


TITLE NEWS

SEPTMBER 2019

TITLE ASSOCIATION



***New ALTA CEO
Diane Tomb
Eager to Tell
Industry's Story***



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**DON'T MISS THIS MONTH'S
DIGITAL ISSUE OF**

TITLENews

The digital edition of **TITLENews** includes a recording of the five-minute educational piece ALTA produced for the PBS segment "Spotlight On." The spot features ALTA 2019 President Cynthia Durham Blair NTP and others who offer their perspective on the benefit of title insurance and why homeowners need this protection when buying a home..

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TITLENews

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The Perks of Happiness

WITH MORE THAN SEVEN MILLION UNFILLED JOBS ACROSS THE COUNTRY,

companies are going to have to reach another level beyond providing free food and foosball to attract and retain talented, engaged employees.

What will distinguish the thriving companies from the surviving ones will be the leaders that foster a workplace culture where employees feel a sense of belonging, happiness and trust.

According to a recent study of 1,220 employers by Bersin, Deloitte Consulting LLP, the most profitable companies actively cultivate current workers to fill future openings.

The top 13 percent of companies in the study were five times as likely to develop and promote insiders in a systematic way—and three times as likely to retain top talent—than the lowest-performing companies. They also posted 30 percent higher profit per employee, the study showed.

The Society for Human Resource Management says workers want career counseling, formal mentorship programs and cross-training to develop new skills. However, despite the tight market, many companies don't offer the kind of career-development training employees want to be engaged in their work.

As an example, WD-40's CEO Garry Ridge fosters a sense of belonging for employees. To create this, Ridge encourages employees to take a "maniac pledge" promising to take responsibility for getting answers and making decisions. The company's statement of purpose is "Positive Lasting Memories." There's a heavy emphasis on having fun as well. Videos on the company website show employees doing favorite dances or skits. The culture seems to be working. Over the past decade, WD-40's earnings are up 136 percent. Ridge attributes this success to his team. Gallup agrees, saying 93 percent of WD-40's employees are engaged. This is more than twice the U.S. average of 34 percent.

"To us, it's about going to work every day, making a contribution to something bigger than yourself, learning something new, having fun, being safe and going home happy," Ridge told *The Wall Street Journal*.

In the book, "The Servant," James C. Hunter shares a simple story about the true essence of leadership. The tale unfolds through the story of John Daily, a businessman whose outwardly successful life is spiraling out of control. He fails in his leadership roles as boss, husband, father and coach. To get his life back on track, he reluctantly attends a week-long leadership retreat at a remote monastery. The monk leading the seminar is a former business executive and Wall Street legend. Taking John under his wing, the monk guides him to a realization that the true foundation of leadership is not power, but authority built upon relationships, love, service and sacrifice. These principles don't require special talents. They are based on strengthening the bonds of respect, responsibility and caring with the people around you.

These skills can be applied at work or home. The perks of happiness are amazing.



JEREMY YOHE

ALTA vice president of communications

ALTA Title Insurance Segment Airs on PBS

ALTA has produced a five-minute segment titled “Protecting Property Rights” that is airing on PBS’ “Spotlight On.”

The spot features ALTA 2019 President Cynthia Durham Blair NTP, Realtor Kristian Bell of Brand Name Real Estate and Clint Hammond, branch manager of the Mortgage Network. All three offer their perspective on the benefit of title insurance and why homeowners need this protection when buying a home.

The program opens with various types of homes and families, capturing the emotion of owning a home. The piece then highlights title issues such as undisclosed liens and judgments, that a new homeowner is responsible for—reinforcing the need for title insurance. The video closes with families enjoying their homes, reinforcing the message that no matter the type of property you buy, you make it a home. “Make sure you protect your property rights with title insurance.”

The segment will air for three months for a guaranteed minimum of 500 national broadcasts and at least three million in viewership, airing in between regular programming. According to PBS, nearly 85 percent of all U.S. households watch public television.

“Spotlight” On programs are short, educational shows with a guaranteed airing platform on PBS affiliates nationwide.

Topics are in a broad range of areas such as travel, food, health, education, environment, finance, technology and animals. “Spotlight On” has aired on public television for the past 25 years, featuring the stories of hundreds of well-known national associations, institutions, societies and Fortune 500 companies. Organizations such as Aetna, H&R Block, Consumer Reports, Kodak, the Council for Economic Education, NASA, National Institutes of Health, Schering-Plough, Adventures by Disney, Owens Corning and many more have all underwritten programs featuring their important issues.

You can view the segment on ALTA’s YouTube channel at youtube.com/user/altavideos.

Membership by the Numbers

ALTA is the title insurance and settlement services industry resource for advocacy, education, communications, networking and policy standards. Here’s a look at some membership numbers from the past month.

- New Members: 55
- New Associate Members: 4

- New Attorney Members: 10
- Total Members: 6,338
- State With Most New Members: Texas with 18

For a list of the latest new and associate members, as well as real estate attorneys who recently joined, go to alta.org/new-members.



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ALTA Commends U.S. Senators on Wire Fraud Letter to Federal Reserve

ALTA applauded the bipartisan group of 33 senators—led by U.S. Sens. Jerry Moran (R-Kan.) and Chris Van Hollen (D-Md.)—who questioned Federal Reserve Chairman Jerome Powell on what efforts the Federal Reserve has underway to limit fraud and verify payee matching on wire payments.

There is an increasing problem of wire fraud through business email compromise and email account compromise in the United States. This serious issue continues to put American homebuyers at risk of losing huge sums of money by having home purchase funds redirected to the accounts of criminals, with no recourse for getting that money back.

“We applaud Senators Moran and Van Hollen, along with the other senators, for their letter to Chairman Powell asking for information about the work the Federal Reserve is doing to protect consumers and the wire system from fraud,” said ALTA CEO Diane Tomb. “Thieves use sophisticated fraud schemes to steal money when people are buying or selling homes, and we must maintain confidence in our electronic payment system, which is the fastest and safest way to transfer money.”

In their letter, 33 senators seek more information about the work the Federal Reserve is doing to protect the wire system from fraud.

Proposed Changes to the ALTA Bylaws

August 15, 2019

The ALTA Bylaws Committee has completed its review of the ALTA Bylaws and submitted proposed amendments for ALTA’s Board of Governors to consider during its Oct. 24 meeting at ALTA ONE. The deadline to request the opportunity to appear before the Board and provide position statement/comments is Sept. 23. Email your request to bylaws@alta.org.

■ Proposed Amendments to ALTA Bylaws: **Clean Version**

■ Proposed Amendments to ALTA Bylaws: **Blackline Version**

Among other things, the proposed

changes address how to fill leadership vacancies for the Board and executive committees, how specific committees are governed and relationships with state land title associations.

ALTA Board member Dan Wold chairs the Bylaws Committee. Other members include ALTA Past Presidents Cara Detring and Dan Mennenoh, past Board member Herschel Beard, and current Forms Committee members Justin Earley and Jennifer Wootton.

To view the proposed changes, go to alta.org/about/bylaws.cfm.

ALTA Forms Committee Approves Technical Change to CPLs Letter to Federal Reserve

ALTA’s Forms Committee reached a majority vote for a technical correction to the ALTA Closing Protection Letters (CPLs).

The change went into effect Aug. 1, 2019, and applies to CPLs for both single and multiple transactions. The change is identical in each of the letters and removes the word “to” from paragraph 4.b.

The markup of the change looks like this:

(b) fraud, theft, dishonesty, or misappropriation by the Issuing Agent or Approved Attorney in handling Your Funds or documents in connection with the closing, but only to the extent

that the fraud, theft, dishonesty, or misappropriation adversely affects the status of the Title to the Land or to the validity, enforceability, or priority of the lien of the Insured Mortgage on the Title to the Land.

The updated forms are posted on the ALTA Policy Forms page at alta.org/policy-forms and can be found in both the “Technical Corrections Effective 08-01-2019” and “Closing Protection Letters” sections. As is customary with a technical correction, the effective date of these forms has not changed and remains Dec. 1, 2018.

CALENDAR

2019 ALTA CONFERENCES

ALTA ONE

Oct. 21-25
Austin, Texas

DIGITAL CLOSING & eMORTGAGE BOOT CAMP

Dec. 11-12
Scottsdale, Ariz.

2019 STATE CONFERENCES

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Oct. 17-19
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FLORIDA

Nov. 11-13
St. Petersburg, Fla.



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Diane Tomb Brings Entrepreneurial Spirit as She Looks to Enhance Association's D.C. Cachet

New ALTA CEO ▶ Eager to Tell *Industry's Story*

DIANE TOMB STEPPED INTO THE ROLE OF ALTA'S CHIEF EXECUTIVE OFFICER AT THE BEGINNING OF JULY. She didn't take long jumping into the fray. From meeting with leaders of the FHFA and FHA to attending the Large Agents meeting in Vancouver, British Columbia, Tomb participated in key discussions affecting the title industry. And the conversations weren't light. They centered on critical issues—such as digital closings, fraud and data privacy—that will influence the direction and security of the industry over the next several years.

The issues may be hard hitting, but Tomb plans to use her more than 20 years of experience in the housing field and leverage her deep expertise in advocacy and public policy to help ALTA and its members build upon the great success it has achieved to date.

"ALTA, as well as the title industry, is at a pivotal junction in its evolution," said Tomb, who joined ALTA after serving as the executive director of the National Rental Home Council (NRHC). "Staying relevant amidst continual disruption is affecting the way we and our members do business. Embracing technology is key to adapting to the change in the next few years. Leading ALTA into the next phase will require an entrepreneurial spirit and a continued member-focused approach to value creation."

Taking a tactical approach to growing the association and the industry is right up Tomb's alley. In fact, given one word to describe herself, she said "entrepreneurial."

"I embrace innovation," added Tomb, who earned a Bachelor of Arts degree in political science from Mount St. Mary's University in Emmitsburg, Md. "I'm motivated to seek change in the status quo and enjoy looking around corners to anticipate what is next."

Capitalizing on her risk-taking spirit, Tomb launched a public affairs firm in 2003 that provided advocacy, strategic counsel and communications services to a diverse group of clients including corporations, trade associations, think tanks and non-profit organizations. During her tenure at the start-up association NRHC, she grew membership from five to 51 in a span of 18 months.

Earlier in her career, Tomb served in the George W. Bush Administration and was unanimously confirmed by the U.S. Senate as the assistant secretary of Public Affairs at the Department of Housing and Urban Development (HUD). Prior to this presidential appointment, she served as a senior vice president at the Fannie Mae Foundation. Before that, she was a vice president with the global public affairs firm Burson-Marsteller.

Tomb's previous political work includes her role as deputy director of communications for then Senate Majority Leader Bob Dole during the 1996 presidential primary. In 1994, she worked on California Governor Pete Wilson's re-election campaign.

From 1986 to 1992, Tomb served under then Vice President and later President George H.W. Bush in key



Diane Tomb discusses the association's 2020 strategic priorities with ALTA's Board of Governors and ALTA staff.

roles with the White House Press Office and the U.S. Department of Commerce in the Office of Business Liaison, and as the director of public affairs for the International Trade Administration.

In 2017, Tomb was named one of *HousingWire's* Women of Influence, a recognition awarded to the most influential women in the housing industry. She has served as an adjunct professor at Georgetown University, serves as a commissioner on the Bipartisan Policy Center's Commission on Political Reform and on the Board of Visitors at the Fund for American Studies. Tomb is also a member of the International Women's Forum of Washington, D.C.

"Diane is a recognized leader who understands the intersection of politics and business and the importance of informed public policy advocacy. She is the right person to lead ALTA and build on its successful legacy," said Cynthia Durham Blair NTP, ALTA's 2019 president and the founding member of the law firm Blair Cato Pickren Casterline LLC. "Diane was a unanimous selection by the Board, and we expect her leadership and entrepreneurial spirit will immediately benefit our members, demonstrate our value to prospective members and continue ALTA's tradition of strong advocacy on behalf of the land title insurance and settlement services industry."

Mary O'Donnell, ALTA president-elect and president of Westcor Title Insurance Co., echoed the sentiment, saying Tomb stood out because she instantly seemed like a good fit. When the two met for dinner the night before Tomb interviewed for the CEO position, O'Donnell said the time together felt like eating "with an old friend."

"She is energetic, passionate, funny and caring," O'Donnell said. "She is personable, family oriented,

open and approachable in a real sense. These attributes clearly meld well into the ALTA culture and family."

Beyond being the right "fit" for ALTA, O'Donnell believes Tomb's wide-ranging background and political experience and contacts will prove valuable to the association and its members.

"Only a few weeks into the job, we were able to meet with both the FHA and FHFA directors because of her contacts," O'Donnell said. "It is clear from those meetings, she is well known and very well thought of. I think her reach to related trades and bureaus will be invaluable for us."

Dan Mennenoh NTP, past ALTA president and president of H.B. Wilkinson Title Co., served as chair of the CEO Search Committee. He said the committee was presented with an excellent, well-qualified slate of candidates by consulting firm Korn Ferry. Tomb's extensive experience in government and the association world in D.C.—along with her enthusiasm and interest in the role—impressed the committee. That translated into a leader who would be able to relate well with ALTA's members.

"Her familiarity with trade associations and experience working in different positions within government has helped her build relationships and knowledge that are valuable to her work at ALTA," Mennenoh said. "I see a continuation of the growth in ALTA membership and participation, as well as increasing recognition of the importance of ALTA on the Hill in the recognition of the importance of ALTA on the Hill, plus with regulators and other trade associations we interact and work with."

Past ALTA President Frank Pellegrini also served on the search committee. Impressed by Tomb's deportment, he described her as well spoken and very intelligent.

"The way she presents herself exudes confidence and a positive approach," said Pellegrini, CEO of Prairie Title. "She has a very winning smile that cannot be missed. During the interviews, Diane was calm, relaxed and demonstrated a healthy sense of humor. The CEO position demands an extraordinary level of interaction on many levels. Diane convinced me that her talents and intelligence allow her to be undaunted by the level and variety of necessary engagements; and her personality will win over all those she encounters."



Diane Tomb, ALTA Board of Governors and ALTA staff met with Federal Housing Finance Agency Director Mark Calabria in July to discuss top industry issues such as real estate wire fraud and digital mortgages.

Mennenoh said the search committee knew ALTA's executive leadership—led by Chief Operating Officer Cornelia Horner, who served as interim CEO during the process—had built a positive team atmosphere that fueled the association's success. Mennenoh said Tomb understood ALTA was not an association in transition. Instead of rebuilding, she realized the importance of improving what was already built.

Pellegrini often comments on the incomparable energy, eagerness and excitement of the ALTA staff. He believes these qualities define the ALTA culture. He's confident Tomb will not only fit into the culture, but she will help take it to an even higher level.

"ALTA has come a very long way since when I first joined, and for this we can certainly be proud," Pellegrini said. "But there is intense competition for the attention of policymakers, regulators, the media, our sister industries and consumers. How the association connects with industry constituents and stakeholders—and how it helps lead on important issues—will be the most compelling measures of success. I am convinced that Diane is exactly the right person at this time to enhance our impact."

The industry is at a critical juncture with the presence of more and more disruptors such as technology advances and information security threats that could affect how mortgage and real estate transactions are handled. To help ensure title professionals remain an important piece of the real estate transaction, it's important for ALTA members to tell their story.

This is where O'Donnell believes Tomb will be vital to help broaden the association's reach and support.

"I think Diane can help tell the story that we're an industry comprised of Main Street America small businesses," O'Donnell said. "As we look forward, I'd call it a success if leaders in D.C. understand the fabric of our industry." ■

Getting Personal With Diane Tomb

• Family Matters

Family is very important to Diane, who has been married to Mark Tomb for 26 years. Mark graduated from the Naval Academy and was a submariner who retired from the Navy as a commander. He currently works as a government affairs executive for a defense company on IT, cybersecurity and privacy issues. The couple has three children, including Emma, Shane and Sarah. The family has one dog, a Welsh Terrier named Flynn.

• Favorite book or movie and why?

I love books so it's difficult to pick one favorite. *To Kill a Mockingbird* by Harper Lee, *Huckleberry Finn* by Mark Twain and *The Phantom Tollbooth* by Norton Juster are a few of my favorites growing up. I love reading biographies, especially by David McCullough and Doris Kearns Goodwin, historical fiction books are also one of my favorite genres. *All the Light We Cannot See* by Anthony Doerr, *A Gentleman in Moscow* and *The Alice Network* are a few of my recent favorites. I don't watch much TV, except for ESPN which is always on at our house, so my favorite movies are oldies but goodies including *It's a Wonderful Life*, *Willie Wonka* and the *Chocolate Factory*, *Shawshank Redemption*, *The Blind Side* and *Moneyball*.

• What's in your music playlist?

U2, Beatles, Talking Heads, Abba, Kenny Chesney, Carrie Underwood and Blake Shelton.

• Do you have any industry mentors?

I have been fortunate to have many mentors throughout my career. I feel I have learned something from each and continue to benefit from their example and guidance. I spent the first half of my career in politics. My first real job was working for then Vice President George H.W. Bush at the White House. I learned so much from him especially the importance of how to conduct business and treat people. I served as the press secretary to Gayle Wilson, then the First Lady of California, during the 1994 Gubernatorial race and she has continued to be a mentor and great influence on my career. I have also benefited from advice and counsel from Mel Martinez who I served under while at HUD and worked with when he was a U.S. senator from Florida.

• What did you want to be when you were growing up?

I wanted to be someone who made a difference in the world. I was very fortunate to spend the first half of my career in politics, influencing public policy from the inside. Now, I get to do it from a business standpoint.

• Tell us something people may not know about you.

I grew up in a large Irish Catholic family and am the daughter of Irish immigrants. I was the first in my family to graduate from college. As a child, I played lots of sports and was on many of the first organized sports teams for girls. In addition, I started taking Irish Dance and Irish accordion lessons at age 5 and competed until I was a teen (long before Michael Flatley made Riverdance so popular).

Is Your Agency Buttoned Up Against **CATASTROPHE, CYBER THREATS AND FRAUD?**

Growing Threats Call
for Multiple Layers of
Defense and Security

By Shawn Fox and
Kevin Ninceheler



“YET ANOTHER PIECE ABOUT CYBERCRIME AND FRAUD PREVENTION?” you ask. Chances are you’ve seen more than your share of stories and headlines recently about the threat of cybercrime and fraud pose to the real estate industry. It’s a significant issue. Title agents are privy to incredible amounts of sensitive information. As a result, they’re being targeted by fraudsters and cybercriminals. Maybe you think that, by now, you’re buttoned up against most of the threats.

Chances are that you’re wrong. And being wrong about cyber security could quickly put you out of business. So yes, this is indeed one more article about cyber security.

An All-you-can-eat Buffet of Threats

Cybercrime, fraud, malware—it all sometimes runs together in our collective consciousness. They’re not all the same thing. There’s a veritable smorgasbord of threats targeting the average title agent today and the bad guys are tuning in to the wealth of private information agents control without adequate protection. In fact, some of the threats don’t even come from the bad guys. Natural disaster, general hardware failures, software issues, and good old-fashioned human error can become a catastrophe for your employees and your clients. Then there are the malicious events: ransomware and other evolving kinds of malware, phishing, internal threats, social engineering and, of course, fraud. It’s great that many have taken steps to slow wire fraud or installed a state-of-the-art anti-virus program. But standing alone, they’re not nearly good enough. It takes a comprehensive effort.

Everyone Thinks They’re Prepared

Consider a few statistics. It probably doesn’t surprise you that *SmallBizTrends.com* reports that 43 percent of cyberattacks target small business, but did you know that 60 percent of small companies impacted by a cyber attack go out of business within six months? Or that the average cost of recovery from small business data breaches is \$36,000, according to *Security Magazine*?

Most leaders of small or mid-sized business believe they are prepared for the worst. In fact, prior to being victimized, 81 percent of organizations affected were confident that data backup would provide them with complete recovery, *Barkly.com* reported. Yet, only 42 percent of IT professionals successfully recovered their data after a ransomware attack, according to *Barkly.com*. So, what’s a title agency to do at a time when margins are compressed and IT budgets are somewhere between lean and non-existent?

Layer up!

Whether you run a Fortune 500 enterprise or a five-employee shop, nobody is 100-percent safe. Unfortunately, that’s just the reality of it. There are dozens of things you can do to further lock down your non-public personal information (NPI) that we don’t even have the space to include here. Nonetheless, the sheer number of potential threats to your business means that taking a multi-step, or layered, approach improves your odds exponentially. Let’s talk about the most important actions that you can take to protect your business and your data.

The first layer any small or mid-sized (or large) agent should consider falls under the heading of “prevention.” Let’s start with the obvious. As the threat of wire fraud grows, multi-factor authentication is quickly catching on. Many agencies now require a username, password and third identifier, such as a verification through text message or authentication app, to access company e-mail. But don’t forget that cyber security is not something one can do once and for all. This needs to be a continuous and developing process in order to thwart increasingly sophisticated criminal efforts.

Email phishing testing—automated, randomized user testing—is an easy way to keep your team alert and prepared for when the real criminals are lurking behind the keyboard. By sending non-lethal phishing emails to your employees and measuring who clicks on them and how often, you can know where to focus your security training investment.

Security awareness training on a continuous basis is necessary to reduce your risk. A business can employ millions of dollars of sophisticated hardware and programming to curb risk, yet still be vulnerable if the people handling your data daily don’t recognize the threats that make it through your defenses. People are your greatest asset—and liability—when it comes to spotting and assessing threats. Provide them with quality training from white-hat security professionals so that they know what to look for and what to do in order to serve their role and keep your company safe.

The second category of layers in a well-positioned cyber defense is protection. Again, most agents already have some of these elements in place. Anti-spam filtering is an absolute necessity today, so don’t leave home without it. Business-grade network firewalls and locked-down Wi-Fi systems are other staples that any qualified IT professional or consultant should have in place. Don’t rely on the big box store down the street to take care of the security of your network—their liability for your security ends when you walk out the door. If your client can connect to your server from the Wi-Fi in your parking lot, then so can the hackers.

Consider also using GeoBlocking, which utilizes a global IP address database to identify and block traffic based on geographic location. This can reduce threat exposure from proven, high-risk areas such as China, Russia or Africa. Also, a thoroughly layered defense should include DNS filtering. This blocks categories of websites which have been identified as security risks based on their domain name before they can even reach the internal network.

Response

The final layer of a solid cyber defense is one that’s critical in the moments after a fraud or attack has taken place. Unfortunately,

that's something that too many victims are forced to improvise. In some ways, your agency's response layer is as much prevention and preparation as it is reaction. If you don't have a plan and protocols in place for each of the threats we've mentioned, you're already two steps behind if you are the victim of a fraud or cyber attack.

The two best ways to prepare for an event that can't be or hasn't been prevented are having a disaster recovery solution and a rock-solid data backup policy. In the case of a disaster that prevents your major IT systems from functioning, you'll need to have a plan that includes systems available for you to recover to. Remember, not all disasters are easy to plan for. Disasters can be caused by tornadoes, hurricanes or a broken water pipe above the server. However, the unseen threats like ransomware, software malfunction and data corruption can cause just as much damage to your business.

Data backups are almost as important today as having a good escrow mechanism or even having clients. It's data that cyber criminals are most often after, and data which allows you to serve your clients. A good backup plan envisions backups of critical data that are taken both onsite and offsite so that there are three copies of the data available in at least two physical locations. Thus, if your data gets deleted by an employee or corrupted by a malware, it can be recovered.

When it comes to disaster recovery, the principle of people-as-assets again comes into play. Good communication is crucial in the moments after an attack or disaster occurs. Solid and updated security protocols ensure your team isn't "winging it" in the critical early minutes and hours after a cyber event. And

continuous improvement applies as much to your recovery plans as any other layer. As our industry grows more sophisticated, so too do the criminals and the ways your data can be compromised. It's imperative that you not only make the initial investment in cyber security, but that you account for regular monitoring, updates, and education as well.

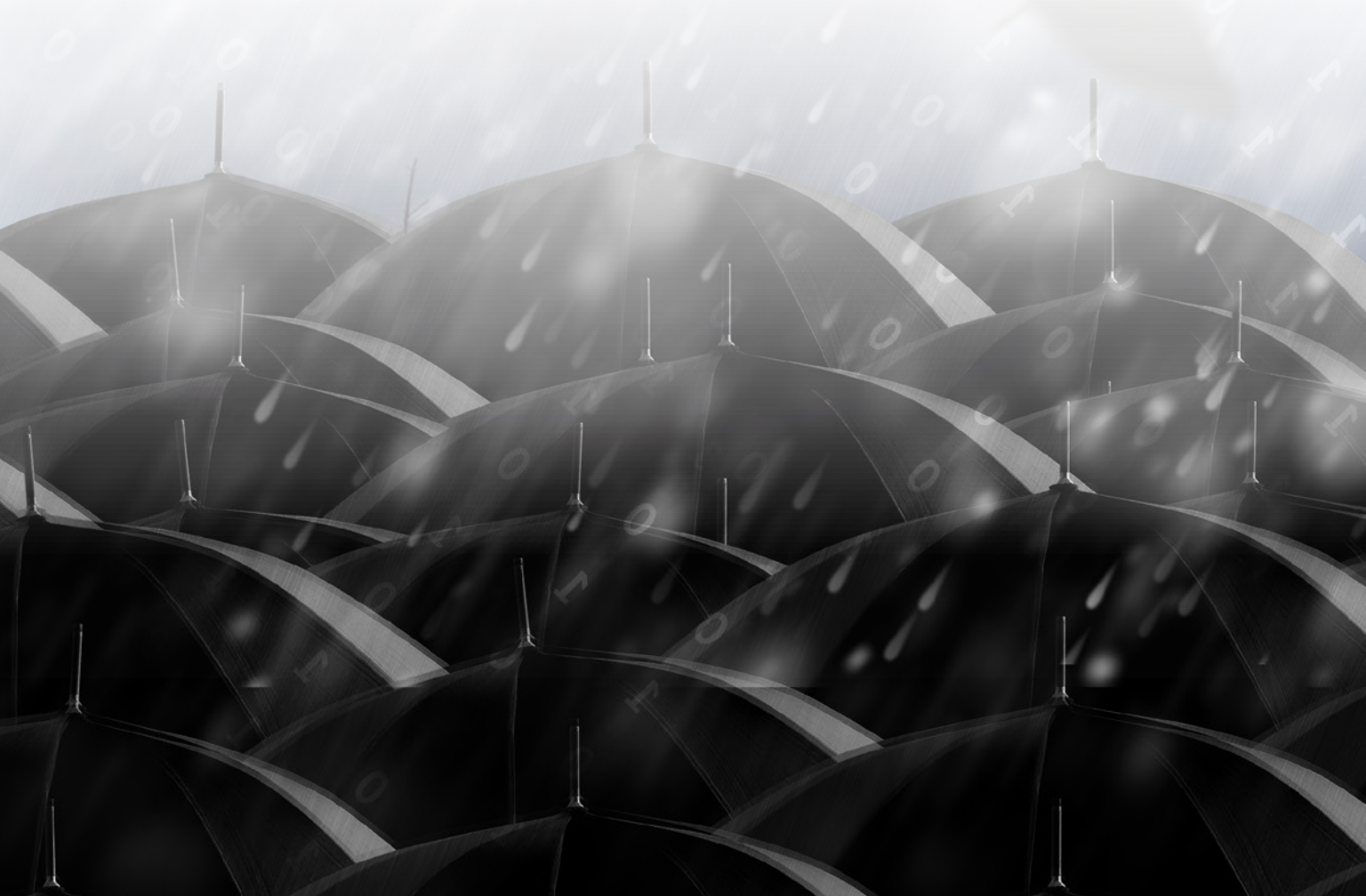
Again, all of what we've just discussed is just a starting point. There are easily another dozen things or more that you can do to reduce your risk against cybercrime, fraud and data disasters. For example, consider hiring professionals (whether in-house or not) who can align you with the best-in-class standard for data security, SOC2 Type 2. Understand that no defense is perfect, but that the risk of not having a multi-layered plan greatly outweighs the cost of preparation. Your data, and your clients' data, is now the lifeblood of your business. The threats are growing more sophisticated by the day. So, we ask again, are you truly prepared?



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KEVIN NINCEHELSE, *vice president of managed services for Premier One*, can be reached at kevinm@premier-one.com. Premier One provides IT support such as technical support, computer maintenance and IT consulting to small and medium-sized businesses.





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OLD REPUBLIC INSURANCE GROUP

ALTA's Wire Fraud Coalition Continues to Raise Awareness

ALTA continues to work hard to increase awareness about wire fraud and closing scams since launching the Coalition to Stop Real Estate Wire Fraud in June.

In the months since, ALTA has targeted consumers in markets favorable to first-time homebuyers. These markets include Birmingham, Ala.; Pittsburgh, Pa.; Virginia Beach, Va.; Minneapolis, Minn.; Tampa, Fla.; and Seattle, Wash. So far through our digital online campaign, we've delivered more than seven million ad impressions to potential homebuyers in these six markets.

In addition, we've received favorable news coverage. On Aug. 15, *The Wall Street Journal* published an article that

reveals the pervasive issue of real estate wire transfer fraud and recognizes industry leaders and start-ups trying to confront the issue. The reporter also highlighted the coalition. "Working with Community Mortgage Lenders of America, the Real Estate Services Providers Council and the American Escrow Association, ALTA hopes to educate industry professionals and consumers about the threat instructions."

Just a week prior to the article, ALTA President-elect Mary O'Donnell penned an opinion piece that appeared in the *Orlando Sentinel* on Aug. 7. Titled, "Be wary of wire fraud when buying a home," O'Donnell did a fantastic job outlining the threat of wire fraud and encouraging more awareness.



What can you do?

- **Join the Coalition:** stopwirefraud.org
- **Share:** Use the video and infographic ALTA has created to inform consumers about the dangers of wire fraud closing scams. Access the content at alta.org/wirefraud.

With SoftPro LIVE, a customizable communication portal, you can provide all authorized parties with secure access to track the status of your closings anytime, anywhere. Elevate your closing experience and save time for everyone with automatic emails, messages and the ability to share documents with your customers – 24 hours a day, seven days a week!



KEY STANDARD FEATURES

- Post documents electronically to a secure website where your customers can view them.
- Provide your customers with appropriate access for the orders with which they are associated.
- Automate tasks and track the status of your closing with real-time updates.
- Send automated, customized email notifications regarding order status and tasks.
- Send two-way messages with your customers that flow directly into SoftPro.
- As an option, create your own custom SoftPro LIVE website and domain, branded specifically for your company.



CUSTOMIZABLE WEB ORDER ENTRY

As an optional add-on, you can receive and accept new orders securely and directly from your SoftPro LIVE website – anytime, day or night. There's no need to re-key any information, so you'll minimize errors and maximize efficiency.



GO MOBILE

SoftPro LIVE is also available for Android and iOS smartphone and tablet devices. Download the appropriate SoftPro LIVE app to access contact information, documents and orders when you're on the go. Includes satellite or street views of properties, powered by Google Maps.

For more information and pricing, visit softprocorp.com/live or contact SoftPro Sales at **800-848-0143** or sales@softprocorp.com

800-848-0143
www.softprocorp.com



REPORT: Attempted Losses Due to Business Email Compromise Schemes Spike to \$300M per Month

\$179 Average Fraudulent Transaction
Amount for Real Estate Firms

ATTENDED LOSSES due to business email compromise schemes increased to \$300 million per month, according to the latest report from the Financial Crimes Enforcement Network (FinCEN).

This is an increase from \$110 million per month in attempted losses in 2016. FinCEN reported that overall, the number of BEC suspicious activity reports (SARs) increased to 1,100 per month last year, which was up from 500 reported per month in 2016.

BEC is a type of scam that targets businesses (and other types of organizations, such as educational institutions, government, and non-profits) and their fund transfers. Scammers generally target organizations that conduct large wire transfers in the course of their usual business and rely on email for much of their communication regarding the wires. Recent reporting indicates that other financial products, such as convertible virtual currency, automated clearing house transfers, and gift cards, can be used in BEC schemes. The perpetrators typically compromise a key email account by using computer intrusions or social engineering and send an email that fraudulently directs funds to criminal-controlled accounts. Perpetrators may use methods such as spear phishing, specialized malware, and spoofed emails. Often, the victim is tricked into thinking a legitimate email from a trusted person or entity is directing them to make a payment for a normal business activity.

ALTA Outgoing Wire Preparation Checklist

ALTA's Information Security Committee has developed a new tool for members seeking best practices for verifying outgoing wire information. You can either pullout the print version on the next two pages or download the checklist at alta.org/business-tools/information-security.cfm.

According to FinCEN, real estate was the third highest targeted sector for BEC in 2018, accounting for 16 percent of all reported incidents. While real estate firms represented 9 percent of all targeted firms in 2017, they accounted for over 20 percent of fraudulent transaction amounts. Real estate firms have the highest average fraudulent transaction amount of \$179,000.

"Frequent high-dollar transactions in the real estate industry along with the improving real estate market most likely continued to make real estate an attractive target for perpetrators of BEC fraud in 2017 and 2018," according to FinCEN.

Manufacturing and construction businesses were the top targeted sector for BEC fraud in 2018. This sector accounted for a quarter of all reported incidents. Meanwhile, commercial services (such as professional services companies like landscaping, retail, restaurants and lodging) increased more than other industries, up from 6 percent of reported incidents in 2017 to 18 percent in 2018. Financial firms fell significantly in the rankings, from 16 percent in 2017 to 9 percent in 2018. ■

ALTA Outgoing Wire Preparation Checklist

Download at: alta.org/business-tools/information-security.cfm

Date: _____ File Number: _____

Company Name: _____ Location: _____

Section 1: Provide the source of the wiring instructions:

<input type="checkbox"/>	I received the initial outgoing wire instructions directly from the payee in person . The instructions have not been modified or amended. Proceed to Section 2.
<input type="checkbox"/>	I received the initial outgoing wire instructions directly from the payee via the United States Postal Service or a known overnight mail or messenger service and verified the accuracy of the instruction by calling the payee at a phone number obtained independently from any phone number shown in the package. The instructions have not been modified or amended. Proceed to Section 2.
<input type="checkbox"/>	I received the initial outgoing wire instructions directly from the payee via fax and verified the accuracy of the instruction by calling the payee at a phone number obtained independently from any phone number shown in the package. The instructions have not been modified or amended. Proceed to Section 2.
<input type="checkbox"/>	I received the initial outgoing wire instructions from the payee , which have been modified or amended in writing in person at the following date/time: _____ Proceed to Section 2.
<input type="checkbox"/>	I received the initial outgoing wire instructions directly from the payee by email and verified the accuracy of the instruction by calling the payee at a phone number obtained independently from any phone number shown in the email. The instructions have not been modified or amended. Proceed to Section 2.
<input type="checkbox"/>	I received the initial outgoing wiring instructions via a 3rd party (e.g., attorney, realtor, lender) and have verified the accuracy of the instruction by calling the payee at a phone number obtained independently from any phone number obtained via the 3rd party. The instructions have not been modified or amended. Proceed to Section 2.

Section 2: Verify instructions received by email or from someone other than the payee.

<input type="checkbox"/>	Wire Payee Name: _____
<input type="checkbox"/>	Wire Amount: _____
<input type="checkbox"/>	Payee Phone Number: _____
<input type="checkbox"/>	Source of Phone Number (never use the phone number included in an email): _____
<input type="checkbox"/>	<input type="checkbox"/> Original Order or Contract: _____
<input type="checkbox"/>	<input type="checkbox"/> Secure Portal: _____
<input type="checkbox"/>	<input type="checkbox"/> Internet Search: _____
<input type="checkbox"/>	<input type="checkbox"/> Other (describe): _____
<input type="checkbox"/>	Name of Person I Spoke With: _____ Date: _____
<input type="checkbox"/>	Wire Information confirmed. Account and ABA Routing Number, and Account Name match payee in the file. Wire instruction notes indicate correct payment information (e.g., loan number, beneficiary, other information).
<input type="checkbox"/>	Wire Information confirmed. Account and ABA Routing Number match an entry on our company's list of validated wire instructions for common bank payoffs.

Wire Creator: _____
 (Signature) (Date)

 (Printed Name)

Wire Authorizer: _____
 (Signature) (Date)

 (Printed Name)

Section 3: Verify Delivery of Wired Funds.

<input type="checkbox"/>	Date Wire Was Sent: _____
<input type="checkbox"/>	Date Wire Was Received: _____
<input type="checkbox"/>	Name of Person Who Confirmed Receipt: _____
<input type="checkbox"/>	Purpose of Wire: _____
<input type="checkbox"/>	Loan Payoff
<input type="checkbox"/>	Equity Loan Payoff
<input type="checkbox"/>	Seller Proceeds
<input type="checkbox"/>	Real Estate Commission
<input type="checkbox"/>	Other (<i>describe</i>): _____

Verified By: _____
 (Signature) (Date)

 (Printed Name)

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ALTA Compensation Index Helps Title Agents Evaluate Salary, Benefits Packages

Complete the Survey and Compare National Results

Benchmarking is an important tool and worthwhile investment for human resource departments to help support the organization by attracting and retaining the needed talent while managing salaries and costs of the organization in the right manner.

From a staff perspective, it is important to ensure fair salaries in terms of internal and external benchmarking. To help the title industry with this, ALTA created the Title & Settlement Services Industry Compensation Index. The Compensation Index is designed to help professionals easily examine the full value of their compensation packages and compare their business to competitors. It can compare salary rates for existing positions and

assist in analyzing the current market for new roles.

Jennifer Luedtke, human resources manager for Town n' Country Title in Wisconsin, said her company took the time to complete the survey because she believes it will better the industry.

"This information will help set a standard across our markets for compensation and open up ideas to see what others are offering for benefits," she said. "We have nine branches and completing

all of the data took quite some time, but it was well worth it. The ALTA team put a lot of time and effort into developing this tool for us, so it was a no-brainer to participate.”

Frank Pellegrini, president and CEO of Prairie Title in Illinois, also sees the importance of the project because it allows him to benchmark his company’s salary and benefits offerings with other similar companies in the region.

“This will help us be competitive in attracting the best and brightest candidates for positions in our company,” he said. “In addition, this information will help groom future leaders in our business and in our industry.”

Having concrete salary data consequently eases communication between employees and managers. From an economic point of view, employee compensation is typically one of the major cost items within the organization. This means human resources is a key cost driver. Benchmarking helps executives make the right decisions in terms of salary management and influences the cost control of the organization. These two aspects have a significant impact on risk management when considering losing key talent as well as incurring escalating costs.

ALTA’s Compensation Index provides results showing the 25th percentile, median and 75th percentile of responses—as well as where a company falls—in easy-to-read graphs.

Companies that have completed all the required questions in the Compensation Index can examine the aggregate results. All



company data is collected through a secure third party. Individual data is kept confidential.

Pellegrini plans to use the survey results to help compare his company’s compensation structures to prevailing trends.

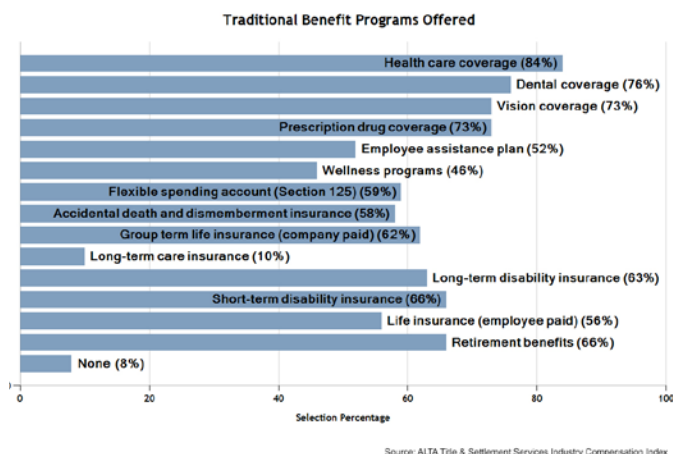
“We will be better equipped to evaluate our programs and adjust where we think necessary,” he said.

While results weren’t surprising, Pellegrini said the information extracted confirmed some of his company’s approaches, while simultaneously suggesting areas that need review, adjustment or enhancement.

“I have learned over the years that every hire is unique,” Pellegrini said. “What is essential to one candidate may be nearly meaningless to the next. I don’t see the survey results changing my approach in this respect, but there is no substitute for reliable information. With access to a greater pool of ideas, we can approach the recruitment process with more confidence.”

Luedtke also plans to use the data to better project her company’s future compensation structure and build a richer benefits package.

Compensation Index Sample Data



“I want to make sure that our company is staying competitive and we are offering the best we can to our employees,” she said.

Luedtke agreed that the results weren’t too surprising. As a small, family owned business, the company must remain competitive with others in its market.

“It was nice to gather some ideas for benefits we may be able to offer in the future,” Luedtke said.

The Compensation Index provided this needed data and will help provide the baseline for when Town n’ Country Title updates its compensation structure in 2020.

“Our roles are hybrids of two or more positions as one, such as title examiner and searcher, so making sure that we are in an average range of those positions is necessary. In addition, pricing out benefits every year is something we already do, but we will be creative on what we can offer to make the overall compensation more desirable.”

Compensation Index FAQs

- Take the survey and view results: alta.org/compensation
- **Who can enter data?** The primary contact or a designated individual can complete the Compensation Index on behalf of each company location.
- **Who can review the results?** Because of the highly sensitive nature of the data contained in the survey, full access to the Compensation Index is restricted to a location’s primary contact and/or the designated individual.
- **When will the results be available?** Data is available now. Participants can filter results to compare themselves with other companies as well as download Excel reports and PowerPoint slides. However, a minimum of five data points must meet the filter requirements for the results to display.
- **What data will I need to enter?**
 - Company demographics by location (state, revenue, staffing numbers, expenses, etc.)
 - Compensation data by position (rates, bonuses, hours worked, etc.)
 - Information on the benefits packages your company offers

Q2 Underwriter Financial Results



Regulatory Approval of Fidelity Acquisition of Stewart Still Pending

Fidelity

Fidelity National Financial reported its title segment generated pre-tax earnings of \$363 million during the second quarter of 2019. This compared to pre-tax earnings of \$300 million during the same period a year ago. This was the company's best quarterly results since 2003.

"The second quarter was a very strong performance for our title business," said Fidelity Chairman Bill Foley. "Looking ahead, with strong second quarter refinance orders opened, an improving trend in purchase orders opened and continued strength in commercial orders opened. We are well positioned to continue to produce strong financial results in our title business as we enter the second half of 2019."

During the second quarter, Fidelity's direct offices opened

544,000 orders and closed 359,000 orders. This compared to 505,000 opened and 362,000 closed orders during the second quarter of 2018. In the commercial sector, Fidelity closed 34,000 transactions during Q2 2019. This is down from 35,100 closed commercial deals during the second quarter of 2018. Refinance orders spiked 51 percent versus the second quarter of 2018.

Fidelity paid \$62 million in claims during the second quarter of 2019. This is up slightly from \$60 million in claims paid during Q2 2018.

Fidelity exercised its second option to extend the closing date for the acquisition of Stewart Information Services to Sept. 18.

"We continue to work with the FTC and the New York State Department of Financial Services to seek approval of the proposed acquisition," Foley said. "If the approvals are obtained, we remain

confident that the Stewart acquisition can create meaningful long-term value for our shareholders.”

First American

First American Financial Corp. reported that its title insurance segment posted pre-tax income of \$232.8 million during the second quarter of 2019. This is up from \$209.6 million during the same period a year ago.

“The company delivered outstanding financial results in the second quarter, including a record 17 percent pre-tax title margin,” said Dennis Gilmore, chief executive officer at First American Financial Corporation. “Low interest rates continue to strengthen the purchase market, drive substantial growth in refinance activity and sustain a healthy commercial market. This quarter’s performance again benefited from effective expense management and higher investment income.”

During the latest quarter, First American opened 296,200 direct title orders and closed 196,600 direct orders. This compared to 276,800 direct orders opened and 196,200 closed orders during Q2 2018. On the commercial side, First American opened 551 direct orders and closed 301 direct orders per day during the second quarter of 2019.

The provision for policy losses and other claims was \$43.8 million in the second quarter, or 4.0 percent of title premiums and escrow fees, compared virtually identical to the 4.0 percent loss provision rate in the second quarter of 2018. The current quarter rate reflects an ultimate loss rate of 4.0 percent for the current policy year and no change in the loss reserve estimates for prior policy years. During the second quarter of 2019, First American paid \$40.5 million in claims. This is down from \$44.7 million in claims paid during the same period in 2018.

Personnel costs were \$422.7 million in the second quarter, down \$4.4 million, compared with the same quarter of 2018. First American attributed the decline to lower salary expenses driven by lower average headcount, partially offset by higher incentive compensation expense.

“Looking to the second half of 2019, we are optimistic in light of current market trends,” Gilmore said. “So far in July, refinance activity continues its robust growth and purchase open orders are trending positively. Moreover, we expect to see continued strength in our commercial business. Although the anticipated reduction of the Fed funds rate will impact our investment income, given current business conditions and the efficiency of our operations, we expect to deliver strong financial results in the second half of the year.”

Old Republic

Old Republic International Corp. reported that its title insurance segment generated pre-tax income of \$60.2 million during the

second quarter of 2019. This is down slightly from \$60.9 million in pre-tax income during the same period a year ago.

The company reported that 2019 year-over-year comparisons of revenues from title premiums and fees reflect a mild slowdown in housing and mortgage lending activity. Claim costs trended slightly higher as favorable development of prior years’ claim reserve estimates edged down.

Old Republic paid \$18.1 million in title claims during the latest period. This is up from \$17 million in claims paid during the second quarter of 2018.

During the company’s earnings call, Rande Yeager, executive chair of Old Republic Title, reported that about 20 percent of title premiums and fees are related to the title group’s commercial market efforts and to a large extent its commercial operating unit.

“We truly believe that our success in the commercial side of the business is primarily driven by our exceptional commercial team and to a lesser extent by the continued growth in the real estate sector,” Yeager said.

Stewart

Stewart Information Services Corp. reported its title segment posted pre-tax income of \$39.0 million during the second quarter of 2019. This is up from \$37.7 million during the same quarter a year ago.

“We are pleased with our second quarter results as we have been able to capitalize on the selling season in our direct domestic title business while continuing to reduce corporate expenses,” said Matthew Morris, Stewart’s chief executive officer. “A continued stable real estate market along with favorable buyer demographics and falling interest rates provide continued momentum as we enter the second half of 2019.”

During the latest quarter, Stewart opened 104,282 direct title orders and closed 69,654 direct title orders. This compared to 96,391 direct orders opened and 71,405 direct orders closed during the second quarter of 2018.

Title loss expense for the second quarter of 2019 was \$18.8 million compared to \$18.7 million from the prior year quarter. Title losses, as a percentage of title revenues, were 4.1 percent in the second quarter 2019, which was comparable to 4.0 percent in the second quarter 2018. The company expects title losses to remain in the range of 4.0 to 4.2 percent of title revenues for 2019.

“We appreciate the dedication of our loyal associates who have remained focused on delivering the highest level of customer experience as we work through the regulatory approval process for our merger with Fidelity National,” Morris said. “Our results today underscore Stewart’s value through our financial strength, strong balance sheet, growing statutory surplus, solid credit ratings and consistent cash flows.”

MISMO Approves New Remote Online Notarization Standards

MISMO recently released its remote online notarization (RON) standards, which include an update to the draft standards issued earlier this year. The RON standards allow the use of audio-visual communication devices to notarize documents in a virtual online environment.

MISMO's RON standards were updated to include language to preclude the storage of personally identifiable information. The RON standards were released for a public comment period that ended Aug. 12. If no substantive comments were received during this comment period, the standards will be moved to Candidate Recommendation status. Candidate Recommendation status means the RON standards have been thoroughly reviewed by a wide range of organizations and industry participants, and are ready for broad use across the entire residential mortgage industry.

"With states across the country

enacting remote online notarization laws, MISMO's standards will support greater consistency as the volume of remote online notarial transactions increases," said Eddie Oddo, vice president of corporate business solutions at First American Title Insurance Company, and co-chair of MISMO's Remote Online Notarization Workgroup. "We're excited about this next stage in the standards process and look forward to seeing lenders, title companies, software vendors and notaries leverage RON standards to offer borrowers a more secure and efficient closing process."

MISMO's RON standards were created to promote consistency across mortgage industry practices and state regulations. In the interest of furthering adoption of RON and to encourage consistency in related state regulation, MISMO will make its standards available for free to the public and will not require a license fee to use them.



Digital Closing Boot Camp

- Want to learn more about RON and digital closings? Register for the ALTA & MBA Digital Closing & eMortgage Boot Camp, which will be held Dec. 11-12 in Scottsdale, Ariz., at meetings.altas.org/digital-boot-camp

The standards include credential analysis, borrower identification, capturing and maintaining an electronic recording of the notary process, audio and video requirements, record storage and audit trails.

MISMO's RON standards support model legislation that was developed by ALTA and the Mortgage Bankers Association.

Closetrak, Pavaso Facilitate Tennessee's First RON Closing Under State Law

Closetrak Title & Closing partnered with Pavaso to facilitate the first remote online notarization (RON) e-closing in Tennessee to be completed by an e-notary in the state, the companies announced in a release.

The transaction follows the July 1 effective date of a state law that permits RON. The Online Notary Public Act made Tennessee the sixth state to permit RON, the notarization of electronic documents from a remote location using online, two-way audio-video technology. RON sessions are recorded, and the identity of all signatories is verified through a photo ID and knowledge-based authentication technology.

Existing Tennessee notaries must apply for and receive approval from the state before performing RON. Before applying, notaries are required to contract with a third-party vendor that will provide the technological support necessary to expand their services online.

Joseph Kirkland, senior underwriting counsel with Closetrak

Title & Closing in Memphis and the state's first commissioned e-notary, had the honor of performing the RON closing.

"My clients are missionaries in Uruguay who were having trouble scheduling a consular officer to notarize documents at the embassy," Kirland said. "Using this technology saved weeks of waiting. Thanks to the new RON law and Pavaso, I was able to close the transaction and notarize documents at my office here in Memphis, while the sellers participated from their home in Montevideo."

Sellers Bob and Jennifer Frith were also happy with the experience.

"Due to our present situation of living overseas and selling a property in Tennessee, Pavaso's eClosing service was a tremendous tool in assisting us in this long-distance transaction," Bob Frith said. "(Kirkland) guided us through the easy-to-understand process. We would highly recommend this innovative technology to anyone in need of long-distance notarial services."



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Texas Legislature Passes Bill Eliminating Roadblock to Record Remotely Notarized Real Estate Transactions

The Texas legislature recently passed a bill that provides recording jurisdictions with additional clarity when conducting paper recordings of electronically executed documents.

SB 2128, which goes into effect Sept. 1, addresses several uncertainties previously acknowledged in regard to remote online notarization (RON) in Texas. Under this bill, a notary will be able to certify via an affidavit that a paper copy of a notarized electronic record is a true and correct copy, and county clerks will be required to record the transaction.

NotaryCam Founder and CEO Rick Triola praised the Texas legislature for passing the bill.

“Even though RON has been legal in Texas for nearly a year, nuances in the state’s real estate laws have created unforeseen roadblocks to adoption,” Triola said. “However, the passage of SB 2128 should remove the final hurdle for RON adoption in Texas. By passing this bill, the Texas legislature has removed doubt that a properly executed RON transaction will be accepted by county recorders statewide, thus paving the way for mortgage lenders and title/settlement professionals to begin executing remotely notarized and closed Texas-based real estate transactions.”

According to data from the Property Records Industry Association (PRIA), only 71 of the 254 counties in Texas currently offer e-recording. With most counties lacking the capabilities to e-record, the Texas legislature recognized the current state of affairs and enacted a solution to allow RON transactions to move forward regardless of a particular jurisdiction’s recording procedures.

“On a practical level, SB 2128 expands the definition of a paper document to

include electronic records that have been ‘papered out,’ thus removing any doubt that these documents are eligible to be recorded in the state of Texas,” said Celia Flowers, owner of East Texas Title. “After talking to my (county) clerks after the original RON statute went into effect last year, I quickly discovered that many of them did not know about the bill, nor did they understand what RON was. As a result, many of them—especially those that did not e-record—were not going to accept documents that had been electronically notarized. I think this bill resolves many of the concerns clerks had regarding RON by providing a legally accepted framework for converting electronic documents into paper format for recording purposes.”

Triola and Flowers, along with James Anderson from Championship Title and the Texas Land Title Association’s Director of Government Affairs and Counsel Aaron Day, will share lessons learned from Texas’s roll-out of RON during ALTA ONE in Austin. The session, “Notable: Texas Title Agents are Rocking with RON,” will take place from 10:30-11:30 a.m. CDT, Oct. 23. For more information on the session and the conference, go to meetings.alta.org/one/.

ClosingLock Offers E-signing Service

ClosingLock announced it now offers an electronic signing service for its clients.

“We worked diligently to give our customers the ability to securely share documents and also have those documents electronically signed, all within the same system,” said Andy White, ClosingLock’s CEO and co-founder. “Several of our current clients gave us great insight into their system needs, and we believe our new e-signing feature fulfills those needs.”

ClosingLock allows closing and settlement companies to share wire transfer documents via a secure web-based service, allowing everyone involved

in the transaction to avoid the email and phone phishing scams prevalent in the real estate industry. In 2018 ClosingLock (under the BuyerDocs name) protected more than \$6.3 billion in real estate wire transfers while being used in all 50 states and 28 countries worldwide.

Connecticut UPL Law Goes Into Effect in October

Effective Oct. 1, only Connecticut licensed attorneys will be able to conduct real estate closings for certain transactions in the state. Traditionally, attorneys have acted as closing agents in Connecticut, but there was no official requirement.

Connecticut Senate Bill 320 (Public Act No. 19-88) now requires that only licensed Connecticut attorneys in good standing may conduct real estate closings. According to the legislation, a real estate closing means a closing for:

- a mortgage loan transaction, other than a home equity line of credit transaction or any other loan transaction that does not involve the issuance of a lender’s or mortgagee’s policy of title insurance in connection with such transaction, to be secured by real property in Connecticut, or
- any transaction wherein consideration is paid by a party to such transaction to effectuate a change in the ownership of real property in Connecticut.

A violation can result in a \$5,000 penalty or five years in jail.

Other states that have versions of unauthorized practice of law include Georgia, Massachusetts, North Carolina, Rhode Island and South Carolina. Rhode Island is considering a similar bill.

FIN Title Acquires Titleology Abstract

FIN Title announced it has reached an agreement to acquire Dallas-based

Titleology Abstract Inc., a provider of non-insurance title reporting products serving the national market. Jay Jacobs, founder and principal of Titleology, will remain in a leadership role overseeing FIN Title's uninsured title product division.

"The value in (Titleology's) highly respected team, quality service, and the cultural fit of the two organizations creates a powerful offering for our clients, who will benefit from the expansion of our footprint as we provide non-insurance products to the lending and mortgage servicing industries through Titleology on a nationwide scale," said Andy Fragassi, chief operating officer of FIN Title. "Through a combination of local boots on the ground, data, technology, and professional expertise, FIN Title is well positioned to provide best-in-class product offerings to meet these diverse needs."

FIN Title was launched this year in California, while Titleology opened its doors in the Dallas market in 2014. Titleology serves the entire Texas market

through a network of title companies. Terms of the transaction are not being disclosed.

Truly Title Launches Operations in Texas, Utah

Truly Title announced it has launched operations in Texas and Utah.

Truly Title, which is licensed to do business in Texas, Utah, Minnesota, Tennessee, West Virginia and New Jersey, is underwritten by Westcor Land Title Insurance Co. and First American Title Insurance Co.

"In a short period of time, the value proposition offered by Truly Title—our entrepreneurial culture, long-term stability, people-focused culture and industry-changing technology—has customers old and new already taking notice," said Mike Kirby, president/COO of Truly Title. "The dedicated, localized service of Truly Title makes for a great

customer experience, layered with technology that ensures transparent, end-to-end support throughout the closing process."

In addition to Kirby, the founding management team at Truly Title also includes Mike Tafoya, CEO; Graham Hanks, president, Truly Title Texas; and Crystal Bond, president, Utah.

ATA Expands in Chicago Metro Market

Farmington Hills, Mich.-based ATA National Title Group (ATA) recently opened a new office in a suburb of Chicago to further expand its coverage in the market area.

"We are continually looking for opportunities to grow and our new office location allows us to further diversify and develop our capabilities within the dynamic Chicago market," said Steve Brown, regional vice president for ATA.

Two new employees with a combined



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45 years of experience have joined ATA as part of this expansion. Michelle Reick will act as an escrow officer, and Tom Pilafas will be the account manager for the office in Oswego, Ill. ATA has seven additional offices in Illinois.

First American Completes Investigation Into Information Security Incident

In July, First American Financial Corp. announced it completed an investigation into the extent to which customer information may have been compromised in connection with a reported information security incident.

The investigation identified 32 consumers whose non-public personal information likely was accessed without authorization. These 32 consumers have been notified and offered complimentary credit monitoring services.

On May 24, the company learned about a design defect in one of its production applications that allowed for the possible unauthorized access to customer data.

North American Title Insurance Co. Launches NATIC University

North American Title Insurance Co. (NATIC) has launched NATIC University, the company's new, on-demand educational platform within its agent portal. The learning management system is custom designed for NATIC agents, offering an enhanced learning experience within NATIC's AgentLink portal environment.

NATIC University features:

- On-demand education at the user's fingertips
- Six courses from NATIC's Rainmaker's Laboratory training
- Easy-to-access instructional videos to view at the user's convenience
- Tips from NATIC University's virtual assistant, "Professor Ed Ucation," to guide users through the courses

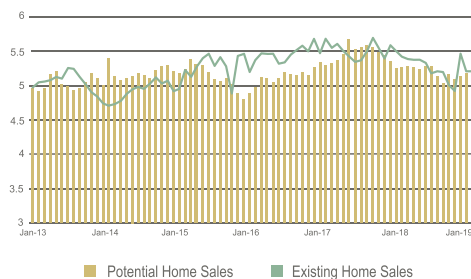
Housing Market Potential

Existing and Potential Home Sales* (in Millions, Seasonally Adjusted Annualized Rate)

5.36 SAAR
Existing Home Sales

5.19 SAAR
Potential Home Sales

+3.3%
Market Performance Gap



*Potential home sales measures what a healthy market level of home sales should be based on the economic, demographic and housing market environments.

National Consumer House-Buying Power

How much home one can afford to buy given the average income and the prevailing mortgage rate

May 2019

\$394,913

House-Buying Power

+9.3%

Year-Over-Year

Where House-Buying Power is Strongest

Top States and Cities

States

1. New Jersey: **\$527,584**
2. Maryland: **\$507,343**
3. Connecticut: **\$500,183**
4. Massachusetts: **\$493,269**
5. Hawaii: **\$492,861**

Cities

1. San Jose, CA: **\$755,093**
2. San Francisco, CA: **\$673,929**
3. Washington, DC: **\$655,958**
4. Boston, MA: **\$562,704**
5. Seattle, WA: **\$554,203**

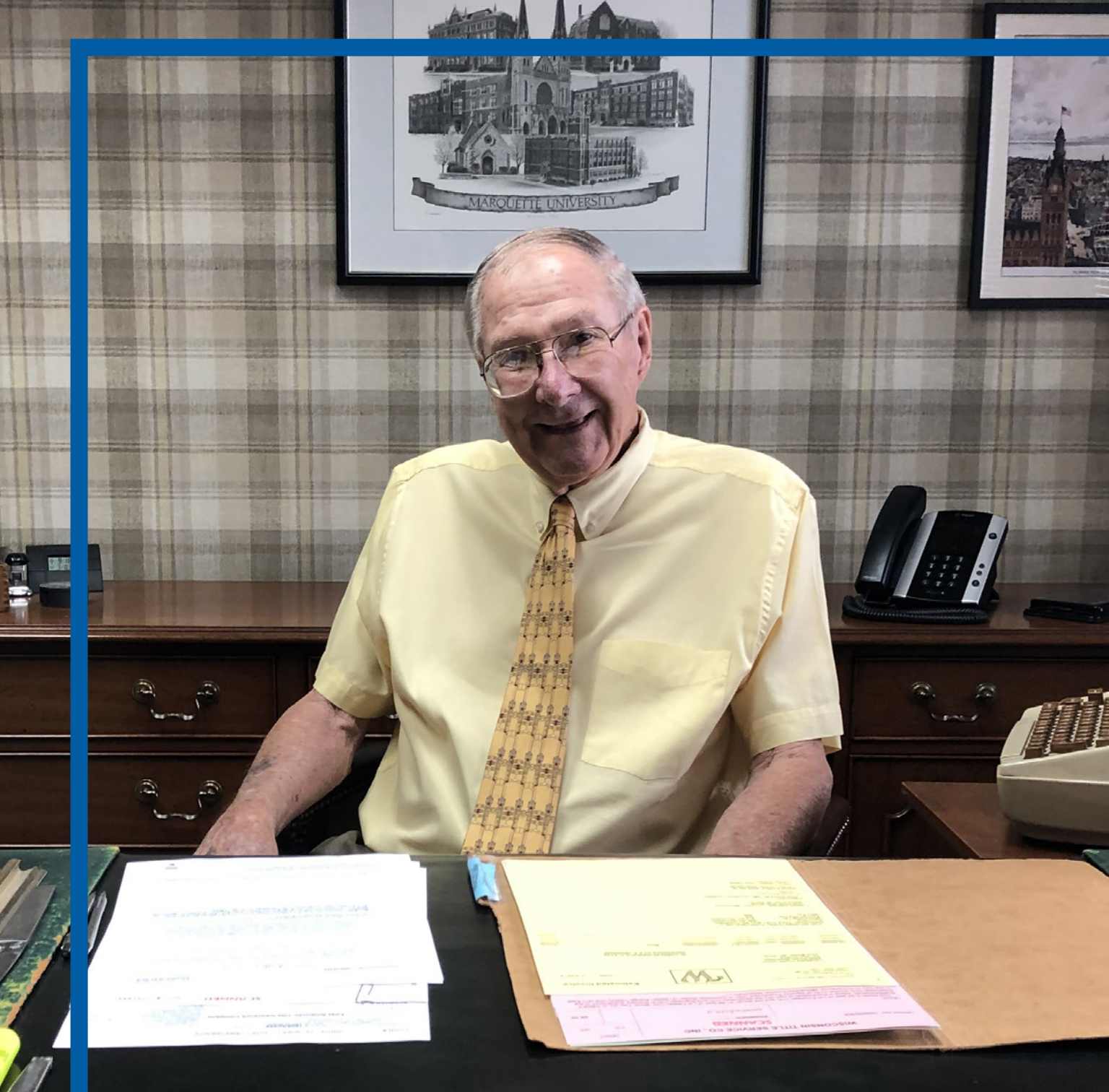
Source: Mark Fleming, Chief Economist at First American Financial Corporation

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AGE IS JUST A NUMBER

Wisconsin Title Industry Veteran
Going Strong at 90

No matter what the industry, a full-time job can be stressful, exhausting and frustrating—causing even the most optimistic of employees to dream of retirement. Many count down the days until they are finally free of the seemingly endless cycle of work weeks that eventually start to blend together, making it challenging to remember what day of the week it is. Striving for the minimum amount of working years before retirement has become a normal occurrence in our society today, however, there are always exceptions. These are the people who break away from this norm and let their passion and dedication for their careers drive their success long past age 65. Nic Hoyer, full-time examiner and owner of Wisconsin Title Services, is one of these exceptions. Despite having celebrated his 90th birthday on Sept. 16, 2018, Hoyer continues to come into the office each day ready to work.

On a typical day, Hoyer strolls through the front doors of Wisconsin Title Services and greets his employees with a smile on his face before grabbing the daily paper and a stack of files to get straight to work in his office. It has been over 70 years since he started in the title industry, and Nic still continues to be an integral part of the family business. His dedication and involvement in his company are apparent to all his employees who on a daily basis can find Hoyer in various departments either working on files or helping others by sharing knowledge he has gained from his years of experience in the industry. Being accessible can be challenging to any company owner, but Hoyer puts forth the effort to be in his office Monday through Friday during normal work hours with his door open to create a collaborative and welcoming environment for all employees. This demonstrates his commitment and passion for Wisconsin Title Services. Hoyer could have easily retired a long time ago; however, he remains right in the middle of the action, working alongside instead of above his employees in order to provide an example of the level of dedication it takes to be successful.

Hoyer's long and prestigious history in the industry began in 1946. He followed in the footsteps of his father, William, working part time with him the Kenosha County Abstract Company as he also attended college. While serving as a statistician at Great Lakes Naval Training Center after college, Hoyer continued to work with his father, now helping at the new business, Wisconsin Title Services, despite having to commute between Kenosha and Great Lakes. Even straight out of college, it was clear that Nic demonstrated a very rare level of work ethic and dedication to his family business. This continued to develop through his years at the company and he

eventually assumed the helm to serve as both examiner and an owner to this day, along with his daughter and son-in-law.

Along with Hoyer's many accomplishments as owner of Wisconsin Title Services, he has served the title industry and demonstrated his leadership skills in many different roles. He is a past president of the Wisconsin Land Title Association (WLTA). His efforts and dedication to this organization were recognized in 1997 when he was awarded Member of the Year. Hoyer also served on ALTA's Board of Governors, served as director of the Milwaukee Board of Realtors for 12 years and was a board member at the Blue Mound Country Club for six years. He played a vital role in all these prestigious organizations while still upholding his dedication to his own business.

Hoyer continues to provide valuable leadership by example through his strong work ethic and commitment to his company and employees. Long after he began working part time with his father, Wisconsin Title Services remains a family company. His daughter, Carrie Hoyer, currently serves as treasurer/secretary, but has seen every aspect of the family business and therefore utilizes her knowledge and leadership skills to meet the needs of all customers. Mark Ciborowski, husband of Nic's daughter Chris, has also become a key piece to the success of the company. He has been a part of Wisconsin Title since 1975, and he continues to provide valuable expertise on the commercial side of business by serving as the current vice president.

Not only has Nic Hoyer inspired his own family to continue his legacy with Wisconsin Title Services, but he also inspires his employees and the title insurance community each day by proving that age has no impact on a person's dedication to their passion.

Movers & Shakers



Krone

Equity National Names SVP of Corporate Development

Equity National Title has named Mike Krone as senior vice president of corporate development. In his new role, Krone will lead growth efforts for commercial real estate closings, especially in the Massachusetts market. He has served the real estate and settlement services industry for over 35 years as a practicing attorney. He was most recently an executive vice president with Universal Capital.

TrustLink Names National Sales Representative

First American Professional Real Estate Services Inc. recently appointed Celeste Marek as national sales representative for TrustLink Services. In her new role, Marek

will provide solutions to attorneys, title agents and escrow companies for the management of their settlement trust accounts. Formerly with First American Title Insurance Co., Marek has over 20 years of knowledge and expertise in the title insurance and mortgage banking industries.

WFG Names Senior Business Development Officer

WFG National Title Insurance Company appointed Gregg W. Christensen as senior business development officer for the company's New York City-based national commercial services division. In his new position, Christensen's responsibilities will include securing, developing and managing client relationships within the commercial real estate sector. Christensen has more than 25 years of commercial real estate and title insurance expertise.



Are you looking for that competitive edge?

North American Title Insurance Company's suite of business development tools and services gives agents an advantage in their markets. As a business partner, we offer our title agents exclusive access to:

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- Cutting-edge business development tools
- An unparalleled one-hour underwriting response time guarantee
- A STAR Agent Network suite of marketing collateral
- Our AgentLink web portal
- Personalized service and transparency

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Be the Company That Leads the Way

IN THE YEARS SINCE THE DEVELOPMENT OF ALTA'S OUR VALUES PROGRAM,

The program centers around these three concepts: We Lead, We Deliver and We Protect. These notions highlight the core ideals ALTA members embrace. They reflect the professional strength of the title and settlement industry.

Earlier this summer, ALTA launched the call for nominations for the 2019 Our Values Awards. It was awesome to learn that we received more than 100 nominations! I'm eager to learn who will win this year's awards! Like 2018, there are three award categories for individuals who epitomize the concepts of Lead, Deliver and Protect. New this year is a category to recognize an office or team as an example of industry ideals. Winners will be celebrated on stage during ALTA ONE (Oct. 22-25 in Austin, Texas).

I recently came across an article that highlighted Patagonia's dedication to its principles for parents who work at the company famous for outdoor clothing and gear. The article focused on a viral LinkedIn post by one of its recruiters. Here's a portion of the post:

"While (I was) nursing my baby during a morning meeting the other day after a recent return from maternity leave, our VP (Dean Carter) turned to me and said..."There is no way to measure the ROI on that. But I know it's huge."

The recruiter goes on to say that with some creativity and guts, companies can create a workplace where mothers "aren't hiding in broom closets pumping milk, but rather visiting their babies for large doses of love and serotonin before returning to their work and kicking ass. It's no wonder that Patagonia has 100% retention of moms. Keeping them close to their babies keeps them engaged. And engaged mothers (and fathers!) get stuff done."

This is some powerful, transformative stuff for the office world.

As you work to build or enhance your company's culture, I encourage you to participate in ALTA's Compensation Index (see pages 24-25), which allows you to benchmark your compensation packages to other companies in the market. Having a competitive benefits package, coupled with the right culture, will help you retain the talent you need for future success!

Let's get stuff done!



CYNTHIA DURHAM BLAIR NTP
ALTA president

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