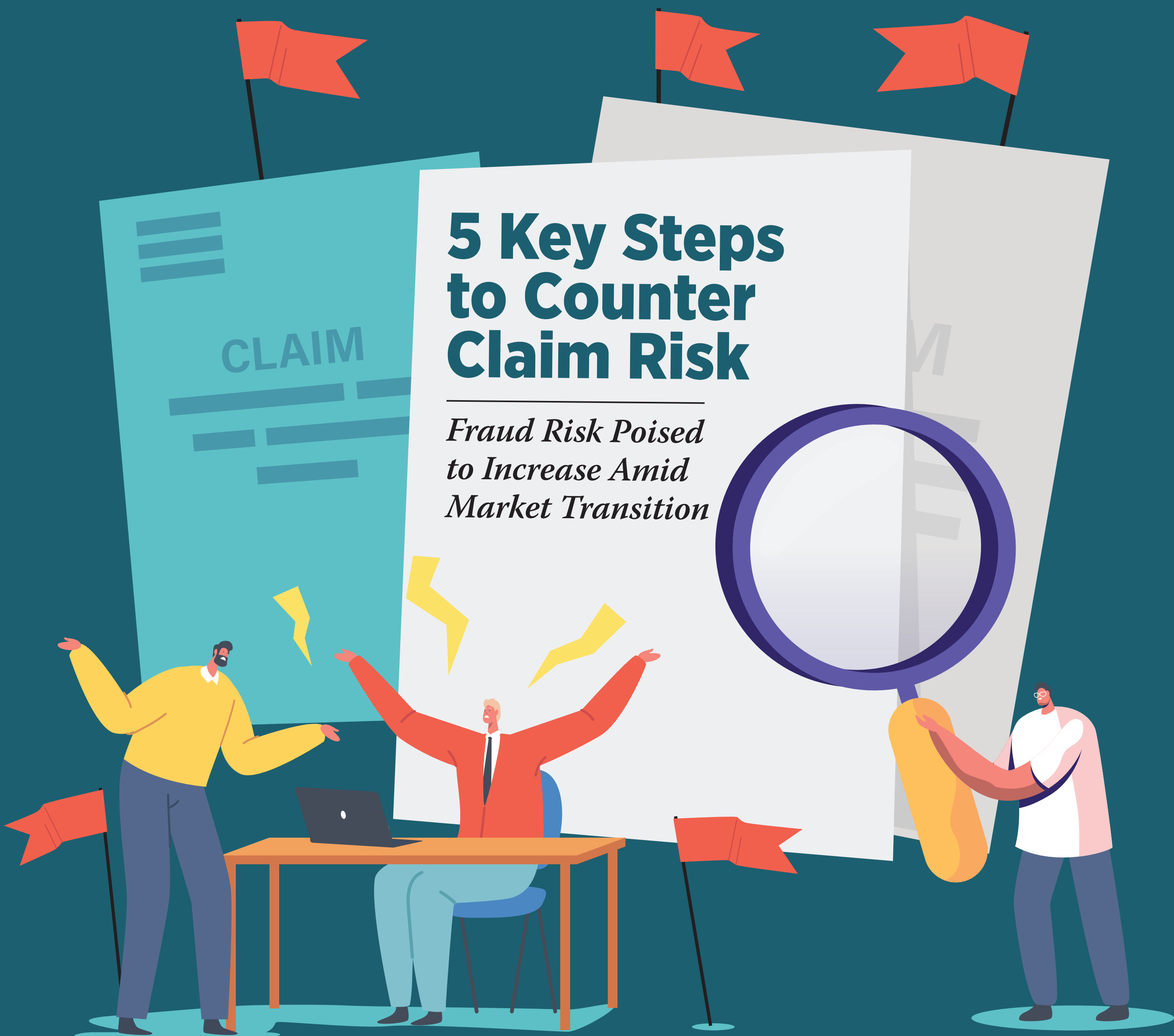
TITLE News

JULY 2022

AMERICAN LAND TITLE ASSOCIATION



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iN This Issue

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FEATURES

DEPARTMENTS

AMERICAN LAND TITLE ASSOCIATION

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TITLENews

OFFICIAL PUBLICATION OF THE **AMERICAN LAND TITLE ASSOCIATION**

Managing Through the Cycle

JEREMY YOHE
ALTA vice president of communications

ELEVATED INFLATION, HIGHER INTEREST RATES AND THE LOOMING THREAT of a recession continue to weigh on economic growth and home sales. Fannie Mae now expects total home sales to fall 13.5% in 2002 and for mortgage originations to move downward to $2.6 trillion in 2022 and $2.2 trillion next year.

Industry veterans who have managed through the real estate cycle before know operating structures are lean and that they can quickly reduce costs if needed. Fitch Senior Director Gerry Glombicki says the ability to efficiently manage expenses will also help reduce the impact to both earnings and capital.

The ratings analyst believes title insurers remain well positioned to absorb near-term volatility associated with an evolving macroeconomic environment with higher inflation and interest rates. While we are only halfway through the year, revenue growth so far in 2022 has been positive, with first-half results benefitting from lower mortgage rates and strong housing demand. That said, revenue growth will come under pressure in the second half of 2022 and beyond as interest rates move higher to combat increased inflation. Commercial real estate continues to be a wildcard in predicting industry revenues.

Despite the macroeconomic uncertainty and the unpredictable business cycle, companies need to develop their investment and growth strategies. W. Chan Kim and Renee Mauborgne, professors of strategy at the Institut Européen d'Administration des Affaires (INSEAD) and authors of the international bestseller Blue Ocean Strategy, believe there are two types of business strategies. The first is market-competing strategy, which focuses on beating rivals in existing markets—what the professors call the red ocean strategy. The other is market-creating strategy, which focuses on generating new markets—or the blue ocean strategy.

Companies need both. During favorable times, all companies tend to benefit from the rising economic tide. Kim and Mauborgne believe market-creating firms have the advantage because they not only capture a greater share of rising demand, they also garner new buyers in the market.

The professors provide four tips to best manage through market cycles.

1. *Focus on building a balanced portfolio of market-competing and market-creating strategic moves, of red and blue ocean strategies.*
2. *Don't wait for growth to slow to make market-creation a strategic priority.*
3. *Ensure that your market-creating efforts are a core component of your corporate strategy and not siloed into a function.*
4. *Remember technology itself doesn't create markets. What creates new markets is the use of technology. There are lots of technology companies out there, according to Kim and Mauborgne, but the ones that achieve resilient growth across cycles—not only in an upturn—are the ones like Amazon, Apple, and Netflix that link innovation to value.*

You don't have to be driftwood in the turbulent ocean of the business cycle. You can be the captain of your ship. Striking the right strategic balance will help you discover new horizons.

ALTA News

AMERICAN LAND TITLE ASSOCIATION

HAPPENINGS, NEWS, UPDATES & EVENTS

Former Green Beret, Squawk Box Host to Headline ALTA ONE

Retired Lt. Col. Scott Mann

Marci Rossell

ALTA ONE

OCTOBER 11 - 14, 2022
San Diego, CA
meetings.alta.org/one

The COVID-19 pandemic and recent historical real estate volume presented hurdles as well as growth opportunities for ourselves, our teams and our businesses. Retired Lt. Col. Scott Mann, former U.S. Army Green Beret, will draw from his heart-pounding Army career to bring Green Beret principles of leadership and rapport-building and show ALTA ONE: New Horizons attendees his innovative approach to problem solving. In the Friday Omni Session **sponsored by First American**, Lt. Col. Mann will discuss how he specialized in unconventional, high-impact special operations missions in do-or-die environments all over the globe during his distinguished 23-year military career. Having mastered the art of creating connections in places where trust was absent and conflict was rampant, he will provide an outline on how you can form better human relationships, even in high-stakes, low-trust environments.

Meanwhile, during an Omni Session sponsored by the FNF Family of Cos., world-renowned economist and financial expert Marci Rossell, a former CNBC chief economist and co-host of "Squawk Box," will touch on America's current and future role in the global economy, factors responsible for recessions, how Washington influences Wall Street and the markets and the specific forecast for the U.S. economy over the next 18-24 months.

Between the economy, rising mortgage rates and the end of the historic refinance era, you might fear your future won't reflect your past. Change can bring disruption, but it also can unveil a new dawn and fresh possibilities.

This year, ALTA ONE can give you the courage to lose sight of the shore and swim for new horizons. Attending ALTA ONE in San Diego this October provides you the opportunity to surround yourself with more than 1,000 other title industry leaders to engage, energize and prepare to navigate the voyage ahead.

Register today to snag your Early Bird discount. **Don't forget: Through Aug. 12, you can receive $200 off your registration!** *No code is needed; the discount is applied automatically during registration.*

ALTA Announces Technical Correction to Co-Insurance – Multiple Policies Endorsement

ALTA announced that on May 12 a technical correction was issued for the 2021 ALTA 23.1-06 (Co-Insurance – Multiple Policies) Endorsement. This technical correction represents conforming changes:

- Allows the references to the 12-series Endorsements that are found within 23.1 to reference either the 2006 or 2021 series 12-series ALTA Endorsements, by bracketing the "-06"

Click here for more information and to view visuals of the changes.

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ALTA Wins Telly Award for ALTA Good Deeds Foundation Video

ALTA received a Bronze in Branded Content—Corporate Image in the 43rd Annual Telly Awards.

The award was presented for ALTA's fundraising video for the ALTA Good Deeds Foundation. The video details how the Foundation was founded based on the idea that good deeds grow communities and how the Foundation's grants to local nonprofits are making a real difference in communities across the country.

"We are pleased to have earned a Telly award for our work to promote the ALTA Good Deeds Foundation, which has awarded $423,000 to 69 organizations to date across the country," said ALTA CEO Diane Tomb. "The creativity of our team, and our partner in this campaign, Marathon Strategies, helped spread the word on the Foundation's efforts even as we were not able to gather in-person."

The Telly Awards annually showcase excellence in video and television across all screens. Entrants are judged by the Telly Awards Judging Council—an industry body of more than 200 experts, including advertising agencies, production companies and major television networks. More than 11,000 entries were submitted this year.

"Now, more than ever, it is necessary to celebrate video work that reflects the top tier of our industry," says Telly Awards Executive Director Sabrina Dridje. "This year's submissions reflect an industry that has returned to the important work of storytelling, one that has returned with a new perspective that values innovation, agility, equity and tenacious creativity."

This year marks the second year in a row that ALTA has received recognition from the Telly Awards. Last year, ALTA received two Telly awards for its video campaign, "Our Title is Protection."

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: 49
- New Associate Members: 3
- New Attorney Members: 13
- State with the most new members: Florida, 8
- Total Members: 6,017

CALENDAR

2022 ALTA CONFERENCES

2022 JULY LARGE AGENTS CONFERENCE
July 17-19
Asheville, NC

2022 ALTA ONE
Oct. 11-14
Coronado, CA

STATE CONVENTIONS

ILLINOIS
Aug. 3-4
Naperville, Ill.

KANSAS
Aug. 3-6
Manhattan, Kan.

MINNESOTA
Aug. 5-6
Brainerd, Minn.

NEW YORK
Aug. 21-23
Newport, R.I.

ARIZONA
Aug. 24-26
Sedona, Ariz.

ALTA 2022 TIPAC Donors

The Title Industry Political Action Committee (TIPAC) is ALTA's voluntary, non-partisan political action committee (PAC). TIPAC raises money to help elect and re-elect candidates to Congress who understand and support the issues affecting the title industry. So far in 2022, TIPAC raised $390,595 from 515 people. In addition, $150,000 from 19 companies has been pledged to the TIPAC Education Fund. Check out who has supported the industry at alta.org/tipac.

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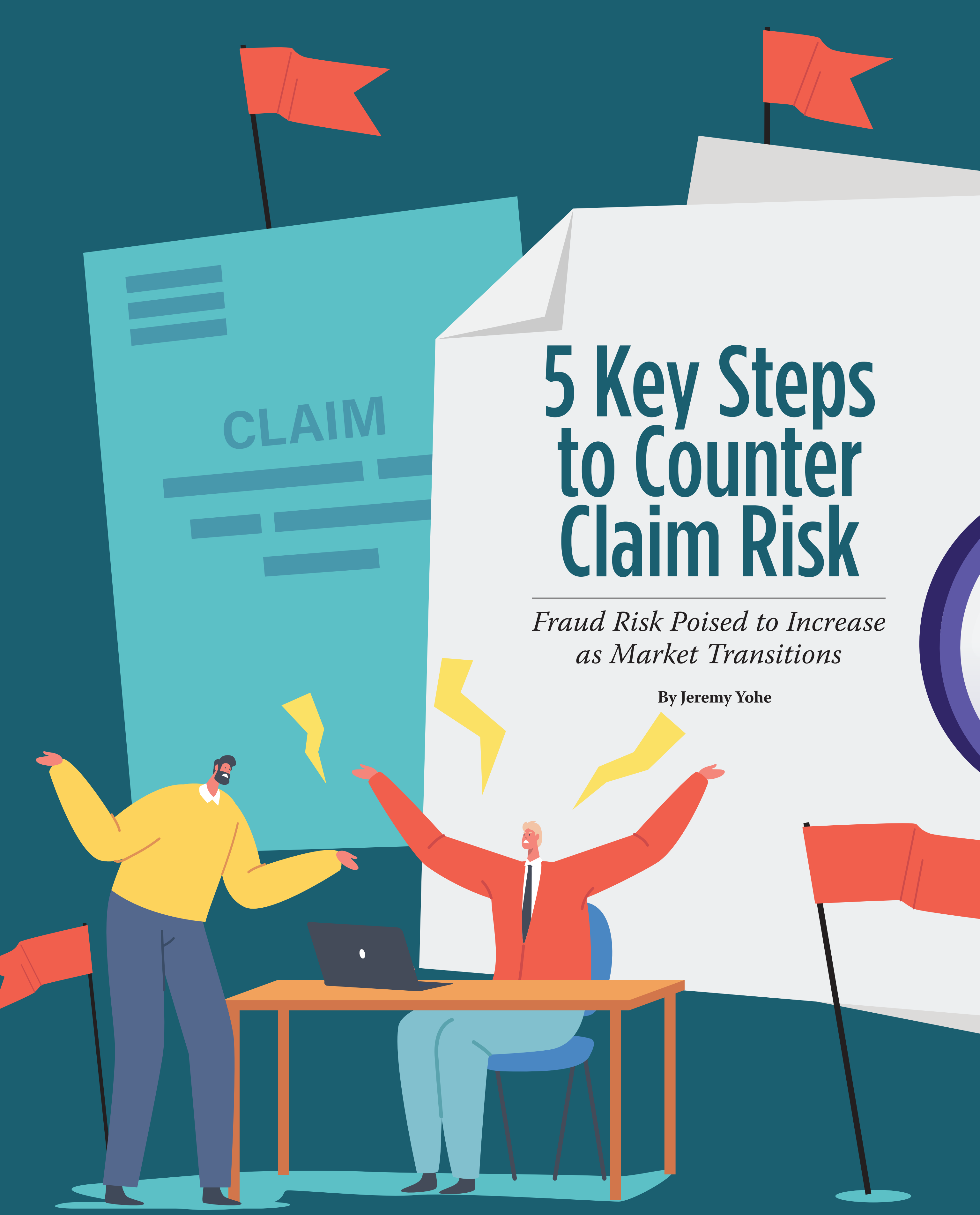
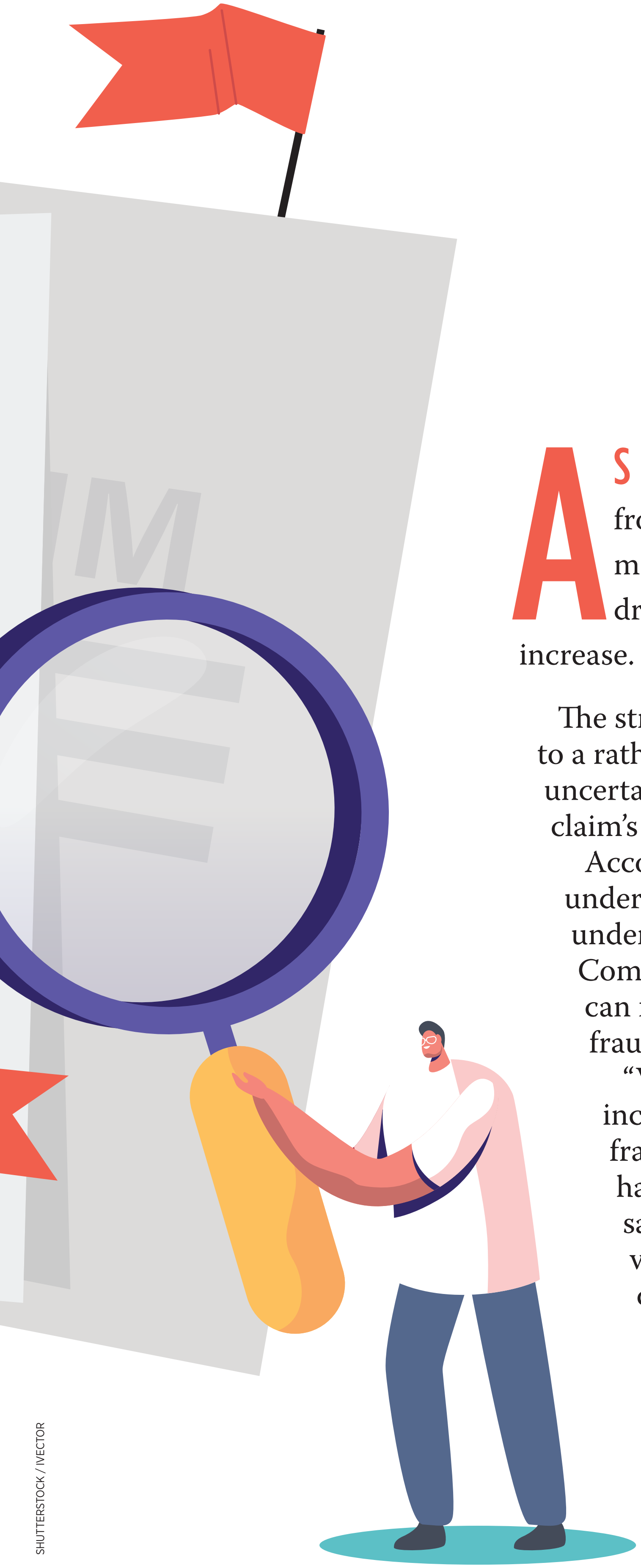
5 Key Steps to Counter Claim Risk

Fraud Risk Poised to Increase as Market Transitions

By Jeremy Yohe





SHUTTERSTOCK / IVECTOR

AS THE MORTGAGE MARKET shifts away from traditionally low-risk refinances and moves further toward a purchase mortgage-driven market, fraud risk is poised to increase.

The strong real estate market the past decade led to a rather stable loss rate, but the pandemic and uncertain economic conditions may challenge that claim's stability.

According to Len Prescott, division underwriting counsel and the director of agency underwriting for First American Title Insurance Company, there are safeguards title agencies can follow to help mitigate the risk of potential fraud-related claims.

"We've got to appreciate the ongoing and increasingly sophisticated threat posed by fraudsters and recognize that fraudsters often have an insider's knowledge of our business," said Prescott. "Education, awareness and vigilance are the keys to protecting your customers and your business."

Prescott shared five important steps to help title agents mitigate fraud risk as market conditions transition.

Identify the Fraud Red Flags

Prescott cited several red flags that title professionals should be aware of and carefully consider in their day-to-day business to help reduce fraud risk.

- **Power of attorney (POA):** "Anytime the POA is used it should raise a red flag and agents should proceed carefully and thoughtfully. Not because use of POA is necessarily bad or fraudulent. In fact, most of the time, a POA is valid, however, it can indicate greater risk of fraud," Prescott said. "If a POA is being used, ask why the principal can't attend the closing. Find out if an alternative could be used such as a mobile closer or a drive-thru closing.

  "When using the POA, make sure it's scrutinized. As our population continues to age, we must be vigilant as real estate transactions are a prime target for fraudsters," Prescott continued. "Authority and capacity in real estate transactions must be carefully considered every time to prevent, detect, and respond to the rising financial abuse of elders and vulnerable adults. The risk of financial abuse of the elderly is significant. Carefully consider the caregivers, the family members, religious advisors, anyone that is in a position of trust and power with an elderly person and look for potential issues. Bad feelings or gut instinct should not be ignored."
- **Mail-away, Remote Online Notarization (RON) and Remote Ink-signed Closings (RIN):** "It's important to have confidence that you're dealing with the proper party and that the participants have capacity. The fact that you're doing a mail-away closing or a RON or RIN doesn't change your ethical, professional and potential liability obligations," Prescott said.
- **Questionable (or expired) identification:** Be mindful when you're given a questionable ID or the signatures don't match. If more investigation is required, it's recommended to stop the closing until you are satisfied," Prescott said.
- **Seller/borrower is elderly or a business entity:** "It could be a legitimate transaction, but it could easily be a fraudster that's created or modified the entity. Any recent changes or encumbrance just before a property transfer warrant additional investigation and verification. Today, anyone with a computer or smartphone can create or change entity documentation," Prescott said.
- **Hiding information from lenders or other parties:** "If a party to the transaction is telling you, or you have reason to know, that information is being hidden from lenders or the other parties, stop and consult a lawyer or obtain legal advice," Prescott said.
- **No consideration quit claim deeds:** "This could be in the recent chain of title, in the gap, or even be offered to you at the closing table," Prescott said. "The use of quit-claim deeds can be indicative of identity theft. There may be promises of additional transactions and the seller may try to convince you to just record the quit-claim deed."

Carefully Examine Use of Unrecorded Instruments:

"We are seeing more transactions where the seller reflected on the contract is not the party of record," Presscott said. "The seller will tell you not to worry and simply record the quit-claim deed or mortgage. It's not unusual for these instruments to be forged. But there is no time for the fraud to be discovered if you record the quit-claim deed immediately before you record a deed from the seller reflected in the contract. Agents need to ask why the instrument was not recorded previously, check against other documents signed by the grantor, and to independently contact the grantor to verify that they actually signed and conveyed the property."

Eliminate 'Abengoa' Type Risk

"'Abengoa' type risk is where the customer treats a product, such as a property information report, like a title policy. If a title company provides any other products or ancillary services, agents must protect themselves," Prescott said. "Make sure the limits and liabilities for the product or service are clear to all parties in advance. This risk led to the revision of the 2016 commitment, which now includes the Notice and the Commitment Conditions – in addition to Schedules A, B-I and B-II. Make sure you have the specific amount of insurance requested and the specific proposed insured in the commitment, so that the issuance of the commitment is a contractual offer to insure."

SHUTTERSTOCK / IVECTOR

Strictly Adhere to Wire Fraud Prevention Best Practices

"Agents should include disbursement instructions in the opening package and provide hard copy wire instructions with wet signature instructions. Wire instructions should be verified by phone and not through email. Agents should advise customers that wire instructions will not change and to verbally verify by a known phone number if instructions are revised," Prescott said. "Working from home creates additional risk that people other than the individual employed, such as spouses or kids playing video games, may use company-provided equipment. Consult an insurance professional that is familiar with the title and settlement business to validate you have proper coverage and confirm your coverage does not have a laptop exclusion."

Perform Title Updates and Recording

"It's important to update title as close to the closing as possible, get documents recorded quickly and update title post-recording. Many may under-appreciate how significant this is, how many fraud-related claims can be avoided, and how much fraud risk can be mitigated by assigning sufficient staff and oversight," said Prescott. "Recording problems, fraud, even defalcations are more likely to be caught by updating the title post-closing to make sure everything was done right."" ■

JEREMY YOHE *is ALTA's vice president of communications. He can be reached at jyohe@alta.org.*

Top Title Industry Claims Trends

Learning about claims trends and hearing stories that lead to claims are important to title professional as they are a valuable teaching tool. While not all claims are covered, they are claims nonetheless and need to be resolved. Regulators will dole out fines for not properly responding to the insured. According to an industry survey, the top claims by number (not cost) are:

1. Closing errors
2. Searching errors
3. Boundary and survey issues
4. Easement issues
5. Recording problems2
6. Fraud and forgery
7. Access
8. Mechanics' liens

Recording problems, fraud/forgery, access and mechanics' liens are the types of issues title policies are designed to cover. These make up about a quarter of all claims. Meanwhile, nearly three quarters of the types of claims that are typically handled are either closing or searching errors. This is where the industry has a chance to make a difference.

Missing or an incorrect legal description can cause big problems down the road. Little errors can cause significant issues as well. Mistakes could be minor or result in the deed of trust being indexed incorrectly resulting in a $1 million deed of trust getting foreclosed.

Another common closing error is the failure to pay assessments, taxes or municipal liens, as well as failing to make payoffs for prior mortgages or judgments. Neglecting to pay or close lines of credit are not as common anymore but can still result in claims.

Execution defects where the signatory does not match the title or a spouse is missing are other common closing errors that can spur a claim. Additionally, a botched notary acknowledgment can make a document void.

Common search errors that can lead to claims include:

- Missed deed or break in chain of title
- Missed tax liens
- Missed judgments
- Prior mortgages
- Heirs or probate defects
- Examining or abstracting error

Forgery and identity theft are two main culprits when it comes to fraud. The increase in property values has spurred an increase in forgeries.

Wire transfer fraud continues to be a top threat. A recent trend is that the criminals can block the initial wiring instructions email. Then when the title/settlement agent receives an email with wiring instructions, the agent thinks it's the original.

Claims can often be prevented at the closing table. The recommendation is to slow down. When conducting the search and exam, read all the documents. Often, easements and restrictions can show up in the middle of a document. It's not enough to just have the document in the file. An important piece is to follow the underwriter's guidelines. In addition, it helps to know the underwriter's representative. Talk to them when you have questions.

When a claim comes in, the first thing to do is investigate and ask some questions:

- Does the asserted title defect fall within the insuring provisions for the policy. Such as, is it one of the covered risks? If no, the claim is denied. If yes, then ask the next question.
- Does the asserted title defect fall within an exclusion in the policy? If yes, the claim will be denied. If no, proceed to question three.
- Does the asserted title defect fall within an exception in the policy? If yes, the claim will be denied. If the answer is no, the matter is covered under the policy.

In 2021, the industry paid roughly $474 million in claims. This increased from $468 million in claims paid in 2020. For more data, check out ALTA's *industry financial data*.

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Utah Passes Data Privacy Legislation

The Law Includes an Exemption for Entities That Must Comply With GLBA

Utah became the fourth state—joining California, Virginia, and Colorado—to enact a comprehensive privacy law after Gov. Spencer Cox signed the Utah Consumer Privacy Act (UCPA) on March 24.

UCPA, WHICH DOESN'T GO INTO EFFECT until Dec. 31, 2023, closely mirrors other privacy state laws, including a requirement to publish a privacy policy and provide certain subject rights to individuals whose information is collected by an entity that is subject to the law.

Utah's legislation, however, excludes a private right of action. Instead, UCPA is enforced by Utah's attorney general with fines up to $7,500 per violation, provided the offending entity has not cured the violation within 30 days of receiving the attorney general's written notice.

In a win for the title industry, UCPA includes a full exemption for entities subject to the Gramm-Leach-Bliley Act (GLBA). Virginia and Colorado also have the full GLBA exemption. Since 1999, this federal law has strictly limited financial institutions' use and sharing of customers' personal information. Additionally, financial institutions are required to assure the security of this information and provide comprehensive disclosures to consumers.

"This makes UCPA consistent with similar laws passed in other states and an overall win for the title insurance industry," said Michelle Ann Epley, senior vice president of regulatory compliance for WFG National Title Insurance Co. and vice chair of ALTA's Data Privacy Work Group. "As new comprehensive consumer data privacy legislation is proposed, the title insurance industry must continue to lobby to have the GLBA exemption included in state specific consumer data privacy laws. As we wait for comprehensive federal consumer data privacy regulations, it is safe to say many other states will pursue state specific privacy laws to protect their consumers."

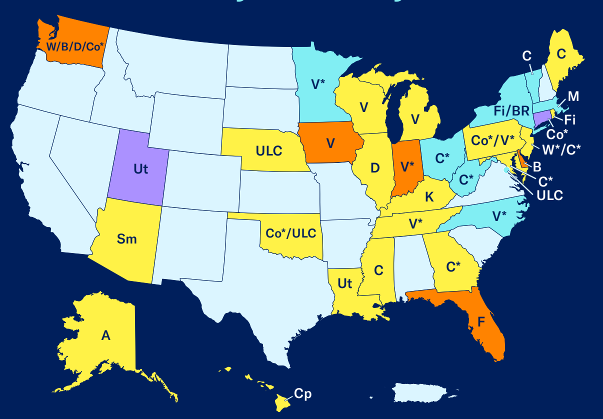
UCPA also does not require impact assessments. In Colorado and Virginia, entities must evaluate and document the costs and benefits of some activities, such as targeted advertising or processing sensitive data.

UCPA applies to any for-profit entity that:

1. conducts business in Utah or targets residents of Utah.
2. has annual revenue of $25 million or more.
3. either (a) annually controls/processes personal data of 100,000 or more consumers or (b) derives over 50% of its gross revenue from the sale of personal data and controls or processes personal data of 25,000 or more consumers.

The law firm King and Spalding said this scope is narrower than

State Privacy Activity in 2022**



- Carrying Over 2021 Legislation
- Legislation Introduced in 2022
- Passed One House in 2022
- Signed into Law in 2022
- B Broker Bill
- ULC Uniform Law Commission Model
- K Kentucky Model
- Fi Fiduciary Model
- F Florida Model
- C CCPA Model
- W Washington State Model
- Sm Social Media/Search Engine
- Tr Transparency Model
- Cp CPRA Model
- M Massachusetts Model
- BR Bill Of Rights
- V Virginia Model
- Co Colorado Model
- D Do Not Track
- A Alaska Model
- Ut Utah Model

*While this state legislation follows the basic model, it does have some differences like deletion or opt-in rights
**All information subject to change

the California Consumer Privacy Act (CCPA) and the Colorado Privacy Act (CPA), which are applicable to entities that meet a revenue threshold regardless of information collection. UCPA's scope is also narrower than that of the Virginia Consumer Data Privacy Act (VCDPA), which applies to entities that control or process a certain amount of personal data regardless of revenue.

U.S. Lawmakers Reveal Draft Data Privacy Bill

Several members of Congress have published a discussion draft of a bipartisan federal privacy bill.

The American Data Privacy and Protection Act would establish a national framework to protect consumer data privacy and security. It also would allow users to opt-out of targeted advertisements and sue internet companies that improperly sell their data, among other things.

Click here to view the document section by section.

Senate Commerce, Science and Transportation Committee Ranking Member Roger Wicker (R-Miss.), House Energy and Commerce Chairman Frank Pallone (D-N.J.) and Ranking Member Cathy McMorris Rodgers (R-Wash.) drafted the bipartisan bill.

However, the draft bill is already facing some resistance from a few prominent Senate Democrats. Sen. Brian Schatz (D-Hawaii), a lead negotiator in past privacy discussions on Capitol Hill, said the latest effort was "falling short" of protecting consumers.

Additionally, Senate Commerce, Science and Transportation Chairwoman Maria Cantwell (D-Wash.) expressed concern about the agreement and said any data privacy law needs to be robust and comprehensive and should "protect consumers' personal data with a clear requirement that companies are accountable for the use of that data and must act in consumers' best interests."

ALTA remains engaged on this issue and is working with our Data Privacy Work Group to ensure the interests of the title insurance industry are represented in these ongoing discussions.

In 2020, ALTA developed a set of data privacy principles that recommend the development of a single, national standard to help protect private consumer information uniformly and consistently while maintaining an efficient homebuying and selling experience.

Key aspects of the principles include exemptions for entities already subject to the Gramm-Leach-Bliley Act, personal information that is already publicly available and business-to-business relationships. In addition, the standards say data privacy laws should recognize the need for businesses to share personal information needed to complete a transaction. Consideration also should be given to the impact on small business, with respect to the cost of compliance relative to the risk of consumer harm, the principles say. Other aspects of the standards discuss data breach notifications, a safe harbor and the right to cure.

Q1 Title Premium Volume Up 4.6%

Big 4 Underwriter Families Focused on Transitioning Market

THE TITLE INSURANCE INDUSTRY GENERATED $5.94 BILLION in title insurance premiums during the first quarter of 2022, compared to $5.68 billion during the same period a year ago, according to the American Land Title Association's (ALTA's) latest Market Share Analysis.

"A strong purchase market and continued home appreciation helped offset ongoing contraction in refinance volume to help drive the 4.6% premium volume increase compared to the first quarter of 2021," said ALTA CEO Diane Tomb. "While substantially higher mortgage rates will constrain the housing market, title professionals will continue to facilitate the safe and secure transfer of real estate, and they remain dedicated to helping all consumers achieve the American Dream and sustain homeownership."

Total operating income also was up 3.6%, while operating expenses were up 40.0%, and loss and loss adjustment expenses were up 13.8%. This resulted in net operating income of $508.1 million, compared to $489.9 million for the first quarter of 2021. The industry paid $132.7 million in claims during the first three months of 2021. This was up from $107.1 million during the same period a year ago.

Top 10 Individual Underwriters by Market Share

- First American Title Insurance Co., 21.3%
- Old Republic National Title Insurance Co., 15.0%
- Fidelity National Title Insurance Co., 13.9%
- Chicago Title Insurance Co., 13.3%
- Stewart Title Guaranty Co., 8.8%
- Westcor Land Title Insurance Co., 6.2%
- WFG National Title Insurance Co., 2.6%
- Title Resources Guaranty Co., 2.2%
- Doma Title Insurance Co., 1.6%
- First National Title Insurance Co., 1.1%

Top 5 States

- Texas: $896,225,264, +30.6%
- Florida: $696,625,101, +22.3%
- California: $559,173,938, -13.0%
- New York: $362,720,612, +15.9%
- Pennsylvania: $250,931,898, -7.8%

Fidelity

Fidelity National Financial reported that its title segment generated $437 million in pre-tax income during the first quarter of 2022. This compared to $512 million in pre-tax income during the same period a year ago.

Fidelity reported the decrease from the prior year quarter was primarily driven by the significant decrease in the volume of refinance orders closed relative to the levels seen last year. Results also were partially offset by the higher average fee per file reflective of the current mix of business, continued strength in commercial orders closed and sustained levels of residential purchase orders closed.

"Strength in residential purchase and commercial revenue helped to buffer the ongoing contraction in refinance volumes, which hold a significantly lower fee per file," said Mike Nolan, Fidelity chief executive officer. "Looking ahead in 2022, we believe that we are well-positioned to navigate the effects of a rising interest rate environment, with scale advantage as the nationwide market leader, efficiencies from our innovative technology enabled platform, and a disciplined operating strategy and proven track record of quickly adjusting our operating model for significant fluctuations in opened and closed orders."

During the first quarter of 2022, Fidelity's direct operations opened 522,000 orders and closed 380,000 orders. This compared to 770,000 direct opened orders and 597,000 closed orders during the first quarter of 2021. Closed purchase orders comprised 55% of all of Fidelity's direct orders during the first three months of 2022. Purchases comprised 34% of closed direct orders during Q1 2021.

Fidelity paid $54 million in claims during the first quarter of 2022. This was down from $56 million in claims paid during the same period a year ago.

Over the past year, Fidelity made 10 acquisitions for about $92 million. Nolan said the company will continue to review potential acquisition targets to grow its national footprint. He added that Fidelity continued to make significant investments in developing, enhancing and integrating technology.

First American

First American Financial Corp. reported that its title insurance segment generated $200 million in pre-tax income during the first quarter of 2022. This compared to $280 million in pre-tax income during the same period a year ago.

"The market is currently transitioning from record low interest rates to a more normalized environment," said Ken DeGiorgio, First American's chief executive officer. "Accordingly, we are sharpening our focus on expense management. We will, however, continue to invest in strategic initiatives that drive our company's operational efficiency and future growth, including through ongoing funding of our title automation and digital closing initiatives, and the expansion and enhancement of the data assets that fuel them."

During the latest quarter, First American opened 279,000 direct orders and closed 205,100. This compared to 363,200 direct orders opened and 287,600 orders closed during Q1 2021.

The average revenue per direct title order for First American increased to $2,969, primarily attributable to an increase in the average deal size in its commercial business and the impact of strong home price appreciation on residential purchase transactions.

The provision for policy losses and other claims was $64 million in the first quarter, or 4.0% of title premiums and escrow fees. First American reported that this in line with the 4.0% loss provision rate in the prior year.

Old Republic

Old Republic International Corp. reported that its title insurance segment generated $80.9 million in pre-tax income during the first quarter of 2022. This compared to $103.7 million in pre-tax income during the first quarter of 2021.

The company reported that revenue from its direct production channels declined in the quarter. It expects both directly produced and agency produced revenues to be lower throughout the year when compared to prior year periods. Increases in mortgage interest rates significantly reduced the company's quarterly refinance activity and likely will for the remainder of the year.

Old Republic reported that its purchase order levels were in line with the prior period and continue to benefit from strong housing prices. Additionally, the company indicated ongoing increases in mortgage interest rates may affect purchase activity through the remainder of the year.

Old Republic's title insurance claim ratios were relatively flat for the quarter. According to the company, the first quarter expense ratio was elevated compared to the same quarter last year, generally reflecting the combination of lower directly produced revenues that carry higher fixed expenses, along with a greater proportion of agency produced revenues that have a higher overall expense ratio. Old Republic's title segment paid $29.3 million in claims during the latest quarter. This compared to $29.2 million in claims paid during the same period a year ago.

Stewart

Stewart Information Services reported its title segment generated $82.8 million in pre-tax income during the first quarter of 2022. This was up from $77.1 million in pre-tax income during the same period a year ago.

"I am pleased with the results we delivered in the first quarter 2022 in a rising interest rate environment," said Fred Eppinger, Stewart's chief executive officer. "Stewart's results this quarter demonstrate the significant structural progress we have made in improving our performance and making us a resilient company that can perform throughout the cycle. We remain optimistic on both the operating structure we continue to build as well as the long-term opportunity the market offers us given strong underlying demographic trends."

As a percentage of title revenues, combined title employee costs and other operating expenses was 38.8% in the first quarter 2022 compared to 38.1% in the first quarter 2021.

Title loss expense in the first quarter 2022 was $29.2 million, which was slightly higher than the $28.8 million in the first quarter 2021. As a percentage of title revenues, the title loss expense in the first quarter 2022 was 4.0% compared to 4.6% in the prior year quarter.

During the first quarter, Stewart opened 116,755 direct orders and closed 87,885 orders. This compared to 157,918 opened direct orders during Q1 2021 and 115,701 closed direct orders. Purchases comprised 54% of closed orders during the latest quarter, while accounting for 39% of Stewart's direct closed orders during Q1 2021.

THE DOCKET

Pennsylvania Court Addresses Statute of Frauds

CITATION: *Calisto v. Rodgers*, 2022 WL 579296

FACTS: In 2001, Joan Calisto (Joan) acquired three townhouses in Philadelphia County, Pa. Joan still owned the townhouses when she died in 2016. Michael Calisto (Michael) probated Joan's will, which bequeathed the three townhouses to him. Michael never recorded a deed vesting title in his name, which allowed him to avoid paying Pennsylvania's realty transfer tax. In 2016, Philadelphia County's Recorder of Deeds processed three deeds conveying the townhouses from Joan to Michael Rodgers (Rodgers). While Joan had passed away two years earlier, the deeds contained a signature purporting to be hers. After Rodgers began improving the townhouses, Michael sued Rodgers. Michael asked a Court of Common Pleas to quiet title in his name. At trial, Rodgers testified that he gave $150,000 cash to Michael in exchange for the deeds, where Michael signed Joan's name. Michael denied ever having met Rodgers and accused Rodgers of forging Joan's name. The Court of Common Pleas ruled in Rodgers' favor. Michael appealed to Pennsylvania's Superior Court, where he argued that the deeds violated the statute of frauds because their grantor—Joan—could not have signed them because she was dead.

HOLDING: A three-person panel of Superior Court judges held that Rodgers' vesting deeds were invalid and vacated the lower court's ruling. The Superior Court subsequently agreed to rehear the appeal en banc. The simple fact that Joan obviously did not sign the deeds did not persuade the full court: "The statute of frauds does not create a legal fiction that the three deeds bear the signature of a dead woman, as [Michael] contends." Instead, the Superior Court focused on who signed Joan's name to the deeds. The signor's identity was important to the full court because "the statute of frauds does not require the signer of a document to use only his own name." Relying on the Restatement (Second) of Contracts, the Superior Court noted that any mark constitutes a signature when coupled with the intent to authenticate a writing. The lower court had found that Michael signed the vesting deeds using Joan's name, and the Superior Court relied on that finding to hold that the statute of frauds was satisfied: "[Michael's] use of Joan's signature, rather than his own, does not change the fact that [Michael] volitionally put pen to paper and signed the deeds."

IMPORTANCE TO THE TITLE INDUSTRY: This case is important to the title industry for at least two reasons. First, it reminds the industry that fraud is an ongoing, inescapable risk. The lower court's factual findings suggest that Michael brazenly evaded tax liabilities, pocketed $150,000 cash, and then tried to retain ownership based on a technicality that he himself created. While customer service is paramount, title industry professionals must possess and implement a measure of constructive skepticism in hopes of identifying bad actors. Second, this case highlights the safety net that the law and skilled legal representation can offer when problems arise. Media accounts concerning litigation often focus on formalistic outcomes that favor form over substance. Here, though, the analysis and outcome focused on intent, fairness and equity. When problems arise, regardless of how bad they may first appear, title industry professionals must identify counsel, provide them with all relevant facts and seek pertinent advice.

Shawn Briner, of the law firm Briner Law Group LLC, can be reached at shawn.briner@brinerlaw.com.

Biden Administration Releases Housing Supply Action Plan

ALTA Supports Efforts to Improve Affordability and Increase Supply

Reforming zoning and land-use policies, as well as expanding federally backed financing for affordable housing and directing grants to localities that encourage construction were all actions the Biden administration announced to address the U.S. housing supply shortage.

The action plan noted that today's rising housing costs are years in the making. Fewer new homes were built in the decade following the Great Recession than in any decade since the 1960s. In addition, the constrained housing supply has failed to keep pace with demand and household formation. This mismatch between housing supply and housing demand grew during the pandemic. While estimates vary, Moody's Analytics estimates that the shortfall in the housing supply is more than 1.5 million homes nationwide.

"This shortfall burdens family budgets, drives up inflation, limits economic growth, maintains residential segregation and exacerbates climate change," the Biden administration said in its plan. "Rising housing costs have burdened families of all incomes, with a particular impact on low- and moderate-income families, and people and communities of color."

Under the plan, the Biden administration announced it will:

- **Reward jurisdictions that have reformed zoning and land-use policies**
  - **Commentary from the plan:** One of the most significant issues constraining housing supply and production is the lack of available and affordable land, which is in large part driven by state and local zoning and land use laws and regulations that limit housing density. Exclusionary land use and zoning policies constrain land use, artificially inflate prices, perpetuate historical patterns of segregation, keep workers in lower productivity regions, and limit economic growth. Reducing regulatory barriers to housing production has been a bipartisan cause in a number of states throughout the country. It's time for the same to be true in Congress, as well as in more states and local jurisdictions throughout the country.
- **Deploy new financing mechanisms to build and preserve more housing where financing gaps currently exist**
  - **Commentary from the plan:** A second, significant barrier to increasing housing supply is a lack of attractive and low-cost financing for new construction and rehabilitation – particularly for units that are affordable. While the federal government currently offers a range of financing options for large multifamily development, market gaps exist for the construction and rehabilitation of single-family homes, 2-4-unit properties, ADU construction, manufactured and modular housing delivery, and smaller multifamily properties. Financing for these housing types has the potential to boost supply in constrained markets, and create location-efficient, modest density that can improve labor market outcomes and reduce greenhouse gas emissions--particularly when paired with state and local policies that remove barriers to where these kinds of housing can be located.
- **Expand and improve existing forms of federal financing**
  - **Commentary from the plan:** Multiple forms of federal financing have played a critical role over the years in boosting

affordable housing supply. But more production is needed to make up for more than a decade of underbuilding before the pandemic, and existing programs need to work more effectively and efficiently in order to boost housing production at a pace that will close the housing shortfall in five years.

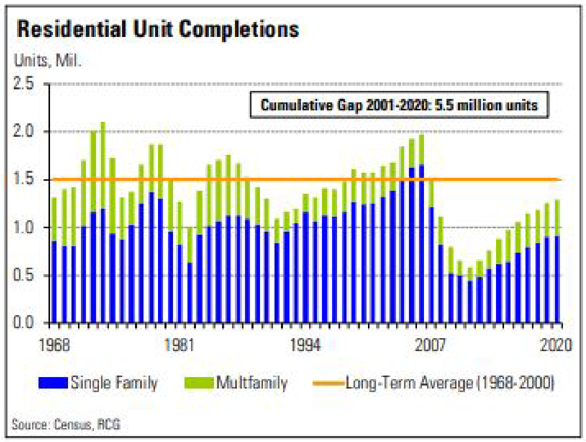
- **Ensure that more government-owned supply of homes and other housing goes toward owners who will live in them**
  - **Commentary from the plan:** Beyond financing challenges, in recent years, the share of single family home purchases by investors has grown-–comprising more than 25% of all purchases nationally in some months of 2021, with an even higher share in certain markets, like Atlanta, San Jose and Phoenix. Well over half of these purchases were made by investors with more than 10 properties, and almost a quarter of these purchases were made by investors with over 100 properties. Large investor purchases of single-family homes drive up home prices for lower-cost starter homes, making it harder for aspiring first-time and first-generation home buyers, among others, to access wealth-building opportunities from homeownership.

The Biden administration aims to close the shortage of available homes in five years. Additionally, the administration said it plans to "work with the private sector" to ensure construction is completed this year on the highest number of new homes since 2006.

ALTA commended the administration's efforts to ease the burden of housing costs for more Americans.

"As the president's Housing Supply Action Plan notes, the most important action that can be taken to reduce costs and improve affordability is to boost the supply of quality housing in communities nationwide," said Diane Tomb, ALTA's chief executive officer. "ALTA looks forward to working closely with the Administration as various initiatives within the plan develop. We are committed to assisting American families achieve and protect the dream of homeownership across the United States."

Housing Stock Shortage



Historical Residential Completions (Units)

Period	Average Annual Completions
1968-2000	1,501,000
2001-2020	1,225,000
Annual Gap	276,000
Cumulative Gap Since 2001	5,520,000

Sources: Census, RCG

A report released last year by the National Association of Realtors and authored by the Rosen Consulting Group, highlights the vast underbuilding gap in the U.S. and the consequences of underinvesting in housing. Following decades of underbuilding and underinvestment, the U.S. faces an acute shortage of available housing, an ever-worsening affordability crisis and an existing housing stock that is aging and increasingly in need of repair.

The scale of underbuilding and the existing demand-supply gap is enormous and will require a major national commitment to build more housing of all types by expanding resources, addressing barriers to new development and making new housing, the report said. Here are a few highlights from the study:

- While the total stock of U.S. housing grew at an average annual rate of 1.7% from 1968 through 2000, the U.S. housing stock grew by an annual average rate of 1% in the last two decades, and only 0.7% in the last decade.
- The large gap in housing production contributed to an escalation in the cost of renting and rapid house-price increases—often the largest expense for households—exacerbating a growing affordability crisis in many parts of the country.
- Even inclusive of the mid-2000s construction boom period, compared with the prior historical period (1968-2000) when housing completions averaged approximately 1.5 million housing units per year, the underbuilding gap in the U.S. totaled more than 5.5 million housing units in the last 20 years.
- Comparing the last two decades of annual housing production with the prior historical period (1968-2000), every major region of the country heavily underbuilt housing.
- In order to fill an underbuilding gap of at least 5.5 million housing units during the next 10 years, while accounting for historical growth, building would need to accelerate to a pace that is well above the current trend, to more than 2 million housing units per year. This would represent an increase of more than 700,000 units per year, or approximately 60%, relative to the pace of housing production in 2020 of less than 1.3 million units.

POLITICAL ACTION: You Matter

NEARLY 20 YEARS AGO, IN SEPTEMBER 2002, I WAS SWORN IN AS PRESIDENT OF THE OHIO LAND TITLE ASSOCIATION (OLTA). I had already served on OLTA's political action committee, known as OLTAPAC. After my term as president, I became a member, then chaired the committee until 2007. After that, I became chair of ALTA's Title Industry Political Action Committee (TIPAC). Since 2007, TIPAC has raised almost $6 million. That money has helped our members get access to members of Congress to discuss issues that impacted the real estate, lending and title industries. On the state level, OLTA members have raised $525,000 since 1995.

I have served on both committees for well over 20 years. This has given me a first-hand opportunity to be engaged in our title industry at the grass-roots level and also afforded me introductions to executive leaders in the title, mortgage and real estate communities across the United States.

"You Matter" is a fitting title for this article, as well as your professional career. One of the most common objections when addressing an audience or individual is: "Why me?" Whether you are a closer/escrow officer, examiner, processor, typist, salesperson, underwriter, manager, owner or investor, "You Matter." Your expertise, your teammates at the office and customers (buyers, sellers, lenders and affiliates) need you. Plus, you are a "vote." Your voice definitely makes a difference.

They need your focus, your continued education and your commitment to perform as an expert. They need your voice. You should weigh in as an expert, at the table, on the phone and in your communications with your legislators—statewide and nationally. A common message to legislators on Capitol Hill or in Columbus, Ohio, is to let them know that when they have a question regarding title and real estate matters, they can use you as a resource.

At state conventions and national events, committee members approach attendees to get involved with your PACs. Yes, giving money is the easiest way to get involved, requiring the least effort. But here are a few other ways to get engaged and "matter":

1. Visualize yourself as a professional
2. Ask for help in that regard, if needed
3. Know your legislators, statewide and nationally. (A few Google searches help identify your representatives and senators, locally and federally.)
4. Commit to become educated and know the current issues in your market.
5. Become involved in your operation and get others involved, too.
6. Ask management their views on industry issues.
7. Attend local, state and national meetings.
8. Meet your legislators.
9. Recruit.

The easiest item is to be a contributor. The toughest part is getting started. Becoming a member of a political action committee is a commitment. The title industry was very good to me and my family. I am grateful for the opportunities I was afforded an opportunity and I acted upon it. Twenty years ago, it would have been overwhelming to write this article. Doing the asks and attending events that took place throughout the last two decades has paved the way for me and it will for you as well. Today, connecting those dots is quite easy.

Please enjoy our industry. We make the "American Dream" possible with the real estate and lending communities and the impact we have on our U.S. and global economy. Everyone one of us is integral to this effort. Because of this, I believe that "You Matter."

JOHN VOSO JR. *is an emeritus member of ALTA and an honorary member of the Ohio Land Title Association. He can be reached at johnvosojr@gmail.com.*

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Industry Update

Freddie Mac Single-family Requirements for Title Policies

Effective for mortgages with note dates up to Dec. 31, 2022, Freddie Mac will accept either the 2006 (adopted June 17, 2006 or 2021 (adopted July 1, 2021, versions of the following forms:

- The American Land Title Association (ALTA) Loan Policy
- The ALTA Short Form Residential Loan Policy One-to-Four-Family or
- The ALTA Expanded Coverage Residential Loan Policy One- to Four-Family

Only the 2021 versions of the above policy forms will be accepted effective for mortgages with note dates on or after Jan. 1, 2023.

Revisions to the 2021 ALTA Policy Forms collection went into effect July 30, 2021. The ALTA standard Policy Forms have been formally revised over the years to reflect changes in the marketplace brought about by evolving business practices, expectations of insureds, laws, regulations and legal decisions. Advancements in electronic notarizations, changes in certain consumer and creditor's rights laws and case law developments were primary drivers leading to the latest revision of the ALTA Loan and Owner's policies and numerous other ALTA forms.

The new ALTA Policy Forms have fields for title agents to enter their ALTA ID from the ALTA Registry.

Fannie Mae Updates Requirements for Virtual Currencies

Fannie Mae issued an update on May 4 to its Selling Guide with new requirements for virtual and cryptocurrencies. The new policies went into effect immediately.

The new requirements include:

- Income paid in the form of virtual currency may not be considered when qualifying a borrower.
- Assets used to establish continuance for certain income types cannot be in the form of virtual currency.
- The purchase price of the property and any earnest money deposit may not be designated in virtual currency.
- The payment used as rental income must be in U.S. dollars.
- Payment on any installment debt secured by virtual currency must be included in the debt-to-income ratio calculation.

According to the Selling Guide, virtual currency that has been exchanged into U.S. dollars is acceptable for the down payment, closing costs and financial reserves provided

- there is documented evidence that the virtual currency was exchanged into U.S. dollars and is held in a U.S. or state regulated financial institution and
- the funds are verified in U.S. dollars prior to the loan closing.

The Title Team Acquires Minnesota-based DCA Title

The Title Team expanded its market reach with the acquisition of Minnesota-based DCA Title.

DCA Title was founded by the Welshons family in 1957. Richard Welshons, president of DCA Title, and David Welshons, executive vice president of the company, along with staff, will join The Title Team.

Richard and David will lead the company's operations in the Minneapolis metro market. Richard Welshons serves on ALTA's Board of Governors. Both he and David Welshons are past presidents of the Minnesota Land Title Association.

"We are excited to blend the talents of our team with The Title Team," said Richard Welshons. "The alignment brings additional tools and resources to our staff and customers."

David Welshons is already working to assist customers across Minnesota.

"The additional reach of our services with The Title Team allows us to provide even greater statewide and regional services to our customers," David Welshons said.

The Title Team which was founded in 1956, has 44 locations across Eastern Montana, North Dakota, Minnesota and Western Wisconsin.

"The addition of DCA Title, their team and the leadership from David and Richard, has allowed us to expand further into the Twin Cites metro area," said Nick Hacker, CEO of The Title Team. "We are excited to welcome them to our team."

Compass to Acquire Consumer's Title Company of California

Compass recently signed a definitive agreement to acquire Consumer's Title Company of California Inc., which is licensed in all 58 counties in the Golden State.

"I am thrilled to welcome Consumer's Title to Compass as we work to expand our closing services business throughout the state of California and beyond," said Pooneet Kant, senior vice president of new business at Compass. "Consumer's Title's long-standing reputation for customer service speaks to the great work by their world-class, solutions-driven team whose ethical approach makes them ideal partners for Compass."

The transaction is expected to close

before the end of the quarter. Terms of the deal are not being disclosed. The acquisition of Consumer's Title expands Compass' growing settlement services portfolio, which now serves agents and their clients across California, Colorado, Florida, Washington, Maryland, Pennsylvania, New Jersey, Virginia, Texas and Washington, D.C. Nationwide, Compass agents transacted nearly a quarter of a million homes worth over $251 billion last year.

Consumer's Title has three offices in California. Founded in 2007, the company has over 40 escrow, title and sales managers. Compass will retain the Consumer's Title name following the acquisition. Its leadership team – President Joe Beckerle, EVP and General Manager Meagan Sullivan and CEO Brian Troop—will remain in their current roles.

Title Alliance Expands Into Nevada

Title Alliance Ltd. recently formed a joint venture with Keller Williams to serve the Las Vegas market.

Title Alliance now operates in 13 states with the creation of Title Alliance of Las Vegas, which is set to open in early June. The company's business model is to form multi-state title joint ventures with lenders, Realtors and builders.

"With its thriving real estate market, the Las Vegas area is the perfect spot for us to expand our footprint as we open our first office in the state of Nevada," said Jim Campbell, chief executive officer of Title Alliance. "We are excited to partner with Keller Williams Las Vegas and be able to service the community and provide an exceptional closing experience for all."

Rynoh Releases Escheatment Software

Escrow and financial security software solution Rynoh launched its tracking and reporting software for unclaimed funds.

Called RynohEscheat, the cloud-based software integrates with a user's bank account (read-only access) to make it easier to stay informed about outstanding checks and notify the appropriate parties.

"Developing time-saving, technology solutions to tackle laborious, manual processes is what drives us, especially when individual state regulation compliance and potential fines or penalties are involved," said Mary Gomez, president of Rynoh.

According to Rynoh, the solution provides:

- Due Diligence Requirements and Letters: This feature generates a prepared letter that meets state requirements for notifying owners of their unclaimed funds.
- State Submission Compliance: The RynohEscheat provides each state's escheatment reporting regulations.
- Avoid Penalties: Faster error discovery and correction makes staying compliant effortless.

CertifID Secures $12.5M Series A Financing

CertifID, a Texas-based wire fraud technology solution, recently closed on a $12.5 million Series A round of financing led by Arthur Ventures.

A Minneapolis-based growth equity firm, Arthur Ventures leads B2B software investments in high-growth, capital-efficient businesses. This financing gives CertifID the capital to continue its expeditious growth while protecting businesses and consumers from wire fraud.

"CertifID is tackling the biggest threat to the real estate industry," said Patrick Meenan, General Partner with Arthur Ventures. "They have developed a unique suite of products to prevent fraud and a rapid response recovery team to support businesses and consumers who experience a loss. We are thrilled to back such an impressive, mission-driven team."

Last year, the FBI reported $2.4 billion in losses due to Business Email Compromise (BEC). CertifID's technology solution reduces the risk of BEC by validating parties in a transaction and providing up to $1 million of insurance on every transaction. Since its inception, CertifID reported it has protected over $150 billion in transactions. In addition, CertifID's Fraud Recovery Services team, in partnership with the United States Secret Service, provides rapid response services for fraud victims. Since launching this response team in 2021, CertifID has helped over 190 victims and returned nearly $50 million from fraudulent accounts.

"Fraud is at an all-time high as global criminal networks prey on the shift to virtual communications and electronic transfers ignited during the Covid-19 pandemic. Our team has worked tirelessly to educate and empower businesses and consumers on the threat of fraud, but there is more work to do," said Tyler Adams, co-founder and CEO of CertifID. "This investment will enable us to significantly expand our reach as we look to protect every real estate transaction."

FirstClose Secures $35M in Equity Funding

Texas-based fintech FirstClose raised $35 million in equity funding from Lateral Investment Management. The company intends to use the funds to expand its financial services presence to leverage property data intelligence, partners and technology to enable lenders to compete for and close consumer loans.

FirstClose provides underwriting workflow automation technology, point-of-sale software and data services for the U.S. home equity and mortgage markets to reduce the time to close HELOCs and mortgages for more than 400 banks and credit union customers. The company has strategic partnerships with MeridianLink and other LOS companies to embed its workflow automation and data solutions into their platforms.

"FirstClose is excited to announce this next step in our company's journey," said Tedd Smith, co-founder and CEO of FirstClose. "Our mission has always been to improve the way that banks and credit unions serve consumers by accelerating loan closing times, increasing loan volumes and reducing costs."

TitleTap Releases Content Marketing Service

TitleTap launched a new content marketing service that automatically publishes relevant content to client websites and drives more traffic from both social media and search engines.

Called Socialite, the service curates content from customer-selected local or industry specific news sources, generates summary blog articles on their TitleTap website, then shares them as a Facebook post automatically driving website traffic and supporting higher SEO rankings.

"Our customers are busy delivering amazing service experiences and often struggle finding time to procure and publish content their audience cares about," said TitleTap CEO Dean Collura. "Socialite streamlines this process, increases website traffic and supports higher SEO rankings."

PropLogix Acquires City Lien Search

PropLogix has acquired Florida-based City Lien Search. Beyond municipal lien searches and HOA estoppel letters, customers now have access to many pre- and post-closing due diligence services. Customers also have the ability of ordering through closing software integrations.

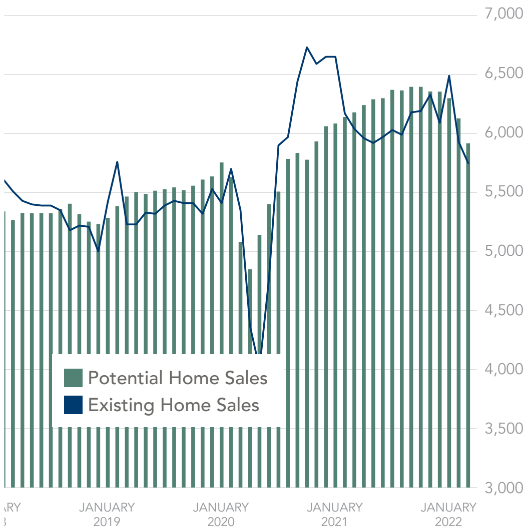
PropLogix took over operating City Lien Search back in June of 2019. The acquisition is now final. The company wanted to take its time to ensure that City Lien Search customers and employees had a smooth transition.

"We understood how important it was to the City Lien Search team to continue a legacy of incredible service," said Zafir Khan, PropLogix director of operations. "We're excited to offer our new customers a diverse service offering and level of support that can only come from a company of our resources."

PropLogix employs more than 400 people, most of whom work remotely all over the U.S.

Housing Market Potential

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



5.75 SAAR
Existing Home Sales

5.92 SAAR
Potential Home Sales

-2.8%
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

March 2022

$421,463
House-Buying Power

-8.3%
Year-Over-Year

Where House-Buying Power is Strongest

Top States and Markets

1	New Jersey	$625,361	1	San Jose, CA	$922,097
2	Maryland	$617,838	2	San Francisco, CA	$862,025
3	Massachusetts	$613,373	3	Washington, DC	$780,187
4	Hawaii	$582,081	4	Boston, MA	$704,393
5	California	$570,579	5	Seattle, WA	$620,120

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

Movers & Shakers

Matt McBride

Shaddock Names VP of Risk Management & Compliance; Promotes New President of Continental Title

Shaddock National Holdings has hired Matt McBride as vice president of risk management and compliance. McBride, who had served as president of Continental Title Co. (CTC), a Shaddock National Holdings company, started CTC 21 years ago.

Elizabeth Daniel

Elizabeth Daniel, who served as COO of Continental Title Company, took over as president effective June 1.

"The fraud epidemic in real estate continues to grow and it is vital for title companies to have systems and plans in place to mitigate the risks," McBride said. "At CTC, we have been on the forefront of the fight. Our partnership with CertifID, our amazing IT team, the Rapid Response Plan and constant education of our staff have been instrumental in protecting our customers. It's now time for me to use my knowledge to advance all of the Shaddock National companies with the best fraud prevention strategies."

Daniel has been involved in state land title associations and ALTA. She earned the distinguished National Title Professional designation from ALTA.

"I am humbled by the opportunity to accept the position of president of Continental Title Company," Daniel said. "Matt McBride built an amazing culture and company, and I look forward to continuing his legacy."

AmTrust Title Names Director of Strategy

AmTrust Title Insurance Company named Robert Callaghan to the newly created position of director of strategy. He will be responsible for the company's new agent initiatives and business development strategy and oversee finance for its title entities. Callaghan was most recently the CFO of Titleknot LLC, where he worked with title companies on financial stability and accounting practices, as well as mergers and acquisitions, joint ventures, startups and the addition of branch offices. From 2018-2021, he was owner and CFO of Vanquish Land Title LLC.

First National Title Names New CFO

First National Title Insurance Co. (FNTI) named Brent Scheer as its new chief financial officer. Scheer replaces Raymond Reece, who served in the role since FNTI was created in 2012. Reece will step down effective May 31. Scheer, who previously worked for Shaddock National Holdings since 2020, has 16 years of industry experience.

Fidelity Appoints Chief Innovation Officer

Fidelity National Financial Inc. (FNF) named Brian Maughan as executive vice president and chief innovation officer. In his expanded role, Maughan will analyze trends and market disruptions, search for emerging market and technology opportunities, and direct investments into new and existing initiatives. After leading the product management and marketing of an early-stage startup that pioneered digital signatures technology, Maughan joined FNF, where he has spent the last decade advancing technology initiatives, sales and marketing efforts and real estate technology investments across the FNF enterprise as chief marketing officer.

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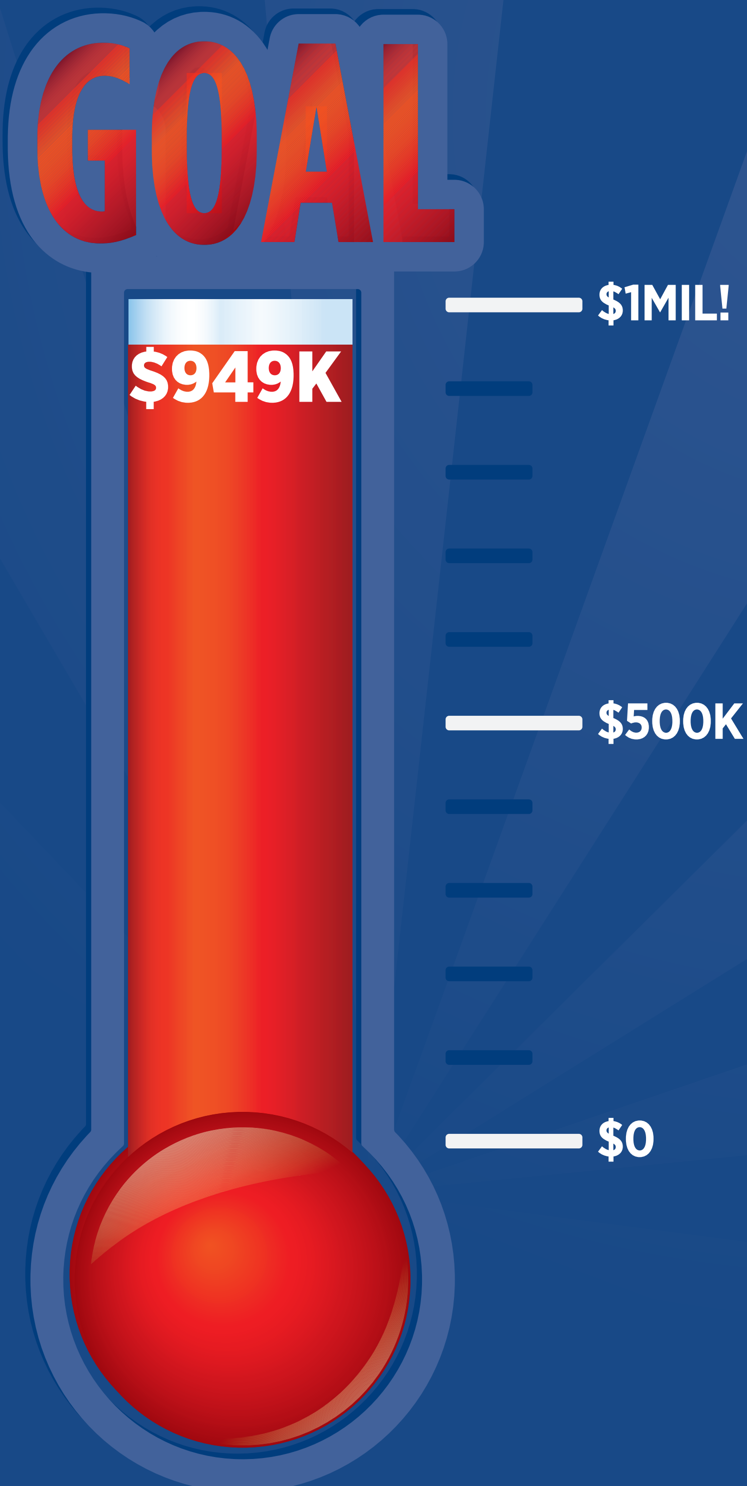

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Building a Bigger Tent

DAN WOLD
ALTA president

ALTA HAS ALWAYS STRIVED TO WELCOME AND SUPPORT ALL COMPANIES that serve the title and settlement services industry. Our membership is comprised of various business models. We have title agencies, law firms, underwriters, affiliated businesses, escrow companies and many other flavors.

While we are all competitors, we come together on issues for the betterment of everyone: to lead the industry, deliver for our customers and protect property rights.

Over the years, I've thought about how we can get smaller operations engaged and involved in ALTA. There's a time commitment and expense for owners and operators of small companies to travel to and attend various meetings. In addition, time out of the office can seem like a non-starter.

We continued this discussion at a recent ALTA Board of Governors meeting. While we want to take a holistic approach and improve overall involvement with ALTA, we're launching the Hosted Agent & Abstracter Program to help fund participation of small agents and abstracters at ALTA ONE this year in San Diego.

Through this program, ALTA ONE vendors and strategic partner underwriters can choose to host one or more small agents or abstracters. If selected, the ALTA ONE registration and a minimum of a three-night hotel stay would be paid for in full for those who qualify. To be eligible, a company must have a current ALTA membership and qualify as an agent, abstracter or real estate attorney member paying less than $650 in ALTA membership dues. Click here if interested in applying for the program. The deadline to apply is July 15. Interested in being a host? You must be a registered 2022 ALTA ONE vendor or an ALTA strategic partner underwriter. Contact Claire Mitchell for more information.

The initial idea to help defray costs to attend an event came from Scarlett First, a small agent in Kansas who got involved with ALTA a few years ago. After having a wonderful experience meeting members, she joined the Membership Committee to get more involved. She has continued participating in virtual meetings, in-person meetings and engagement groups.

The most important—and arguably most obvious—benefit of attending meetings is the ability to network. The right events provide you with the opportunity to be in the same room as the types of people that you really need to get in your contacts book, including potential customers, employers, mentors, industry peers, partners and investors.

We want to give smaller agents the same opportunity to connect with other industry leaders and grow their business. It's also important ALTA hears and gets participation from diverse companies. We serve the industry best when all voices are heard.

The bigger the tent the better.

ALTA ONE

OCTOBER 11 - 14, 2022
San Diego, CA
meetings.alta.org/one

NEW HORIZONS

Engage, Energize and Prepare to Navigate the Voyage Ahead