies

loanDepot has acquired Closing USA (CUSA) and entered into a definitive agreement to acquire its affiliate, American Coast Title (ACT). Upon closing of both companies, loanDepot's national licensing footprint for title, escrow and settlement services will expand to more than 30 states and Washington, D.C.

The ACT transaction is expected to close in the second quarter of 2017, pending regulatory approval. The terms of the transactions were not disclosed.

"This move is part of loanDepot's long-term growth strategy, which includes strategic acquisitions intended to expand our portfolio with like-minded companies that share our culture and allow us to leverage existing operations, our proprietary technology, and our capabilities to their fullest," said loanDepot Chairman and CEO Anthony Hsieh.

Together, the CUSA and ACT team provide real estate transaction services for lenders across the nation, including escrow closings, title insurance, and searches for title, tax, liens and encumbrances for new and refinanced loans along with default services for foreclosed properties and commercial title insurance. With offices in Rochester, N.Y. and Orange County, Calif., CUSA and ACT will continue to operate as stand-alone entities, loanDepot said in a release. Closing USA President Elliot Foo and Chief Operating Officer Tom Vento will continue leading their teams.

Since launching in 2010, loanDepot has funded more than $90 billion in home, personal and home equity loans. loanDepot is the nation's fifth-largest retail mortgage originator and the second-largest nonbank consumer lender.

News to Share?

If you have information you'd like us to consider for *TitleNews*, send company announcements to *communications@alta.org*.

RamQuest Integrates With CATIC

RamQuest Inc. announced the integration of its Closing Market with CATIC. The integration provides CATIC agents in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont with direct access from their RamQuest title production solutions to CATIC closing protection letters, policy jackets and commitments. By eliminating an agent's need to leave their production system and by automatically transferring information, this integration will reduce errors from re-keying while also increasing the agent's efficiency.

Florida Stops Collecting Surcharge to Fund Underwriter Receiverships

The Florida Office of Insurance Regulation (FOIR) issued an order to stop the collection of a surcharge for all policies issued in Florida to reimburse the state for protecting the consumer from the failure of two underwriters. Underwriters were ordered to stop collecting the surcharge as of Dec. 31, 2016.

The FOIR has required all underwriters to collect a surcharge of $3.28 on all title policies to support the receiverships of National Title Insurance Co. and KEL Title Insurance Group. National Title was ordered into receivership in 2009, while KEL was ordered into receivership in 2012.

RynohLive Integrates With E-Closing, Close IT Plus

RynohLive has integrated with E-Closing, a web-based closing and title processing software. E-Closing allows users to manage all aspects of the closing process from order entry to discharge tracking. The software is used to handle both residential and commercial real estate closings. As a result of the partnership, E-Closing users will be able to use and benefit from RynohLive's features, including daily three-way reconciliation.

RynohLive also integrated with settlement software Close IT Plus, a product of REMMIS Consulting Inc. that enables its users to simplify and automate their workflow with a variety of features.

Wyoming DOI Issues Guidance on Underwriting Standards, Records Retention

The Wyoming Department of Insurance on Nov. 28 issued guidance regarding underwriting standards and records retention for title agents and underwriters.

The memorandum references Wyoming statute § 26-23-308, which states:

"No title insurance policy as to property in this state shall be written unless it is based upon adequate evidence of the current condition of title certified in writing as of the date of the policy ... ."

The department said the statute requires that the file for any title insurance policy issued on property in Wyoming contain a written certification as to the status of title as of the date of the closing on the sale or transfer of the property. The certification can be signed by either an attorney or by someone qualified to act as an abstracter pursuant to Wyoming Statute § 33-2-101.

The memorandum also reminds title companies that the statute requires the retention of documents for at least 15 years after the title insurance policy has been issued. The evidence of examination of the title and determination of insurability includes the written certification.

Freddie Mac Publishes List of Approved E-mortgage Vendors

In an effort to expedite and streamline the mortgage process by encouraging the use of digital documents, Freddie Mac has published a list of companies that meet its requirements for creating, signing and storing electronic promissory notes. Commonly called e-notes, they detail the repayment obligation of the borrower to the lender.

Freddie Mac began actively purchasing e-mortgages from seller/servicers in 2005. Today, it regularly purchases e-mortgages and accepts many electronic documents used in initial disclosures and electronic closings, such as loan applications and IRS forms.

The companies listed have completed Freddie Mac's full approval process and meet the technical requirements to create, sign and/or store e-notes:

- *Digital Delivery*
- eSign Systems
- Fiserv
- Pavaso

Two additional companies—DocMagic and eOriginal—have provisional approvals as they go through the full review process.

Companies that would like to be approved to provide e-mortgage solutions should email *eMortgage_Team@FreddieMac.com*.

California Title Company Wrongly Named in Dismissed Class Action

A class-action lawsuit filed against a California-based title company for allegedly making telemarketing calls to a consumer registered on the National Do-Not-Call Registry has been dropped by the plaintiff.

According to a notice of voluntary dismissal without prejudice filed with the U.S. District Court for the Central District of California, the plaintiff brought the case against the wrong company.

Brock Meintel of Laguna Hills, Calif., had filed a class action Sept. 8 on behalf of others similarly situated against Nations Title Co. of California. The lawsuit accused the title company of using an automatic telephone dialing system to call the plaintiff on his cell phone and solicit the purchase of its services.

Incenter Acquires Boston National

Incenter LLC, a provider of capital markets and fulfillment services for mortgage lenders and specialty finance companies, has acquired Charlotte, N.C.-based Boston National. The terms of the transaction were not disclosed.

"As we look to expand our end-to-end solution for our clients, we constantly seek opportunities to bolster our capabilities through the addition of top-tier talent and, when it makes sense, through acquisitions like this one," said Nick Smith, president of Incenter.

John Keratsis, chief executive officer of Boston National, will join Incenter. He will focus primarily on the strategic integration of the title and settlement process with Incenter's other service offerings to continuously optimize mortgage lending for productivity and profitability.

Missouri Land Title Association Names Title Person of the Year

During its 2016 Annual Convention, the Missouri Land Title Association (MLTA) awarded Cheryl Cowherd NTP the Jack Flippo Title Person of the Year Award. The award recognizes individual outstanding achievements in the title profession.

"It is a huge honor, and I was completely surprised and overwhelmed," Cowherd said. "I was surprised enough to be almost speechless, which as everyone knows, doesn't happen very often. From the people I worked with at my first job at Community Title in St. Louis to Chicago Title and Agents National, I have learned and continue to learn so much. Even more important than title insurance, I have made lifelong friends—friendships that go way beyond 'work.'"

Cowherd is senior underwriting counsel for Agents National Title Insurance Company. She has been in the title insurance business for over 20 years, with extensive experience in many aspects of the industry including underwriting, search, exam and escrow (both commercial and residential).

In addition to being an ALTA member, Cowherd serves on ALTA's Title Counsel and Education committee. She also is a member of the Missouri and Kansas land title associations, the Missouri Bar Association, the Kansas City Metropolitan Bar Association and the Association of Women Lawyers.

"Cheryl is so deserving of this award," said Mary Jo Edmiston, president of MLTA. "She is truly dedicated to this profession and has always made herself available to assist our association by serving on various committees, teaching at our Title School, seminars and webinars."

WFG National Title Grows Arizona Operations

WFG National Title Insurance Co. recently named Sharon Grannis as state manager for its retail title operations in Arizona. WFG also appointed Al Willey as its vice president of escrow operations in Arizona. Grannis, who has over 30 years in the title and settlement services industry, will be charged with the operational leadership and market growth of WFG's retail operations across the state. She began her career with California Land Title. Willey comes to WFG with over 40 years of experience in the title and escrow business. Over the course of her career with several large Arizona title companies, she has worked in all phases of the industry.

Fidelity National Title Group Names New Jersey State Manager

Fidelity National Title Group recently named Lisa J. Aubrey as vice president and New Jersey state manager. She has 23 year's experience in the title industry, with agency operational experience in both New York and New Jersey. Aubrey, who joined Fidelity National Title Group as assistant state agency manager for New Jersey in July 2015, is an active member of the New Jersey Land Title Association (NJLTA) and ALTA. She recently served as president of the NJLTA for the 2015-2016 term and continues to serve on committees for both NJLTA and ALTA.

Stewart Hires Vice President of Marketing

Stewart has hired Rose Menker as vice president of marketing. In this role, she will drive business growth by leveraging customer insights, creating and executing customer segmentation and marketing strategies to enhance the customer experience. Menker previously served as executive director of marketing and technology at the Edge Group.

tipac contributors

Diamond Club Level • $5,000

Chris Abbinante
Fidelity National Title Group

Justin Ailes
American Land Title Association

Mark Bilbrey
Old Republic National Title Insurance Company

Bill Burding
Orange Coast Title

Pam Day
Day Title Services

Steve Day
Fidelity National Title Group

Diane Evans
Land Title Guarantee Company

John Freyer, Jr.
Land Title Guarantee Company

John E. Freyer, Sr.
Land Title Guarantee Company

Dennis Gilmore
First American Title Insurance Company

Dean Hoag
The Title Resource Network

John Hollenbeck
First American Title Insurance Company

Parker Kennedy
First American Title Insurance Company

Michelle Korsmo
American Land Title Association

Greg Kosin
Greater Illinois Title Company

Linda Larson
Old Republic National Title Insurance Company

Chris Leavell
First American Title Insurance Company

Larry Matney
Futura Title & Escrow Corp.

Erika Meinhardt
Fidelity National Title Group

Dan Mennenoh
H.B. Wilkinson Title Company

Mike Nolan
Fidelity National Title Group

Mary O'Donnell
Westcor Land Title Insurance Company

Bill Peirson
PeirsonPatterson

Frank Pellegrini
Prairie Title

Maureen Pfaff
Olympic Peninsula Title Company

Brian Pitman
Independence Title Company

Raymond Quirk
Fidelity National Title Group

Richard Reass
RynohLive

William Vollbracht
Land Title Guarantee Company

Attorneys' Title Guaranty Fund PAC

Emerald Club Level • $4,999-$2,500

Sue Basiago
Midland Title

J. Herschel Beard
Marshall County Abstract Company

Cynthia Blair
Blair Cato Pickren Casterline

Karen Brown
Boone Central Title Company

Robert Burgess
Chicago Title Insurance

Diane Calloway
Specialized Title Services, Inc.

James Czapiga
Connecticut Attorneys Title Insurance Company

Cara Detring
Preferred Land Title, LLC

Larry Godec
First American Title Insurance Company

Robert Grubb
Alliant National Title Insurance

Brian Hamilton
Land Title Guarantee Company

Blake Hanby
City Title & Closing

Roger Jewkes
Fidelity National Title Group

Cindy Koebele
TitleSmart

John Magness
Old Republic National Title Insurance Company

John Marconi
Orange Coast Title

Stewart Morris, Jr.
Stewart Title Guaranty Company

Jack Rattikin
Rattikin Title Company

Tom Richardson
Liberty Title

Phil Sholar
First American Title Insurance Company

Sally Tyler
First American Title Insurance Company

John Voso
Old Republic National Title Insurance Company

Tony Winczewski
Commercial Partners Title

Dan Wold
Old Republic National Title Insurance Company

Evan Zanic
First American Title Insurance Company

STEWPAC

Platinum Club Level • $2,499-$1,000

Kenneth Aalseth
First American Title Insurance Company

Gus Abello
Chicago Title Insurance Company

Marty Albertson
Stewart Title Guaranty Company

Dennis Anderson
First Dakota Title

Michael Anthony
South Bay Title Insurance Agency

Michael Anthony
South Bay Title Insurance Agency

Marty Askins
Stephens County Abstract Co.

Joseph Attura
First American Title Insurance Company

Matthew Ballard
First American Title Insurance Company

Ravi Bapodra
Fidelity National Title Group

Jeffrey Bates
D. Bello Associates

David Baum
Fidelity National Title Group

Patrick Beall
Stewart Title Guaranty Company

Allen Berryman
Stewart Title Guaranty Company

Jeffery Bluhm
Old Republic National Title Insurance Company

Randy Bradley
Mother Lode Holding Company

Michael Brandner
Midwest Title Group

John Burgeson
Acquest Title

Edson Burton
Chicago Title Insurance Company

Frank Busch
Thomas Title & Escrow

Richard Cannan
Fidelity National Title Group

Shonna Cardello
White Rose Settlement Services

Chip Carlton
PropLogix

Pat Carney
ClosingCorp, Inc.

Curt Caspersen
First American Title Insurance Company

Cheryl Cowherd
Agents National Title Insurance Company

Larry Davidson
First American Title Insurance Company

Yvonne Deardorf
Lakeside Title Company

Anthony Dellasalla
Fidelity National Title Group

Richard Diamond
Fidelity National Title Group

Ralph DiDomenico
Fidelity National Title Group

Quinn Donovan
First Montana Title

Joseph Drum
Fidelity National Title Group

John Dwyer
ET Investments

Justin Earley
First American Title Insurance Company

Wendy Ethen
Guaranty Commercial Title

Philip Fanning
Fidelity National Title Group

Celia Flowers
East Texas Title Company

Kevin Gartland
All American Title

Joseph Ghilardi
First American Title Insurance Company

Michael Glass
First American Title Insurance Company

Steve Gottheim
American Land Title Association

Joseph Grealish
Fidelity National Title Group

Mark Greek
First American Title Insurance Company

Michele Green
First American Title Insurance Company

Jeff Green
Knight Barry Title, Inc.

Rich Griffin
North American Title Company

Peter Griffiths
Land Title Guarantee Company

Kevin Gugenheim
Fidelity National Title Group

Nick Hacker
North Dakota Guaranty & Title Co.

Paul Hammann
First American Title Insurance Company

Craig Haskins
Knight Barry Title, Inc.

Patrick Hempen
SoftPro

Michael Hillman
First American Title Insurance Company

David Horne
Self-employed

Cornelia Horner
American Land Title Association

Carolyn Hoyer-Abbinante
Wisconsin Title Services

William Hughes
Boone Central Title Company

Cindy Immonen
Fidelity National Title Group

Devon Irby
H.B. Wilkinson Title Company

Rod Ives
First American Title Insurance Company

Joey Johnson
The Title Company

Todd Jones
First American Title Insurance Company

Beverly Jones
Grand River Abstract

William P. Kahalley
Surety Land Title

Timothy Kemp
Butler Snow, LLP

John Killea
Stewart Title Guaranty Company

John LaJoie
First American Title Insurance Company

Sherri Landauer
Lakeside Title Company

Steve Lessack
Stewart Title Guaranty Company

Ben Lincoln
American Land Title Association

George Livermore
First American Title Insurance Company

Matthew London
Chicago Title Insurance Company

Ted Lovec
American Title & Escrow

Kenneth Mackay
First American Title Insurance Company

John Mahoney
Stewart Title Guaranty Company

Cindy Malone
Fidelity National Title Group

Andy Maloney
Nashville Title Insurance Corporation

Mike Maniche
Guardian Title & Guaranty Agency

Jill Marshall
Columbia Title, Inc.

Cynthia Martin
First American Title Insurance Company

Marianne Mathieu
Fidelity National Title Group

Matt McBride
Continental Title Company

Mark McElroy
Pavaso

Yvette Meldrum
Mid-State Title & Escrow

William F. Miller, Jr.
Land Title Company of Alabama

Carolyn Monroe
Old Republic National Title Insurance Company

Matt Morris
Stewart Title Guaranty Company

Melissa Murphy
Attorneys' Title Fund Services

Don O'Neill
WFG National Title Insurance Company

John Obzud
Fidelity National Title Group

Edward Oddo
First American Title Insurance Company

Donald Ogden
First American Title Insurance Company

John Pagliarini
John A. Pagliarini, Jr., Esq.

Tim Pearson
Orange Coast Title

William Perry
First American Title Insurance Company

Kurt Pfotenhauer
First American Title Insurance Company

Nicole Plath
Fortune Title Agency

Joseph Powell
Chicago Title Insurance Company

Diane Priola
Counsel Abstract

Mike Pryor
JH Title Group

Brad Rable
Stewart Title Guaranty Company

Andree Ranft
First American Title Insurance Company

Jay Reed
Stewart Title Guaranty Company

Jack Robichaux
Ironclad Title, LLC

W. Gary Robison
Land Title Guarantee Company

Steven Rogers
First American Title Insurance Company

Ted Rogers
The Security Title Guarantee Corp.

Kelly Romeo
American Land Title Association

Kenneth Rossburg
First American Title Insurance Company

Mark Rutherford
First American Title Insurance Company

Brent Scheer
Agents National Title Insurance Company

Eric Schneider
Lakeside Title Company

Randall Scott
First American Title Insurance Company

Deborah Scroggins
First American Title Insurance Company

tipac contributors

Randle Shoemaker
Fidelity National Title Group

Paul Spano
Spano Abstract Service Co.

John Stauffer
Title Midwest, Inc.

Lisa Steele
Mother Lode Holding Company

Kirk Sterling
Old Republic National Title Insurance Company

J. Scott Stevenson
Northwest Title

Mark Till
Fidelity National Title Group

David Townsend
Agents National Title Insurance Company

Larry Tuliszewski
Fidelity National Title Group

Mark Turner
Fidelity National Title Group

Gary Urquhart
Fidelity National Title Group

Janette Waller
First American Title Insurance Company

Herbert Walton
Old Republic National Title Insurance Company

Patricia Weinstein
First American Title Insurance Company

Richard Welshons
DCA Title

Theodore Werner
Fidelity National Title Group

Gregory Wick
Pennington Title Company

Albert Will
ReQuire

Richard Wilson
Old Republic National Title Insurance Company

Rande Yeager
Old Republic National Title Insurance Company

Nebraska Land Title Association PAC

Gold Club Level • $999-$500

Andrew Acker
D. Bello Associates

Ellen Albrecht
First American Title Insurance Company

Darlene Allman
AmeriTitle

Michael Anderson
First Dakota Title

Lisa Aubrey
Fidelity National Title Group

Kathy Austen
Fidelity National Title Group

Paula Bachmeier
North Dakota Guaranty & Title Co.

John Baggett
Statewide Title Services

Marjorie Bardwell
Fidelity National Title Group

Anna Batten
Fidelity National Title Group

Doug Bello
D. Bello Associates

Albert Boyce
Old Republic National Title Insurance Company

Kathy Brolin
Old Republic National Title Insurance Company

Mark Budzinski
Old Republic National Title Insurance Company

Craig Burns
Security 1st Title

Kristina Burns
First American Title Insurance Company

Matthew Cahill
First American Title Insurance Company

David Calderwood
Stewart Title Guaranty Company

Don Cantral
NextAce

Eric Carstensen
Fidelity National Title Group

Scott Chandler
Westcor Land Title Insurance Company

Robert Chapman
Old Republic National Title Insurance Company

Glenn Clements
Stewart Title Guaranty Company

Donald Cole
Fidelity National Title Group

Mark Comstock
Commonwealth Land Title Insurance Company

Christopher Condie
Connecticut Attorneys Title Insurance Company

James Court
First American Title Insurance Company

Bernadette Cuevas
First Nationwide Title Agency

Michael Cusack
Chicago Title Insurance Company

Maureen Dalton
Monarch Title Agency

Elizabeth Daniel
Continental Title Company

Gordon Daniels
Land Services USA, Inc.

Brian Danis
First American Title Insurance Company

Larry Patrick Deal
First American Title Insurance Company

Wanda DeBord
TitleMax

Andrew Drake
Arsenal Insurance Corp.

James Dudley
Central Texas Land Title

David Dunbar
Meridian Title Corporation

Mary Pat Dunleavy
Fidelity National Title Group

Ric Eborall
Alliance Title & Escrow Corp.

David Fauth
Stewart Title Guaranty Company

Leslie Foster
First American Title Insurance Company

Dan Fowler
Near North Title Group

Michael Fromhold
First American Title Insurance Company

Tommye Frost
Orange Coast Title

Thomas Gates
First American Title Insurance Company

Michael Gilbert
Mountain Land Title

Richard Giliotti
Judicial Title Insurance Agency

Leslie Godec
First American Title Insurance Company

Jason Gordon
AmTrust Title Insurance Co.

Linda Grahovec
Fidelity National Title Group

Charles Gray
Surety Land Title

Jeff Green
Retired

Melissa Hall
Fidelity National Title Group

Rushelle Hathoot
Land Title Guarantee Company

DeeAnna Herwig
Land Title Guarantee Company

Paul Hofmann
Attorney's Title of Kitsap

Michael Holden
North American Title Insurance Company

George Houghton
Stewart Title Guaranty Company

David Huffman
Attorneys' Title Guaranty Fund

Marcus Hunt
South Oak Title

Tron Huynh
Fidelity National Title Group

Bob Ibler
Fidelity National Title Group

Valerie Jahn-Grandin
North American Title Insurance Company

Allison Johnson
ZOCCAM

Rodney Johnson
Lake County Abstract & Title

Todd Jones
First American Title Insurance Company

Carol Kirby
American Title & Escrow

Kent Koepsell
Lawyers Title (Fidelity National Title Group)

Nicholas Koester
Chicago Title Insurance Company

Michael Koors
First American Title Insurance Company

Jan Koski Hogan
Fidelity National Title Group

Brent Laliberte
Bayou Title

James Lamphere
Homes Services of America

Marsha Laner
Stewart Title Guaranty Company

James Lanzetta
Stewart Title Guaranty Company

Gerard LeGraize
Fidelity National Title Group

Gerard LeGraize
Fidelity National Title Group

Chris Lieser
Old Republic National Title Insurance Company

David Litten
Agents National Title Insurance Company

Derek Lynch
Fidelity National Title Group

Patti Madden
Security Title Agency

Pamela Mann
Chouteau County Abstract Co.

Claire Manning
Chicago Title Insurance Company

Kenneth McBride
Connecticut Attorneys Title Insurance Company

Kim McConkey
P. Kim McConkey

Frank McCormick
Fidelity National Title Group

Mardy McCullough
McCullough & Associates

Steve McDonald
Simplifile

Donald McFadden
McFadden & Freeburg

Will McLain
Quadras Corporation

Marybeth Meyers
Fidelity National Title Group

Leslie Midgley
Texas Land Title Association

Jim Milinkovich
First American Title Insurance Company

J. Edmund Mullin
Security Abstract of PA

Steven Napolitano
First Nationwide Title Agency

Amy Niesen
Land Title Company of Alabama

Deb Paoli
First Nationwide Title Agency

Joanna Patilis
Fidelity National Title Group

Daniel Pearson
Old Republic National Title Insurance Company

Jim Pender
First National Title Company

Scott Pierce
Old Republic National Title Insurance Company

Roy Poll
Old Republic National Title Insurance Company

Brenda Rawlins
First American Title Insurance Company

Joe Reinhardt
Fidelity National Title Group

Patrick Rhodin
Fidelity National Title Group

Elizabeth Russo
MCP Title Services, LLC

Michael Russo
Council, Baradel, Kosmerl & Nola

Michael Savas
First American Title Insurance Company

Jody Schimek
Alexandria Title Co.

Tom Schlesinger
First American Title Insurance Company

Sandra Schoen
Old Republic National Title Insurance Company

Burton Shepard
Fidelity National Title Group

James Sindoni
Fidelity National Title Group

James Smyithe
Sathre Title & Abstract

Deborah Snell
First American Title Insurance Company

Dana Solms
Old Republic National Title Insurance Company

Robert Soule
Commonwealth Land Title Insurance Company

Donna St. George
First American Title Insurance Company

Christopher St. John
Lawyers Title of Topeka

DeAnna Stancanelli
National Granite Title Insurance

Jim Stipanovich
Old Republic National Title Insurance Company

Arnold Straus
Enterprise Title, Inc.

Quinn Stufflebeam
Title Financial

Justin Tanner
Agents National Title Insurance Company

KC Tong
KCT Abstract, LLC

Brian Tormey
First American Title Insurance Company

Sal Turano
Abstract Incorporated

John Twiss
Custom Home Builder Title, LLC

Charlie Valdes
Chicago Title Insurance Company

Adrienne Verdone
Commonwealth Land Title Insurance Company

Ross Wagner
Fidelity National Title Group

Kevin Wall
First American Title Insurance Company

Philip Webb
First American Title Insurance Company

Kevin Webb
All American Title

Joyce Weiland
SoftPro

Jeff Weiner
Old Republic National Title Insurance Company

David Welshons
DCA Title

Deborah Wiley
First American Title Insurance Company

Robert Wineman
Fidelity National Title Group

Robert Winton
Clay County Abstract

Dennis Wolfe
First American Title Insurance Company

Ted Woloszyk
McDonnell & Associates

Brooks Yeager
RamQuest

Utah Land Title Association PAC

Ohio Land Title Association PAC

Silver Club Level • $499-$250

Michael Abbey
First American Title Insurance Company

Jeffrey Anderson
First Dakota Title

Joanne Asztalos
Land Title Services

Raymond Baker
Gold Crown

Sangeeta Banerjee
Fidelity National Title Group

Mathew Beall
First American Title Insurance Company

John Beard
Marshall County Abstract Company

Brett Beckett
Elliott & Waldren Title

tipac contributors

Larry Bell
Stewart Title Guaranty Company

Cynthia Bilbe
Stewart Title Guaranty Company

Ron Blitenthal
Old Republic National Title Insurance Company

Sheryl Blyton-Dawes
Title-Rite Services

John Bommarito
ATA National Title Group

Gregory Booth
Retired (Booth Property)

Jeffrey Bosse
Bosse Title Company

Chuck Bowman
Monarch Title Agency

Justin Brashear
Ironclad Title, LLC

Thomas Brinkley
First American Title Insurance Company

Dan Buchanan
First American Title Insurance Company

Julie Bussey
RynohLive

Thomas Campbell
First American Title Insurance Company

Vicki Campbell
Stewart Title Guaranty Company

Chester Carmer
First American Title Insurance Company

Vincent Cassidy
Majesty Title

Rafael Castellanos
Expert Title Insurance Agency

Mohamed Choumil
ATG Title

Ben Comer
Abstract & Title Guaranty Co.

Wayne Condict
First American Title Insurance Company

Paul Cones
Integrity Title Company

Julie Curlen
Stewart Title Guaranty Company

Wanda Custer
Fidelity National Title Group

Joseph DeSalvo
First American Title Insurance Company

Michael Desmond
Stewart Title Guaranty Company

Ruth Dillingham
First American Title Insurance Company

Molly Dillingham
Stewart Information Services

Vicki DiPasquale
Simplifile

Pete Dolan
SoftPro

Michael Doting
First American Title Insurance Company

Karen Drill
Burnet Title

Tom Dulick
First American Title Insurance Company

Michael Dulin
First American Title Insurance Company

Jordan Dunn
First American Title Insurance Company

Joseph Dwight
First American Title Insurance Company

Mary Jo Edmiston
Boone Central Title Company

Dwight Edwards
Old Republic National Title Insurance Company

Amy Comer Elliot
Abstract & Title Guaranty Co.

Beau Fast
Lenders Title Company

Dan Fazendin
Minnetonka Title

David Feldman
First American Title Insurance Company

Kevin Fiet
Fidelity National Title Group

W. Morris Fine
Investors Title

David Floyd
SKLD Title Services

Brian Fluhr
First American Title Insurance Company

John Frates
Stewart Title Guaranty Company

Cindy Fried
Fidelity National Title Group

Sheryl Fuller
First American Title Insurance Company

Alison Gareffa
Old Republic National Title Insurance Company

Adeline Gibson
Fidelity National Title Group

Sherwood Girion
Fidelity National Title Group

Craig Goldenberg
Stewart Title Guaranty Company

Russell Gowen
Helena Abstract & Title Co.

William C. Gowen
Helena Abstract & Title Co.

Nancy Gusman
Brick House Title

Rachel Hable
First American Title Insurance Company

Samuel Halkias
Old Republic National Title Insurance Company

Mike Halpin
Stewart Title Guaranty Company

Thomas Hamauei
Bayou Title

Carol Hare
Fidelity National Title Group

Jim Harper
PFA Inc.

Geoffrey Harris
North American Title Insurance Company

Bruce Hawley
Stewart Title Guaranty Company

Chaney Haynes
Old Republic National Title Insurance Company

Martin Henschel
Edina Realty Title

Mark Higdon
Old Republic National Title Insurance Company

Lynn Hightower-Moore
Common Bond Title, LLC

Michael Holt
First American Title Insurance Company

Joyce Huddleston
Greeley County Abstract & Title

Kenneth Jannen
First American Title Insurance Company

Fred Jones
Old Republic National Title Insurance Company

Danielle Kaiser
North American Title Insurance Company

Brandt Keefe
Stewart Title Guaranty Company

Michael Kennerley
Signature Information Services

Gene Kenney
Hill County Title Company

John Korsmo
Spouse

Mark Ladd
Simplifile

Nancy Landmark
Commercial Partners Title

Paul Langner
Douglas County Abstract Co.

Adele Longfellow
First American Title Insurance Company

Josh Luksberg
First American Title Insurance Company

Linda M. Lynch
New Millennium Abstract

Annie Malave
Kansas Secured Title

Howard Malloy
Bismarck Title Company

Patrick Mann
SoftPro

Jennifer Martin
Alliance Title & Escrow Corp.

Derek Matthews
First American Title Insurance Company

John McCarthy
First American Title Insurance Company

Martha McConnell
Chicago Title Insurance Company

Maureen McElligott
Fidelity National Title Group

Jessica McEwen
American Land Title Association

Bryan McGahan
Fidelity National Title Group

John McGrath
First American Title Insurance Company

Trisha McNeir
Fidelity National Title Group

John Megna
First American Title Insurance Company

Theresa Miller
H.B. Wilkinson Title Company

Sandra Miller
Chicago Title Insurance

Toni Mitchell
Fidelity National Title Group

Malcom Morris
Stewart Title Guaranty Company

Colleen Morrison
Near North Title Group

Jeff Moyer
First American Title Insurance Company

James Nelson
First American Title Insurance Company

LeeAnne Neubauer
Chicago Title Insurance Company

Phillip Ninedorf
First American Title Insurance Company

Laura O'Bleness
Chicago Title Insurance Company

William O'Connell
First American Title Insurance Company

Cindy O'Donohue
First American Title Insurance Company

Dan Orner
Dan R. Orner Company

Alexandra Overhoff
Florida Land Title Association

Ronald Owen
Fidelity National Title Group

Craig Page
California Land Title Association

Victor Pajonas
Fidelity National Title Group

David Park
SoftPro

Sandra Parry
Stewart Title Guaranty Company

Mary Pellegrini
Prairie Title

Rand Peterson
Land Title Guarantee Company

Chris Phillips
First National Title Insurance Company

Andrew Pitman
Fidelity National Title Group

Lou Pontani
First American Title Insurance Company

Jeffrey Quinn
First American Title Insurance Company

Richard Scott Rager
Old Republic National Title Insurance Company

Matthew Reass
RynohLive

Kevin Reilly
First American Title Insurance Company

Sally Reynosa
First American Title Insurance Company

Lori Rice
First American Title Insurance Company

Marvin Ripp
First American Title Insurance Company

Dominicana Roberts
Fidelity National Title Group

Linda Rose
First American Title Insurance Company

James Russick
Old Republic National Title Insurance Company

Karen Saez
First American Title Insurance Company

Michael Savenelli
CATIC

Jonathan Sayas
Stewart Title Guaranty Company

Eric Schibi
Field Abstract & Title, LLC

Donna Schmulbach
First American Title Insurance Company

Roberta Schneider
Fidelity National Title Group

Jilanne Scholtz
First American Title Insurance Company

Mary Schuster
RamQuest

Justin Scorza
First American Title Insurance Company

Mike Sellari
Mississippi Valley Title Services Company

Robert Sewell
First American Title Insurance Company

Joel Shallow
Capital Title

Joseph Shepherd
Fidelity National Title Group

Rob Sherman
First American Title Insurance Company

Hank Shulruff
Attorneys' Title Guaranty Fund

Sylvia Smith
Western Title Company

Jean P. Solinski
Benchmark Title Agency

Judi Souza
Escrow Expertise

Karla Staker
Fidelity National Title Group

Jordan Stallings
Blair Cato Pickren Casterline

Bryan Steckler
Fidelity National Title Group

Michael Stogdill
First American Title Insurance Company

Brian Stone
Alliance Title & Escrow Corp.

Michael Strick
First American Title Insurance Company

Sarah Sutton
Fidelity National Title Group

Joe Tavarez
First American Title Insurance Company

S. Lee Taylor
Charlson & Wilson

Gregory Teal
Ernst Publishing

James Thanasules
AmTrust Title Insurance Co.

Steve Tierney
Stewart Title Guaranty Company

Steven Tjaden
Old Republic National Title Insurance Company

Bill Treuber
New York Metro Title Agency

Dennis Unger
Land Title, Inc.

Stan Urban
Land Title Guarantee Company

Robert Vavrock
First American Title Insurance Company

Marcy Wagner
Title Core National

David Walker
Greater Metropolitan Title

Ann Marie Wallette
Security Abstract & Title

Mark Webber
First American Title Insurance Company

Brian Webster
Wells Fargo

Phillip Wert
First American Title Insurance Company

Francine Wirsching
Community First Abstract

Monica Wittrock
First American Title Insurance Company

Duane Wunsch
Fidelity National Title Group

Leslie Wyatt
SoftPro

Elizabeth Wysong Berg
Agents National Title Insurance Company

Jeremy Yohe
American Land Title Association

Sam Zaki
First American Title Insurance Company

Go to *www.alta.org* to see the most up-to-date list of TIPAC Donors

Time to Reinvent Yourself?

When thinking of innovation, many immediately think of start-ups and technology firms, and how they can transform an industry. The great advances coming from the technology sector are deserving of the interest, but only focusing on this innovation is misplaced.

A perfect example of this has been the resurrection of Domino's Pizza. When Patrick Doyle was named CEO in 2010 of the 56-year-old company, its stock was mired below $10 per share. In just six years, Domino's became the second-largest pizza chain in the world with a stock price approaching $160. What happened? According to a recent *Harvard Business Review* article on the once-torpid pizza joint, Doyle embraced innovation. How he did it is a great lesson, however.

As Doyle and his team tell it, the key to this growth was to first have a clear purpose and mission. Second was reinvigorating the brand. At its core, Domino's is in the pizza-delivery business. Focusing on this fact led the company to two conclusions. First, they focused on how to make the process for ordering and tracking the delivery of a pizza easier. Second, they improved their product, focusing on what customers actually wanted. It would be interesting to apply this thinking to our industry.

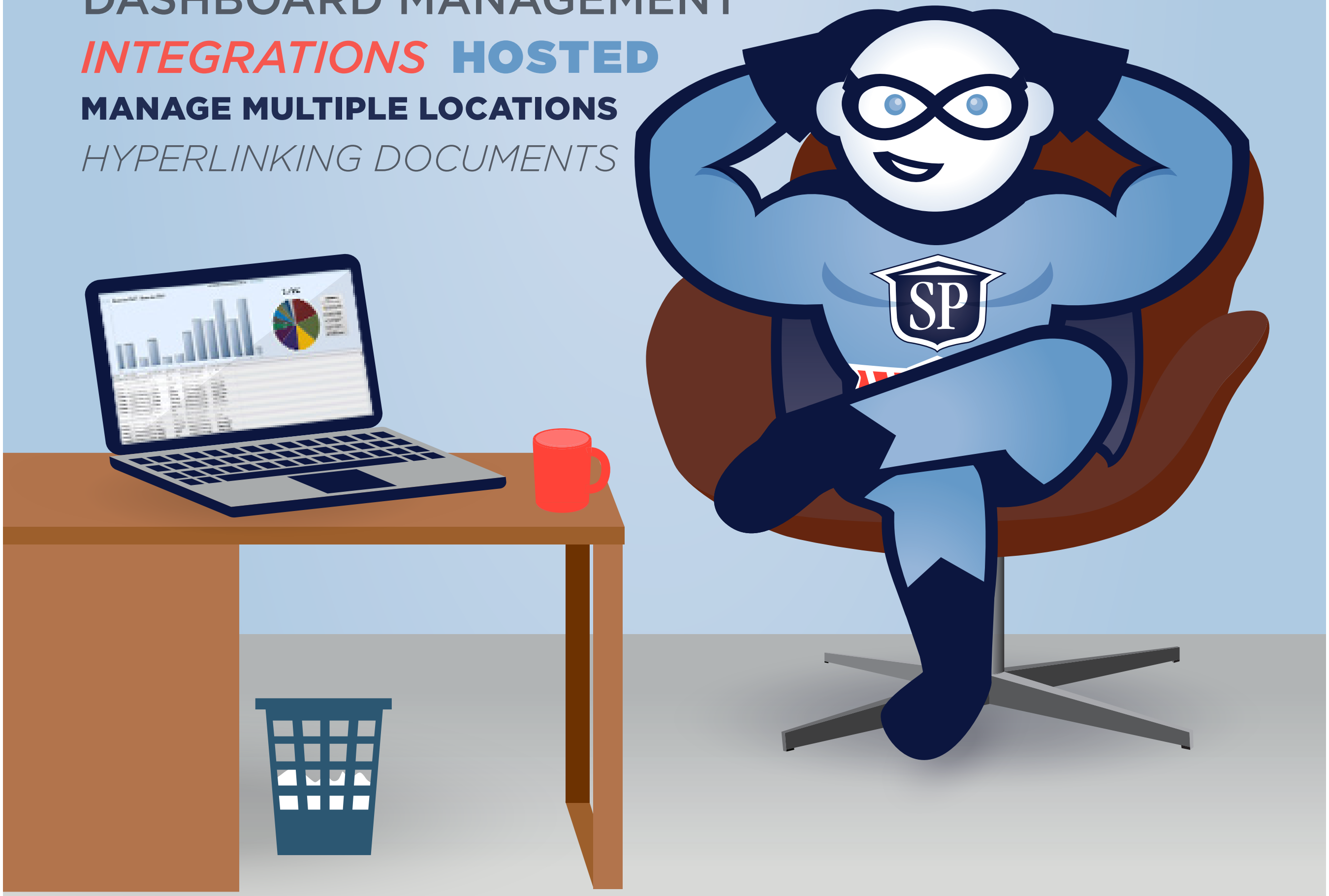
During your next staff meeting, ask your team this question, "What business are we in?" Have them write their answers down on sticky notes and place them on a whiteboard or wall. The wide variety of answers might surprise you. Next, ask your team a variation of the same question: "What does our customer expect from us?" The alternate wording will change the focus from how you see your business to how your customers see it. I guarantee it will lead to different answers. When all is said and done, you'll probably find that both you and your customers should agree on your business goals. They'll probably include:

- Protecting property rights
- Title searching and examination
- Peace of mind
- Safe and efficient transfer of real estate

If your company needs to reinvent itself, try focusing on things you control instead of items that require coordination with your partners. The goal is to identify little changes to your process that can simplify your work while improving your customers' experience. Focusing on little details—like improving the quality of pizza sauce—can lead to exponential growth and change in consumer perception over time.

— Daniel D. Mennenoh ITP, NTP, ALTA president

AUTOMATION *CUSTOMIZED FIELDS*
BEST PRACTICE COMPLIANT **PERMISSIONS**
RECONCILIATION ANNOTATION
DASHBOARD MANAGEMENT
INTEGRATIONS **HOSTED**
MANAGE MULTIPLE LOCATIONS
HYPERLINKING DOCUMENTS



SOMETIMES A SUPER POWER
IS MAKING THE RIGHT DECISION!

Choose the best, choose SoftPro. With efficiency-driven technologies such as automation, management dashboards, reporting, hyperlinks, and more, SoftPro allows you to easily manage your business, while boosting revenue. It conforms to the latest regulations and ALTA's Best Practices so you can keep compliant in our ever-changing industry, yet is also fully customizable and scalable so you can work the way you want. **Sit back, relax and let SoftPro manage your business for you.**

For more information visit **www.softprocorp.com** or contact
SoftPro Sales at **800-848-0143** or **sales@softprocorp.com**

SOFTPRO®
CLOSING AND TITLE SOFTWARE