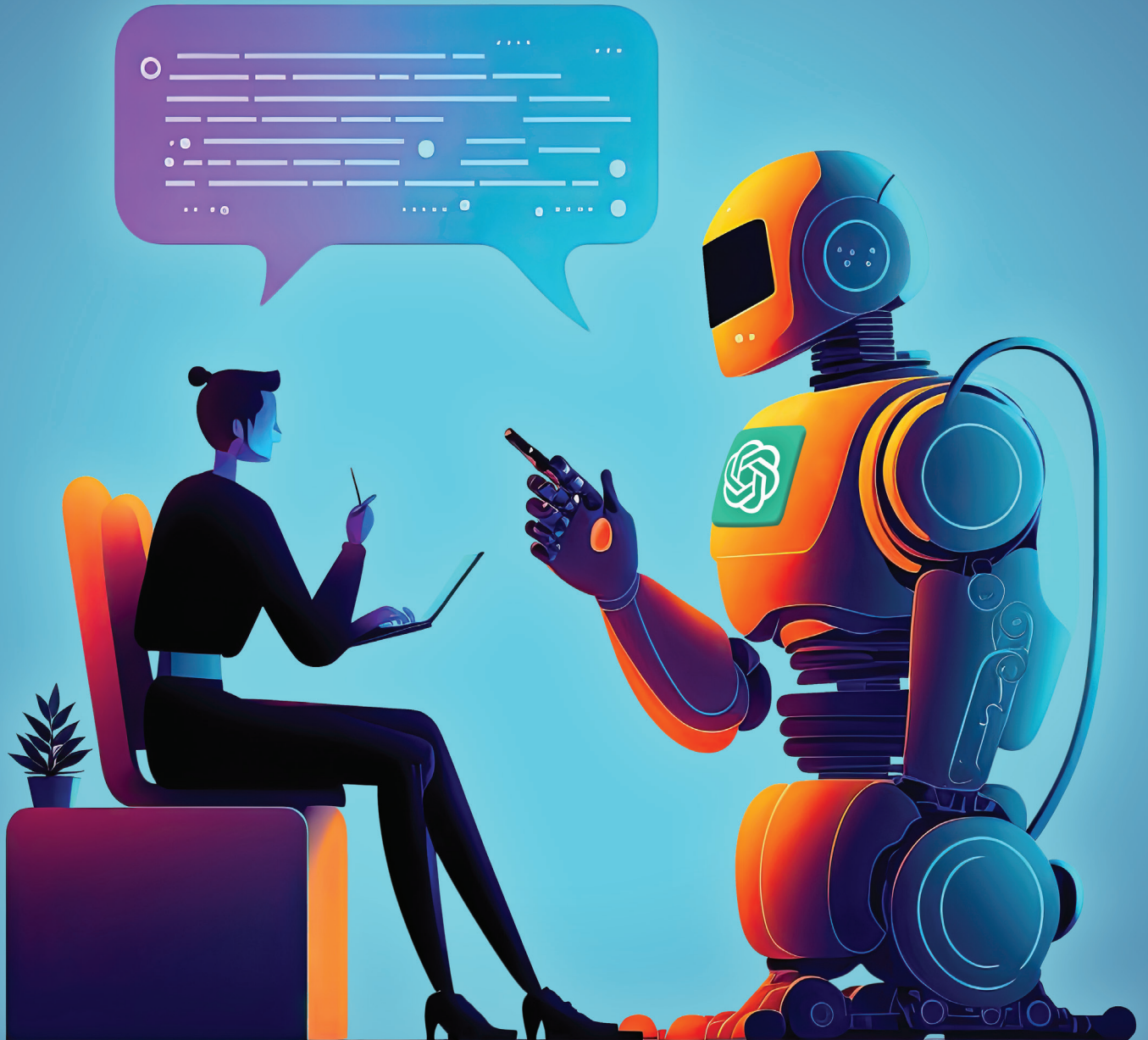


TITLENews

AUGUST 2023

AMERICAN LAND TITLE ASSOCIATION



Risk/Reward of Chat GPT

Popular AI Program Provides Many Benefits But Could Open Pandora's Box



CLOSINGSLIVE

With ClosingsLIVE, 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
- Hyperlink your documents to other important order information
- Track how far along an order is with completed, pending, and future milestones
- As an option, create your own custom ClosingsLIVE 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 ClosingsLIVE website – anytime, day or night. There's no need to re-key any information, so you'll minimize errors and maximize efficiency.



GO MOBILE

- ClosingsLIVE app available for iOS and Android smartphone and tablet devices
- Push notifications can be sent via the app directly to users' phones when an order is first shared, when a particular milestone or document is updated, and when an order is closed
- Sleek, clean interface for quick and easy access to order details
- App users can customize their view to display different levels of detail and sort orders by open date, closing date, milestones, and more
- Your ClosingsLIVE orders can be branded for your business for more marketing visibility

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



iN This Issue

VOLUME 102 | NUMBER 8 | AUGUST 2023

COVER STORY

10 Risk/Reward of ChatGPT Popular AI Program Provides Many Benefits But Could Open Pandora's Box

FEATURES

16 When Will Chat GPT Open Its Own Title Agency?

The next-level AI tech has people wondering what it can't do and how it will impact the title industry. Here's what it's already doing for us, what it could do and what it can't.

20 Robotic Process Automation Could Help Title Agencies Save Money

22 ALTA Supports ULC's Draft Model Act for Discriminatory Covenants

24 ALTA Good Deeds Foundation Grant Helps NYC Group Provide Free Emergency Care

25 FBI Says BEC Scams Targeting Real Estate Increasing

DEPARTMENTS

- 5** Publisher's Desk
- 6** ALTA News
- 25** Industry Update
- 29** Movers & Shakers
- 30** Closing Comment



DON'T MISS THIS MONTH'S
DIGITAL ISSUE OF

TITLENews

The digital edition of **TITLENews** includes a webinar recording that provides a comprehensive overview of the benefits and challenges associated with today's technology. As we navigate the digital age, it's imperative to harness the power of technology while being aware of its potential drawbacks.

Go to alta.org to get your copy of *Digital TitleNews*.



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

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

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

Reprints: Apply to the editor for permission to reprint any part of the magazine. Articles reprinted with permission must carry the following credit line: "Reprinted from *TitleNews*, the monthly magazine of the American Land Title Association."

©2023 American Land Title Association

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

TITLENews

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

PUBLISHER + EDITOR IN CHIEF
Jeremy Yohe

DIRECTOR OF DIGITAL AND PRINT MEDIA
Shawn Sullivan

ASSOCIATION OFFICERS

PRESIDENT
Jack Rattikin III
Rattikin Title Co.
Fort Worth, Texas

PRESIDENT-ELECT
Don Kennedy
First American Title Insurance Co.
Santa Ana, Calif.

TREASURER
Tara Smith
Stewart Title Guaranty Co.
Houston, Texas

CHAIR, FINANCE COMMITTEE
Quinn H. Stufflebeam
Title Financial Corp.
Blackfoot, Idaho

CHAIR, TITLE INSURANCE UNDERWRITERS SECTION
Don Kennedy
First American Title Insurance Co.
Santa Ana, Calif.

CHAIR, ABSTRACTERS AND TITLE INSURANCE AGENTS SECTION
Richard H. Welshons
DCA Title
Hastings, Minn.

BOARD REPRESENTATIVES,
TITLE INSURANCE UNDERWRITERS SECTION

Joe Grealish
FNF Family of Companies
Houston, Texas

David Townsend MTP, NTP
Agents National Title Insurance Co.
Columbia, Mo.

BOARD REPRESENTATIVES, ABSTRACTERS AND TITLE AGENTS SECTION

Lisa Steele
Mother Lode Holding Co.
Roseville, Calif.

Craig Haskins
Knight Barry Title Inc.
Milwaukee, Wis.

IMMEDIATE PAST PRESIDENT
Daniel M. Wold
Old Republic National Title Insurance Co.
Minneapolis, Minn.

ASSOCIATION EXECUTIVE STAFF

CHIEF EXECUTIVE OFFICER
Diane Tomb

CHIEF OPERATING OFFICER
Cornelia Horner CMP

SENIOR VICE PRESIDENT OF PUBLIC AFFAIRS
Chris Morton

CHIEF INFORMATION OFFICER
Kelly Romeo CAE

VICE PRESIDENT OF GOVERNMENT AFFAIRS
Elizabeth Blosser

VICE PRESIDENT OF GOVERNMENT AFFAIRS
Emily Tryon

VICE PRESIDENT OF COMMUNICATIONS
Jeremy Yohe

GENERAL COUNSEL
Steve Gottheim

Rethinking Strategy in an Evolving Landscape



JEREMY YOHE

ALTA vice president of communications

THE PAST FEW YEARS HAVE SEEN THE EMERGENCE OF CORE TECHNOLOGY TRENDS that are affecting nearly every industry. A multitude of tech advancements and shifts are reshaping products and services.

While many companies are experimenting with artificial intelligence (AI), few have truly scaled their capabilities across the enterprise. As AI becomes more prevalent and algorithm creation becomes commoditized, companies will be able to retool core processes to be more predictive in nature. According to a McKinsey and Company study, AI will disrupt distribution, underwriting, claims and service as core processes become AI-enabled, creating a “human in the loop” model that increases productivity and allows for higher-quality touchpoints with customers.

To varying degrees, this is what we’re starting to see in the title industry. In this edition’s cover article, we look at the many ways title professionals are using ChatGPT—an AI chatbot that uses natural language processing to create human-like conversational dialogue—to drive efficiency. With the benefits come the cons, such as concerns around privacy, security and misinformation.

One company in the title space, Razi Exchange, has taken similar technology that ChatGPT uses to create TitleGPT. The Washington, D.C.-based firm produced the conversational AI to help title companies index title policies and unlock new business. Robert Zwink, Razi’s chief technology officer, said it’s too early to quantify how much time is saved by using TitleGPT for indexing documents as opposed to performing those tasks manually, but he said the benefits are obvious.

In another tech-focused article in this edition, we highlight a report from TrueFocus Automation that details how title companies can benefit from robotic process automation (RPA). While RPA and chatbots both automate essential business processes, they are two different technologies. RPA is a form of business process automation that allows someone to define a set of instructions for a robot or “bot” to perform. RPA bots can simulate most human-computer interactions to carry out tasks at high volume and speed. They are typically used to automate back-end business processes.

TrueFocus’ report concluded that its clients automated about 60% of the title search process—excluding examinations—using RPA. The same bots handled 80% of the hyperlinking process, while the RPA technology enabled title firms to automate about 75% of tax search requirements.

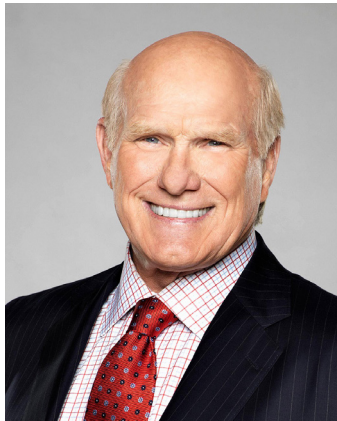
Jeff Bates, CEO of D. Bello, agrees that by smartly deploying technology, title companies can streamline and scale their operations, focus on the core functions of their business and ensure continuity during times of disruption. A 20-year industry veteran, Bates said that while the industry’s core product has remained the same, technology has changed how title policies get produced.

It’s exciting to think where technology will take our service-based industry that’s focused on risk reduction and property rights protection.

| NFL Hall of Famer Bradshaw to Headline ALTA ONE

Terry Bradshaw, a four-time NFL Super Bowl champion and NFL Hall of Famer, will speak at ALTA ONE during the final Omni Session on Oct. 13, sponsored by First American Title.

One of the most prolific quarterbacks in history, Bradshaw also is a multi-Emmy Award winner and broadcaster on "FOX NFL Sunday," *New York Times* best-selling author and the only NFL player with a star on the Hollywood Walk of Fame!



OCTOBER 10-13, 2023
The Broadmoor
Colorado Springs, CO

certain people flourish despite disappointment, adversity and relentless competition. A winner on and off the field, Bradshaw will share his strategies for maintaining success through persistent self-improvement. Head to ALTA ONE this fall, and Bradshaw will help you think in new ways about sacrifice, pain, competition and adversity.

[Click here](#) to register. Contact [Paul Martin](#) regarding sponsorship and vendor opportunities.

| ALTA Responds to FHFA's Proposed Rule on Fair Lending Oversight

ALTA submitted a [letter](#) in response to a proposed rule by the Federal Housing Finance Agency (FHFA) that would formalize many of the agency's existing practices and programs regarding fair housing and fair lending oversight of its regulated entities.

ALTA believes it is critical for the FHFA to continue to increase public engagement and opportunities for comment during the development and updates to each of the government sponsored entities' (GSEs) Equitable Housing Finance Plan. Transparency and the opportunity to collaborate and comment are critical to ensure the success of these important efforts. The FHFA expects this rulemaking to provide increased public transparency and greater oversight and accountability of the regulated entities' fair housing and fair lending compliance.

Despite the push for transparency, ALTA wrote that it was disheartening to see Fannie Mae use the Equitable Housing Finance Plans to explore going beyond its charter and into the primary market via a reported title waiver proposal.

"The opaqueness of Fannie Mae's work on its reported pilot has drawn concerns from across the industry as well as from numerous policymakers and regulators," the letter stated.

In the letter, ALTA also said it believes the promotion of unregulated title insurance alternatives implicates the GSEs' compliance with Unfair, Deceptive, or Abusive Acts or Practices (UDAP). ALTA wrote that the marketing of unregulated title insurance alternatives violates the UDAP definition of unfair acts or practices because those marketing alternatives represent that they are exactly like a comprehensively regulated title insurance product, while in reality the coverage is significantly different.

"These misleading representations are highly material to the consumer considering how to best protect their property rights," ALTA said. "Further, it is likely that these alternatives violate existing state insurance law and regulations subjecting consumers to the potential of substantial injury of getting a less protective product from a provider that is violating the law."



See what you've been missing...



800.542.5503



When it comes to title and settlement
production, all solutions are *not* created equal.

If you're ready to experience a production solution designed to meet your unique
needs, see what you've been missing with RamQuest's unparalleled capabilities.

See it at [RamQuest.com/Unparalleled](https://www.RamQuest.com/Unparalleled)

© 2023 RamQuest

Take ALTA's Operations Survey and Compare Your Business to Others

ALTA is pleased to present the new [Title Agents and Abstracters Operations Survey](#). The survey allows agents to benchmark their companies operations against others in the title industry. This tool, made possible by Qualia, was created to measure exactly what title agents, abstracters and underwriter direct operations do—and how they do it.

Benchmarking data has been used to:

- Increase revenue.
- Highlight business strengths and identify areas of improvement.
- Increase employee productivity and morale.
- Improve internal processes and procedures.
- Increase customer satisfaction.
- Reduce inefficiencies.
- Create a competitive advantage.
- Measure quality, performance and growth.

To fill out the Operations Survey, first determine whether you will be completing the analysis at the headquarters level or for a specific location. Next, check out our [User Guide](#), [FAQs](#) and [Survey Questions](#) to see what kind of information you will need to submit and answer any questions. Finally, gather your data from 2022 and get started!

The survey is hosted on a secure platform and all responses are anonymous. No one other than you or your company designee will have access to your company-specific information. Aggregated industry results will be available once the participation threshold is met to ensure anonymity in the responses.

Send questions to research@alta.org.

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: 48
- Title Agents: 23
- New Associate Members: 3
- New Attorney Members: 10
- State With the Most, New Members: Florida with 8
- Total Members: 5,932

ALTA 2023 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 2023, TIPAC raised \$341,619 from 409 people. In addition, \$149,000 from 18 companies has been pledged to the TIPAC Education Fund.

Check out who has supported the industry at alta.org/tipac.

CALENDAR

2023 ALTA CONFERENCES

ALTA ONE

October 10-13
Colorado Springs, Co.

STATE CONVENTIONS

COLORADO

Sept. 6-8
Beaver Creek, Colo.

NORTH DAKOTA

Sept. 7-8
Fargo, N.D.

PENNSYLVANIA

Sept. 10-12
Bedford, Pa.

WISCONSIN

Sept. 13-15
Eau Claire, Wis.

MISSOURI

Sept. 13-15
Kansas City, Mo.

NORTH CAROLINA

Sept. 14-16
Isle of Palms, S.C.

SOUTHEAST

Sept. 14-16
Point Clear, Ala.

INDIANA

Sept. 17-19
Indianapolis, Ind.

NEBRASKA

Sept. 20-22
Omaha, Neb.

THE FNF EGUIDE IS YOUR NEW TOOL FOR EVERYTHING ESCROW

Introducing the newest addition to the FNF Family of Companies' toolbox – the EGUIDE. Much like our innovative underwriting UGUIDE, this comprehensive digital encyclopedia covers everything there is to know about the ESCROW world.

We love underwriting and title, but our experts have plenty of knowledge on the transaction's escrow side, too! Start exploring this expertise by visiting nationalagency.fnf.com/eguide. From A to E and then to Z, you can count on FNF to provide everything you need for your agency and beyond.



NATIONALAGENCY.FNF.COM





Risk/Reward of Chat



STOCK.ADOBE.COM / ADRIFERRER

Popular AI Program Provides Many Benefits But Could Open Pandora's Box

By Jeremy Yohe

ChatGPT has become a topic of conversation in the title and real estate industry. While many see the benefits of the artificial intelligence (AI) chatbot, others call attention to the drawbacks.

Among the advantages of ChatGPT is the ability to generate content quickly with minimal effort. On the flip side, potential risks of the natural language processing tool include plagiarism, security, privacy and bias.

The pros and cons of ChatGPT, which was released in November 2022 by OpenAI, were the focus of a recent discussion on ALTA Connection.

Anton Tonev, co-founder of InspectHOA, loves ChatGPT and has been using it every day for the past few months.

"It is a great time saver for almost everything that I write—from emails to presentations," he said. "If you learn how to use it—not just ask generic questions—I don't see how you would ever go back. It is like having an extremely smart colleague, or better yet, like a huge team of extremely smart colleagues."

Cheryl Evans of Wicked Title Forum said it's helpful to draft content for social media posts, ad copy, emails, articles and blog posts. While it creates the content quickly, Evans said it's important to read what the chatbot generates to correct any mistakes and "make it sound like you."

"While it feels like talking to a person, it's not," Evans said. "You're talking to a machine. The quality of your input determines the quality of your output. So if you aren't getting the results you want, it's not because ChatGPT is bad, it's because the prompt is wrong. Writing a good prompt is more of an art form than it is a science."

Andy White, co-founder and CEO of Closinglock, agreed it's a useful tool and uses it to create a range of things from drafts of documents to generating business analytics queries. However, his main concern with ChatGPT and similar platforms is the risk exposing proprietary or sensitive information.

ChatGPT

White posted several items that cause him concern, including:

- **Bias:** ChatGPT is trained on a massive data set of text and code, which means that it can reflect the biases that are present in that data. This can lead to ChatGPT generating text that is offensive, harmful or discriminatory.
- **Misinformation:** ChatGPT can be used to generate text that is factually incorrect or misleading. This can be used to spread misinformation or propaganda.
- **Privacy:** ChatGPT is trained on large amounts of data, which can include personal information. This data could be used to track or identify users.
- **Security:** ChatGPT could be used to create malicious software or to attack computer systems.

“It is important to be aware of the risks associated with ChatGPT and to take steps to mitigate them,” White said. “This includes using ChatGPT responsibly and being aware of the potential for bias, misinformation, privacy and security risks.”

To mitigate these risks, don’t share personal information with ChatGPT, don’t use it to access sensitive data, don’t assume everything it creates is accurate and be aware of text that could be harmful.

“By following these tips, you can help to mitigate the risks of ChatGPT and use it safely and responsibly,” White added.

Sabrina Bier, director of digital media and education at Proper Title, sees the AI chatbot as a powerful tool

that can provide benefits that companies are still just beginning to leverage

As an example, she shared the results of a question she posed to ChatGPT:

“What are the top ways for a title company to brand themselves so that Realtors will choose to work with them consistently?”

ChatGPT generated a bulleted list. Bier then asked the chatbot to create a blog post about the second bullet point.

“What it generates is an awesome guide, but you need to edit it to fit your company, brand, market and expertise,” Bier said. “With that said, it saves so much time.”

She also noted that the information doesn’t contain citations, so users must perform their own due diligence to ensure the content is factual.

Cathy Clamp CTIP, NTP, an escrow officer at Heart of Texas Title Co. LLC, also agreed ChatGPT can be a useful and timesaving tool to draft preliminary documents and complicated explanations of title issues.

“Phrasing requirements in a way that is non-threatening and encouraging to stubborn heirs or warring neighbors can be challenging and (ChatGPT) would be a useful aid,” Clamp said.

But as a content creator, however, she’s largely concerned with plagiarism.

Chat GPT Results From the Question “What are the benefits of title insurance?”

TITLE INSURANCE provides several important benefits to property owners and lenders involved in real estate transactions. Here are some of the key advantages:



1. **Protection against title defects:**
Title insurance protects property owners and lenders from financial loss resulting from title defects or ownership disputes. If a previously unknown title issue arises after the property purchase, the title insurance policy can cover the legal costs and financial losses associated with resolving the problem
2. **Coverage for unknown liens and encumbrances:**
Title insurance typically covers unknown liens or encumbrances on the property. This includes outstanding mortgages, unpaid taxes mechanic’s liens, or other claims that were not discovered during the title search.



3. **Peace of mind:** Having title insurance provides peace of mind to property owners, knowing that their investment is protected against unforeseen title issues that may arise in the future.
4. **Lender protection:** Lenders often require title insurance as a condition for providing a mortgage loan. This protects the lender’s financial interest in the property, ensuring that their lien is valid and uncontested.
5. **Legal defense:** If a claim is made against the title, the title insurance company will typically provide legal defense for the insured party. This can save the property owner or lender significant legal costs.

“One of my advanced paralegal certifications is in intellectual property, so I’ve spent a long time reading through the history of the predecessors of ChatGPT and how the AI software was ‘trained’ to create text,” Clamp said. “While imitation is the sincerest form of flattery, as an author and writer, I have to object to the possible use of any text I’ve created over the years that might have appeared in their database to create new articles, stories or even emails. For myself, I’ll keep writing my own emails and webinars. It may take more time, but I can sleep better at night.”

Congress Gets Involved

Concern over the artificial intelligence chatbot has reached Congress, which held a hearing in May to discuss the powerful technology. During the [hearing](#) titled “Oversight of A.I.: Rules of Artificial Intelligence” before the Senate Subcommittee on Privacy Technology and the Law, Sam Altman, CEO of the San Francisco start-up OpenAI, urged lawmakers to regulate artificial intelligence.

“I think if this technology goes wrong, it can go quite wrong. And we want to be vocal about that,” he said. “We want to work with the government to prevent that from happening.”

“We believe that the benefits of the tools we have deployed so far vastly outweigh the risks, but ensuring their safety is vital to our work,” Altman continued.

FTC Investigation

The Federal Trade Commission has opened an investigation into ChatGPT to see if the AI tool has harmed people by generating incorrect information about them. In a [20-page letter](#), the FTC requested that OpenAI turn over records and data on several issues, including company policies and procedures, financial earnings and details of the Large Language Models it uses to train its chatbot. The agency wrote that it’s looking into whether the company has “engaged in unfair or deceptive practices relating to risks of harm to consumers, including reputational harm.”

CFPB Issues Warning About AI Chatbots

Working with customers to resolve a problem or answer a question is an essential function for financial institutions. Customers turn to their financial institutions for assistance with financial products and services and rightfully expect to receive timely, straightforward answers, regardless of the processes or technologies used.

Many financial institutions have deployed chatbots



intended to simulate human-like responses and help these organizations reduce the cost of customer service agents. These chatbots sometimes have human names and use popup features to encourage engagement. Some chatbots use more complex technologies—often marketed as “artificial intelligence”—to generate responses to customers.

Earlier this year, the Consumer Financial Protection Bureau (CFPB) released a report highlighting some of the challenges associated with the deployment of chatbots in consumer financial services. As sectors across the economy continue to integrate “artificial intelligence” solutions into customer service operations, there will likely be a number of strong financial incentives to move away from support offered in-person, over the phone and through live chat.

Deficient chatbots that prevent access to live, human support can lead to law violations, diminished service and other harms, according to the CFPB. The shift from relationship banking and to algorithmic banking will have several long-term implications that the CFPB will continue to monitor closely.

Approximately 37% of the United States population is estimated to have interacted with a bank’s chatbot in 2022, a figure that is projected to grow. Among the top 10 commercial banks in the country, all use chatbots of varying complexity to engage with customers. Financial institutions advertise that their chatbots offer a variety of features to consumers, like retrieving account balances, looking up recent transactions and paying bills. Much of the industry uses simple, rule-based chatbots with either decision tree logic or databases of keywords or emojis that trigger preset, limited responses or route customers to frequently asked questions (FAQs). Other institutions have built their own chatbots by training algorithms with real customer conversations and chat logs, like Capital One’s Eno and Bank of America’s Erica. More recently, the banking industry has begun adopting advanced technologies, such as generative chatbots, to support customer service needs.

Financial products and services can be complex, and the information being sought by people shopping for or using those products and services may not be easily retrievable or effectively reduced to an FAQ

response. Financial institutions should avoid using chatbots as their primary customer service delivery channel when it is reasonably clear that the chatbot is unable to meet customer needs.

The report found the use of chatbots raised several risks, including:

- **Noncompliance with federal consumer financial protection laws.** Financial institutions run the risk that when chatbots ingest customer communications and provide responses, the information chatbots provide may not be accurate, the technology may fail to recognize that a consumer is invoking their federal rights or it may fail to protect their privacy and data.
- **Diminished customer service and trust.** When consumers require assistance from their financial institutions, the circumstances could be dire and urgent. Instead of finding help, consumers can face repetitive loops of unhelpful jargon. Consumers also can struggle to get the response they need or be unable to access a human customer service representative. Overall, their chatbot interactions can diminish their confidence and trust in their financial institutions.
- **Harm to consumers.** When chatbots provide inaccurate information regarding a consumer financial product or service, there is potential to cause considerable harm. This could lead the consumer to select the wrong product or service that they need. There could also be an assessment of fees or other penalties should consumers receive inaccurate information on making payments.

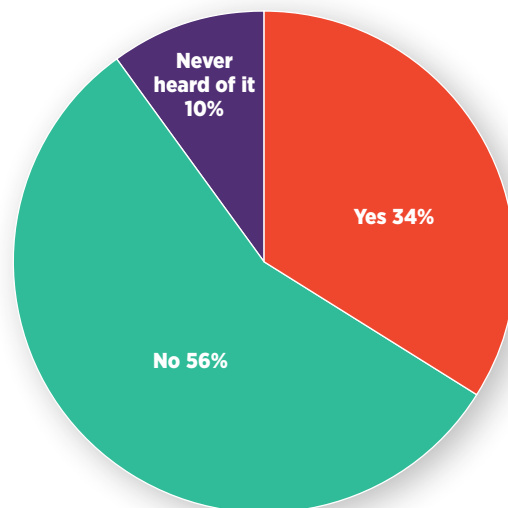
What Others Are Doing

Wells Fargo and JPMorgan have placed restrictions on ChatGPT in recent months over concerns that confidential data could be exposed. The Mortgage Bankers Association said it doesn't have specific guidance around ChatGPT. In a statement, the National Association of Realtors (NAR) said one of its goals is to create policies on AI use and educational materials for Realtors, according to *National Mortgage News*.

Marki Lemons Ryhal, a licensed managing broker, addressed a group of Realtors during a session at NAR's 2023 Legislative Meetings titled "The Future of Real Estate: How AI Is Transforming the Industry." She said more Realtors are using the technology to write copy for listings. But that's just the beginning, as these AI platforms aren't going away.

"It took Facebook 10 months to get a million users," Lemons Ryhal said. "ChatGPT had a million users in five days. By January, there were 100 million users. AI will not replace you. A person using AI will replace you."

Have You Experimented With ChatGPT?



SOURCE: ALTA SURVEY

Redfin and Zillow have incorporated ChatGPT plugins to serve prospective homebuyers. The tools allow consumers to share specific characteristics of their desired property types, including price range, room count and neighborhood amenities. ChatGPT responds with a list of matches drawn from the respective brokers' databases.

"I think the most powerful way the Redfin ChatGPT plugin can make buying a home easier today is by suggesting homes and communities that would not have been uncovered via a map-based real estate search," said Ariel Dos Santos, Redfin's vice president of product.

Brett Beckett, vice president of finance and strategy for Independence Title, believes Chat GPT and similar AI technologies will have a significant impact on the title industry by providing the ability to offload repetitive tasks, allowing their personnel to focus on being experts to the transaction. While there are benefits, Beckett also sees the limitations of the technology and doesn't believe it will replace human judgment and expertise.

"At the end of the day, we sell trust," Beckett said. "We sell the fact that when customers bring us a transaction, we will get it done right. We will get the funding right and at the end of the day, there won't be any issues. I don't think a completely AI-based title company would succeed because it's not going to be able to sell trust and build relationships." ■



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



UNLOCK YOUR POTENTIAL

WITH OUR AGENCY-FOCUSED ezSOLUTIONS™!



EMPOWERING YOU EVERY STEP OF THE WAY.

To learn more, visit oldrepublictitle.com/title-agents



When Will ChatGPT Open Its Own Title Agency?

The next-level AI tech has people wondering what it can't do and how it will impact the title industry. Here's what it's already doing for us, what it could do and what it never will.

By Hoyt Mann

IT'S BEEN ONE OF THE HOTTEST TOPICS OF 2023 SO FAR. Its potential is staggering. Every day seems to bring to light another, previously undiscovered nuance to its capabilities. Its emergence is likely one of the rare occurrences where “game changing” isn't just advertising language. Of course, we're talking about ChatGPT and its cousins, such as Google Bard, the arrival of which likely represents a new level for a technology we've been speculating about and anticipating since the 1984 movie *The Terminator*.

Artificial Intelligence (AI), that is.

While it's highly likely AI will not be seeking world domination or even terminating existing jobs for the foreseeable future (more on that later), it has been helping the title industry for a few years now. And it is, indeed, changing the game for an industry that has long relied on manual processes to address simple tasks.

Just for fun, I asked ChatGPT itself what it is and how it believes it will impact the title industry. If you do the same, [it will tell you](#) (depending upon the way you ask the question) something like this:

“ChatGPT is a large language model developed by OpenAI that uses machine learning algorithms to generate human-like responses to a wide range of prompts. It can understand the nuances of human language and respond to queries in a natural, conversational tone. As a result, ChatGPT has the potential to revolutionize the way title insurance companies operate.”

ChatGPT also shared that it has the potential to automate many previously manual processes. That would include underwriting,

risk assessment, management and, naturally, communications and customer service. In fact, multiple AI-powered technologies have already come online, so to speak, for title agents. That's been the case for two or three years, in fact.

So have those applications learned enough yet to open their own title agencies? Well, no. And they probably never will. But they are facilitating faster, more effective service; more efficient workflows and, best of all, a workforce emancipated to focus on much things more important than keying data from faxes, emails, texts and voice mails into production systems.

Right now, multiple AI technologies on the market are helping title-related businesses with everything from simple client communications (e.g. “Don't forget your closing is at 8 a.m. on Thursday”) to complex, two-way conversations initiated by a marketing message. AI can be used to open new orders much more efficiently than most agencies are currently doing it. They can also extract data from all forms of communication and quickly input it into production systems or other applications. AI technologies can securely seek and collect data needed to help process a



transaction. All of this is done without the requirement of a human being picking up the phone, typing an email or transferring data via a computer keyboard, one key at a time. This, in turn, frees that employee to do something even more productive—like, for example, advanced quality control. Or picking up that same phone to call a hot prospect.

AI is already helping title and settlement services firms absorb and resolve—to different levels—common client inquiries (“What do I bring to closing? Is a personal check ok?”). This isn’t just relaying pre-populated reminders. Today, AI technology is helping title agents to answer questions and resolve multi-layered inquiries via natural-sounding conversation.

All without an employee having to step in.

However, AI hasn’t even come close to reaching the apex of its potential. For example, while we can train AI applications and even program them to learn on their own, they’re still not quite able to answer questions requiring complex inference or a nuanced understanding of language. You’ve probably experienced this with some of the more complicated inquiries you may have posed to AI prototypes, such as Alexa or Siri.

Another thing that AI cannot yet do is be innovative or create. This is a major reason why the myth that “AI is coming for our jobs” remains a falsehood. If anything, AI applications empower owners and employers to redeploy all the employees (and labor hours) currently “staring and comparing” or rekeying simple data. This has long been an issue for our industry for any number of

reasons, and AI’s arrival should only continue to open up human resources for more complex and innovative purposes.

Finally, like any other technology before it—and likely after it as well—AI will only perform as well as the quality (or potential biases) programmed into it. The old saying “garbage in, garbage out” is particularly relevant here. Any inherent biases programmed into AI technology will eventually lead to some level of incorrect or biased result. AI is a complex tapestry of myriad algorithms, not a robotic brain of some sort. It is only as “smart” as the way it is programmed and the data is provided. For now, at least, your AI application will not be able to think outside of the proverbial box.

But it will take the boring, repetitive tasks off your employees’ desks and give them more time to do just that. All indications are that we are moving towards a world where AI supports humans in what they do at work, rather than replacing (or terminating) them. If anything, it will take a service-based industry that spends an inordinate amount of time with its head down doing data entry or email and enable it to provide even greater levels of service or ideate creative new business ideas.



HOYT MANN is co-founder and president of *alanna.ai*, a conversational AI assistant that elevates the operational efficiencies of title agents while upgrading their customer service. He has served the industry for over 20 years, including key roles with RamQuest Software and PhaseWare, before helping to found *alanna.ai*. He can be reached at hmamm@alanna.ai.

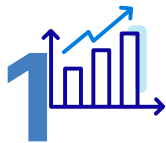
SAVE
THE
date

DEC
31
2023

The day that will close out your best year ever

In 2022, Doma Title Insurance signed more Independent Title Agents than any year in our 60-year history.

Why are agents flocking to Doma Title Insurance?



We teach you how to **build a predictable pipeline** and utilize our elite marketing services to gain market share.



We give you the **competitive edge** through our risk-based underwriting model and guaranteed 1-hour counsel response time.



We keep you **compliant and on top of the industry** with our 50+ courses of CE/CLE and educational content.



If the market pressures are starting to impact your growth, we can help.

Scan the code to **RSVP for your best year ever.**



WE'VE GOT YOU COVERED

E&O Insurance Created by Title Professionals for Title Professionals

Title Industry Assurance Company, RRG has the industry relationships and experience to provide comprehensive errors and omissions insurance and exceptional service **so you don't have to worry.**

800.628.5136 | www.tiacrrg.com



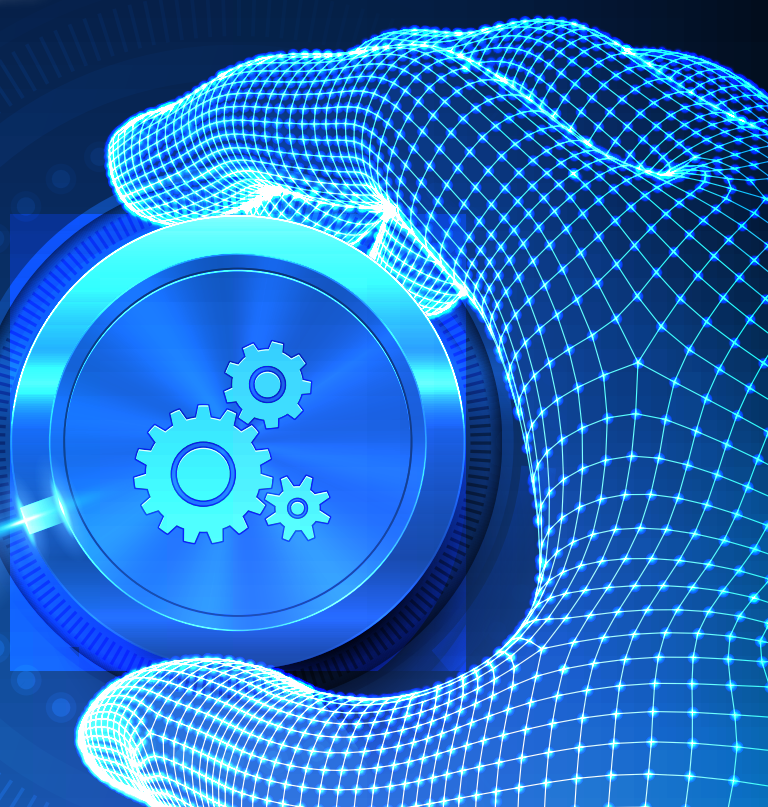
Robotic Process Automation Could Help Title Agencies Save Money

MANUAL

Processes

RPA

Robotic Process Automation



The traditional title agency has long struggled to maximize efficiencies in its operations. This can be attributed to a number of significant factors, including complex regulatory requirements that vary from state to state; the high-touch, high-collaboration nature of the typical residential real estate transaction and a traditional business model makes substantial technological investments into a firm’s workflow difficult at best.

Nonetheless, the settlement services sector has recently begun to embrace operational automation. Demand at the client and consumer level in combination with rising costs has driven title firms to upgrade their systems and digitize once manual processes, [according a report](#) released by TrueFocus Automation.

Authored by TrueFocus co-founders Sridhar Loganathan and Jimmy Lewis, the report details how title agencies can improve efficiency and reduce costs by implementing robotic process automation (RPA), technology that automates business processes through the use of software bots. RPA uses structured inputs and logic to perform its tasks. As one RPA producer puts it, “RPA bots are more like virtual assistants who let you offload repetitive tasks that aren’t complicated but consume valuable employee time.”

The report explains that RPA can be implemented with little integration and can be customized to carry out simple, repetitive tasks.

“This makes RPA technology a natural fit for almost any

operational function that does not require human judgment, and which may not be addressed by larger scale technologies, such as production platforms,” the authors write.

The report details the average time spent on various processes from order creation to policy production and recording versus the time saved using a bot for a title company that opens 1,000 orders per month.

Loganathan and Lewis determined their clients saved on average, “400 hours of resource time per month—about 50 average workdays,” when utilizing RPA. Additionally, the report determined that the use of RPA technology enabled title firms to automate roughly 75% of their tax search requirements, empowering those firms to reappropriate approximately 188 labor hours per month.

“Title business owners no longer need to wait or hope (or pay heavily) for custom integrations or task-specific upgrades by their major technology partners,” the authors concluded. “The rise of RPA, with its ability to be easily customized at reasonable cost, has taken most of the concern about the cost of new technology out of the equation. More importantly, bots are used to automate the things that no employee wants to do. At a time when staff retention will likely become an increasingly major concern for title agencies, business owners not only gain the cost savings and efficiency benefits, but also reap improvements in workplace morale and reduced staff turnover, as employees are given more meaningful and enjoyable work to do.

Title Applications and Results: Time and Resource Savings

Title Operations 2.0 Using Bots

Monthly Volume (orders opened)		1,000	Mo. Payroll Cost Per FTE		\$3,520.00	Product	Full Search
Processes	Bot's Scope of Work	Average time spent per order (mins)	Total Resource Hours per Month	Total Resources Engaged	Automation Scope (Estimated)	Resources Time Saved From Automation	Resources Saved
Order Creation	Creating a new order within TPS using the details from the order sheet received through email/ attachments/from another client TPS	10	167	1.0	80%	133	0.8
Title Search (excluding examining)	Bot to run the search and retrieve documents from Assessor, Taxes, Recorders, Liens & Judgment, Patriot & Bankruptcy website, which is a ready for Examining search package	40	667	4.2	60%	400	2.5
Tax Search	Search and retrieve the current Tax status and payment details	15	250	1.6	75%	188	1.2
Examining	Out of scope	40	667	4.2	0%	0	0.0
Keying	Out of scope. Can leverage AI/ICR solution, but requires a huge training data set for better automation outcome	30	500	3.1	0%	0	0.0
Hyperlinking	Hyperlinking all the pertinent documents to the respective Book/Page references within the commitment report	30	500	3.1	80%	400	2.5
Updates	Run the update search from the previous effective date and share the findings with the examiner. In cases with no new documents posted, the bot can publish and circulate the updated commitment with the revised effective date	20	200	1.3	80%	160	1.0

Source: TrueFocus Automation



ALTA SUPPORTS ULC'S DRAFT MODEL ACT FOR DISCRIMINATORY COVENANTS

ALTA ENDORSED AND COMMENDED THE UNIFORM LAW COMMISSION (ULC) for developing model legislation to address illegal discriminatory covenants recorded in the public records.

The ULC's [model act](#) provides a mechanism for repudiation by homeowners of discriminatory covenants, while retaining the capability for universities and non-profits to study these historic records and their impact. Joining ALTA in support of the model act include Just Deeds, Mapping Prejudice, the Minnesota County Recorder's Association, the Mortgage Bankers Association and the Property Records Industry Association.

Many unlawful covenants exist in old declarations of covenants, conditions and restrictions (CC&Rs) that affect many properties. Additionally, unlawful covenants can exist within instruments that also include enforceable CC&Rs.

These factors presented drafting nuances the committee considered and addressed in the model legislation. This helps ensure the unintentional voiding of enforceable covenants, which could create title questions impacting the marketability of properties.

"ALTA is strongly opposed to any form of housing discrimination and is committed to proactively working toward solutions that protect the property rights of all homebuyers," said ALTA CEO Diane Tomb. "We commend the Uniform Law Commission for its leadership on this important topic. We endorse the model legislation and look forward to its adoption by the ULC, introduction in state legislatures and ultimate passage around the country."

Prior to this, there was no model or uniform legislative approach for empowering people to address unlawful

discriminatory covenants in land records pertaining to their property. State lawmakers have considered various legislative approaches to address illegal and unenforceable discriminatory covenants in public land records. Different approaches, such as expungement of entire records containing illegal covenants, threaten the chain of title and create gaps in land records that jeopardize consumer property rights and the ability to buy, sell or refinance property.

In the early part of the 20th century, discriminatory covenants barring the sale or lease of property based on race, ethnicity or religion were inserted into some property records as part of deeds, plats and CC&Rs. Two decades after the landmark U.S. Supreme Court case *Shelley v. Kraemer* established racially restrictive covenants were unenforceable under the 14th Amendment, the federal Fair Housing Act of 1968 made discriminatory covenants illegal and unenforceable.

Previously, ALTA has endorsed federal legislation to fund the research and study of discriminatory covenants in land records.

Addressing Illegal Covenants in Historic Land Records

- ALTA developed a [publication](#) that details the various approaches to addressing discriminatory covenants in the public land records. The document also highlights the pros and cons of each method, which include notification, repudiation, modification and redaction.

TrustLink™

Keeps Your Best Practice on Course

Daily 3-way Reconciliation | Unclaimed Property Service | 1099 and W-9 Service

Let our team of experts with over 40 years of experience provide the best practice trust accounting processes you're looking for. Safe, secure, and reliable.



TrustLink™
The Premier Trust Accounting Service

800.767.7833 | trustlink.sales@firstam.com | www.trustlinkservices.com

ALTA Good Deeds Foundation Grant Helps NYC Group Provide Free Emergency Care

AMERICAN LAND TITLE ASSOCIATION



The [Central Park Medical Unit](#) (CPMU), a volunteer-based ambulance service, was named best emergency medical services unit by the Regional Emergency Medical Services Council of New York City. The unit has provided free care to patients since it was founded in 1975, and is a training ground for future EMTs, paramedics, nurses, physician assistants and doctors.

In March, the ALTA Good Deeds Foundation (AGDF) awarded a \$6,000 grant to CPMU.

“On behalf of our entire team at the Central Park Medical Unit, I would like to express our deepest gratitude for your generous ALTA Good Deeds Foundation Grant,” said Rafael Castellanos, president of the Central Park Medical Unit. He also is director of New York-based TitleVest. “Your support has been instrumental in helping us fulfill our mission of providing top quality emergency medical services to our city.

In 1975, a group of regular park-goers realized that there was a specific need for emergency medical assistance within Central Park. With sponsorship from the Central Park Precinct Community Council, the group formed the Central Park Medical Rescue Squad. Castellanos was part of the original squad.

The Central Park Medical Rescue Squad was primarily a first response unit that consisted of about 20 volunteers, a few personal bicycles and a retrofitted van used to transport crew members and equipment. Later a stretcher was added to enable the van to transport patients when city EMS was not available. In 1976, the Central Park Medical Rescue Squad purchased a used type II ambulance. This allowed the squad to become a transporting emergency medical unit. In 1979, the rescue squad incorporated as a not-for-profit corporation and was renamed the Central Park Medical Unit.

The CPMU now has four state-of-the-art custom ambulances, an all-terrain vehicle, an emergency response car and a fleet of emergency response bikes. The group has more than 150 volunteers from diverse backgrounds, including professional EMTs, paramedics, nurses, doctors, business executives, attorneys, and active and retired law enforcement personnel.

Because of partners like the AGDF, the Central Park Medical Unit can continuously improve and expand its services.

“Your grant has played a vital role in enhancing operational capabilities, acquiring essential medical equipment and providing extensive training opportunities for our members,” Castellanos said. “We firmly believe that your investment in our Medical Unit has contributed directly to our success and the well-being of our fellow New Yorkers.”

[Click here](#) to donate to the AGDF.



Rafael Castellanos, president of the Central Park Medical Unit and director of New York-based TitleVest, along with other members of the Central Park Medical Unit and people from the community.



Members of the Central Park Medical Rescue Squad in 1975, including Rafael Castellanos, the group's president.

FBI Says BEC Scams Targeting Real Estate Increasing

In a recent [Public Service Announcement](#), the FBI reported business email (BEC) scams targeting the real estate sector are once again on the rise.

From 2020 to 2022, the FBI saw a 27% increase in victim reports to its Internet Crimes Complaint Center (IC3) of BEC scams connected to real estate. During the same period, the FBI reported a 72% increase in victim loss due to BECs involving real estate.

The announcement said BEC scams target all participants in real estate transactions, including buyers, sellers, real estate attorneys, title companies and agents, and “[o]nce BEC perpetrators gain access to a participant’s email account involved in a real estate transaction, they are able to monitor the real estate proceeding” and use their access to commit wire fraud.

Tips to Prevent Wire Fraud

BEC scams are typically the precursor to wire fraud. Here are some tips to prevent wire fraud for title companies and their customers:

Verify wire transfer instructions: Before sending a wire transfer, customers should verify the instructions with the title company using a known phone number or email address. They



should not rely solely on the instructions received in an email.

Use multifactor authentication: Title companies should require customers to use multifactor authentication, such as a password and a security token, to access their accounts.

Educate employees: Title companies should provide training to their employees on how to identify and prevent wire fraud. This can include education on how to

recognize phishing emails and how to implement best practices for computer security.

Implement secure email systems: Title companies should implement secure email systems that use encryption and other security measures to protect against hackers.

Best Practices

Earlier this year, ALTA released a revision to its [Best Practices](#). Included in the update were changes to the use of wire verification services and the use of manual or electronic methods for daily reconciliation, and specific action of identification and investigation of discrepancies, as well as revisions to protecting non-public information.

Authority Title & Escrow Opens Office in North Alabama Market

Tennessee-based Authority Title & Escrow expanded into the North Alabama market with the opening of a new office in Huntsville.

The expansion solidifies Authority Title’s footprint, allowing it to extend its services across Tennessee and Alabama.

The company was founded in 2022 by Tabitha King, Melanie Harper and Katelyn Seng. The trio brings 45 years of combined industry experience.

“Our team works diligently to ensure agents and their customers experience nothing but the highest level of quality

and convenience,” King said. “We meticulously account for every detail and strive to keep the lines of communication open throughout the process. Our dedicated team invests time, energy and effort to ensure a smooth closing experience.”

Chicago Title Expands in Utah

Chicago Title Agency of Utah, a member of the Fidelity National Financial family of companies, recently opened a new office in Park City, Utah.

Tyler York will serve as president of the operation. He has 19 years of title and escrow experience.

"I look forward to the challenge of opening a new operation while being aligned with an innovative company that believes in fostering an entrepreneurial spirit," he said.

In 2020, York received the "Affiliate of the Year" award from the Park City Board of Realtors and had the top sales revenue in an eight-state region from 2018 to 2022.

Also joining the team are Whitney Galvan as vice president of escrow operations and Melanie Gourdin as assistant vice president of escrow operations.

Shaddock National Holdings Partners With CertifID to Combat Wire Fraud

Shaddock National Holdings will deploy CertifID's wire fraud protection solution to its portfolio of title and escrow agencies to help protect against real estate-related payments risk.

As fraud schemes adapt and become more sophisticated, the risk of financial loss is now an increasingly pertinent threat to real estate transactions. According to the FBI Internet Crime Complaint Center (IC3), victim losses from real estate business email compromise (BEC) increased 72% from 2020 to 2022. What is more, according to proprietary user data, CertifID itself identified \$1.4 billion of suspected fraud across more

than 340,000 real estate transactions in 2022. To properly address fraud's attraction in real estate transactions, deploying a layered, technology-driven fraud prevention solution is key.

"Homebuyers and sellers trust that Shaddock National Holdings agencies are responsible stewards of the most important transactions of their lives," said Michael Rubin, president of Shaddock National Holdings. "This includes ensuring their funds are correctly disbursed without the risk of fraud. Our priority is to bring together the most effective resources possible to manage these risks so that our agencies can deliver the best experience possible."

Early results from running transactions through CertifID show that Shaddock National Holdings was able to protect \$652 million in transactions and stop \$773,000 worth of suspected payoff fraud.

Generes & Associates Helps Companies Navigate ALTA Best Practices Revisions

Generes & Associates announced a suite of services designed to assist title companies in achieving compliance with the recently updated ALTA Best Practices Framework.

The revised version of Best Practices, which went into effect May 23, aims to enhance procedures for financial, data security and operational stability procedures, providing assurance to lenders and other stakeholders.

Since the inception of ALTA's Best Practices a decade ago, Generes & Associates has been a reliable partner in helping numerous title companies work toward compliance while navigating the evolving landscape with personalized solutions. Their expertise provides title companies with a stress-free process and

ensures fidelity to industry standards.

"Adhering to ALTA's Best Practices 4.0 is particularly vital for the independent agent," said Edwin Generes, founder and CEO of Generes & Associates, as well as a member of the ALTA Best Practices Task Force. "They read as plain, common-sense controls, easily implemented, even if only sometimes required by lenders. But their practice speaks directly to the seriousness of protecting both funds and information not meant for the public. A good agent cannot risk their business, their clients' trust, or their lenders' trust, on even the hint of having cut those corners."

Generes & Associates' Best Practices consulting services include the preparation of tailored ALTA Best Practices manuals for small- to medium-sized title and settlement practices. The company's expertise extends to designing alternative procedures that achieve compliance goals without excessive costs and inconveniences. Furthermore, as a liaison between title/settlement agency managers and certification entities, Generes & Associates simplifies and expedites the certification journey.

Stewart Partners with AI Innovator Pythonic

Stewart Lender Services has partnered with Pythonic Corporation to streamline processing of Closing Disclosures by reading the lender documents and then structuring the data.

The technology compares lender information with data in Stewart's title production system, enabling automation of the fee collaboration process.

Stewart's relationship with Pythonic is the result of a larger, ongoing effort to incorporate technology into its workflows, inclusive of Closing Disclosure processing.

Pythonic's large language and computer vision models can read and understand scanned documents, PDFs and emails, saving time to various parts

of escrow production. In addition to automated Closing Disclosure processing, Pythonic's AI services help streamline order entry by automatically generating orders from emails and purchase agreements. In addition, it can automate document package splitting and restacking tasks.

Essent Completes Deal for Agents National, Boston National

Bermuda-based Essent Group Ltd., through its subsidiary Essent U.S. Holdings Inc., completed its acquisition of Agents National Title Holding Co. and Boston National Holdings LLC for \$100 million from Incenter LLC.

Missouri-based Agents National Title, which is licensed in 44 states, generated \$93.4 million in title premiums in 2022. Boston National Title is a title agency based in North Carolina that provides title and settlement services, with licenses in 40 states and the District of Columbia.

Essent Group, through its wholly-owned subsidiary Essent Guaranty Inc., offers private mortgage insurance for single-family mortgage loans in the United States. Headquartered in Radnor, Pa., Essent Guaranty is licensed to write mortgage insurance in all 50 states and the District of Columbia, and is approved by Fannie Mae and Freddie Mac.

Notarize Unveils Product to Aid Digital Identity Verification

Notarize launched a new company brand and product to help facilitate digital identity verification.

Proof is a platform that secures any type of digital agreement, whether it requires a basic signature or a notarization. It maintains all the core components of an online notarization,

including signer details, video interaction with a notary, tamper-proof signatures, a comprehensive audit trail, and a record of the credential and biometric used for the transaction. With Proof, the same core technology will be used to secure all signatures and customer interactions, not just a notarization.

"Every business, regardless of size, has had to move online to fully service their customers. Although they've been able to successfully complete transactions, the infrastructure to ensure those transactions are bulletproof just isn't there," said Pat Kinsel, founder and CEO of Notarize. "With the introduction of Proof, we are delivering that instant trust with a technology that indisputably locks a signer's identity with a particular transaction, shutting down digital fraud before it happens."

While electronic signatures have created a new convenience, they have introduced a new set of challenges with digital forgery. [FINRA](#) has issued a regulatory notice to remind financial institutions of their obligation to prevent forgery even with use of digital signatures. In 2022, according to FTC data, there were over 1.1 million reports of identity theft, with imposter scams the most-reported fraud. These scams cost victims \$8.8 billion, an increase of more than 30% over the previous year.

"At First American, our customers trust us to facilitate and protect what is often the largest transaction of their lives, buying and selling their home," said Paul Hurst, chief innovation officer at First American. "With Proof, First American gains enhanced identity validation for transaction participants, providing a new standard for trust and certainty in the signed documents we rely on to close real estate transactions."

According to Notarize, the platform saves an average of 14 days per transaction and reduces the total cost to serve a notarization by 58% for more than 2,200 companies.

CATIC to Develop Educational Program for Entry-level Staff

The CATIC Family of Companies and AXIS 360 Lift have formed a strategic partnership to develop an educational program titled AXIS Title Academy. This program is designed to be an education platform that will help address the prevailing diverse talent gap for the title industry. CATIC and AXIS 360 Lift are both committed to advancing diversity, equity and inclusion (DE&I) in a meaningful way and collectively acknowledge that there is a present need to create new pools of diverse talent across this industry.

This free 90-day education program will be open to anyone who is interested in pursuing a career in the title industry. Talent from diverse backgrounds (e.g., people of color, veterans, individuals with disabilities and members of the LGBTQ+ community) are highly encouraged to participate in the program. This comprehensive educational program will be delivered live and virtually to all learners by AXIS 360 Lift.

"Given the dynamic shifts in the demographics of future homebuyers expected over the next few years, it is important to ensure diverse talent is afforded ample opportunity to access various careers available in the title industry," stated Damon Carter, senior vice president and chief human resources officer for CATIC. "Doing so will have a direct impact on the consumer experiences of future homebuyers because the title industry will benefit from the infusion of innovative ideas and new perspectives. Furthermore, a more diverse workforce will also more accurately reflect the homebuying community being serviced moving forward."

The educational program is scheduled to launch in the fall of 2023.

Six Indicted in \$2 Million Loan Fraud Involving Stolen Property Deeds in New York

Six individuals and a corporation were [indicted](#) for defrauding distressed homeowners by stealing the property deeds to Westchester, N.Y., homes and fraudulently obtaining \$2 million in loans.

The defendants—including licensed Realtors and an attorney—were also charged with evading a combined total of nearly \$200,000 in state taxes.

“Deed theft schemes exploit the most vulnerable and can have lasting housing and financial impacts to families,” said Westchester County District Attorney Miriam E. Rocah. “My office will seek to hold the defendants accountable for allegedly stealing titles to victims’ homes while pretending to help them.”

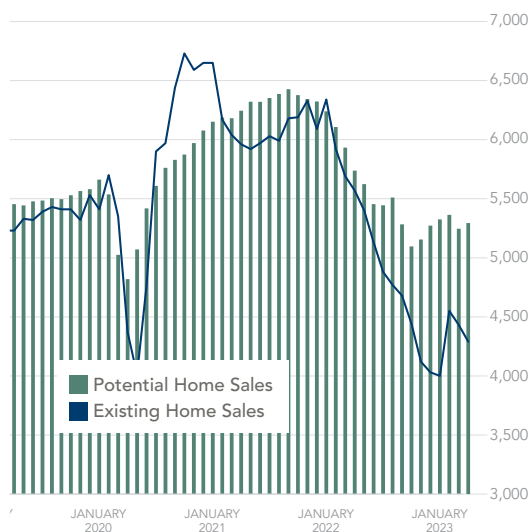
As alleged in the indictments, the defendants targeted three residential properties facing bankruptcy or foreclosure valued at nearly \$2.5 million. Owners for two of the properties believed they were receiving mortgage assistance when they signed over to the defendants the deeds to their homes at a closing.

The third property, which was in bankruptcy proceedings, was acquired in a short sale and two of the defendants allegedly moved in and occupied that home as their primary residence. The defendants were charged with forging financial statements and filing false tax documents to obtain \$1.5 million in short-term “fix and flip” loans for the properties before defaulting on those mortgages, and also securing a \$500,000 COVID relief small business loan. The homeowners who were expecting a refinanced mortgage, faced eviction or were pushed out of their home.

The district attorney identified the defendants as licensed real estate broker Marcia Campbell and her husband, a licensed real estate salesperson, Fred Campbell; licensed attorney Anthony Chilliist; Gerald Smith; Wayne Green; Frank Palmer; and Campal Corp.

Housing Market Potential

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



4.29 SAAR
Existing Home Sales

5.29 SAAR
Potential Home Sales

-19.0%
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

April 2023

\$351,415
House-Buying Power

-10.5%
Year-Over-Year

Where House-Buying Power is Strongest

Top States and Markets

- | | |
|--|---|
| 1 New Jersey
\$504,555 | 1 San Jose, CA
\$712,551 |
| 2 Massachusetts
\$503,312 | 2 San Francisco, CA
\$672,213 |
| 3 Hawaii
\$480,667 | 3 Washington, DC
\$620,896 |
| 4 Maryland
\$480,298 | 4 Boston, MA
\$539,416 |
| 5 Rhode Island
\$461,455 | 5 Salt Lake City, UT
\$512,132 |

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

Old Republic Makes Several Leadership Changes



Carolyn Monroe

Old Republic International Corp. (ORI) announced several new appointments to leadership roles within the organization.

Specific to the title industry, Carolyn Monroe, president and CEO of Old Republic National Title Holding Co. (ORNTHC) has been appointed to ORI's senior policy-making Office of the CEO.

In addition, Rande Yeager, retiring executive chairman of ORNTHC effective June 30, has been appointed to ORNTHC's Board of Directors as a non-executive director.

"All of these associates have demonstrated their unwavering commitment to perpetuating Old Republic's exceptional culture and history of excellence, and their new leadership responsibilities will ensure Old Republic's success continues well into the future," said Craig Smiddy, president and CEO of ORI. "With these appointments, Old Republic continues to demonstrate its commitment to sound governance, continuity, succession, diversity and inclusion."

First American Names Chief Technology Officer



Jody Mulkey

First American Financial Corp. appointed Jody Mulkey as chief technology officer. In this new position, Mulkey will oversee First American's corporate product development team.

Under Mulkey's leadership, the corporate product development team will be responsible for building and enhancing enterprise products that serve customers across multiple First American divisions.

Prior to joining First American, Mulkey served as chief technology officer at GoodRx, where he scaled the core business and launched new product lines. Earlier in his career, as the chief technology officer at Ticketmaster, he designed and executed the company's technology transformation, drove innovation to create new products, such as digital tickets, Verified Fan and dynamic pricing.

Proper Title Bolsters Team in Indiana

Proper Title LLC expanded its title services in Northwest Indiana through the hiring of Matt Workman as an account executive in its Valparaiso office. Before joining Proper Title, Workman spent nearly seven years as a senior account manager at a title insurance agency in Valparaiso, where he earned the "Excellence in Sales" award each year, and where he conducted new agent training and continuing education programs.

Kriss Law/Atlantic Closing Bolsters Commercial Team

Kriss Law/Atlantic Closing & Escrow has appointed industry veteran Andrew Bramhall to serve in the role of senior vice president of and national commercial underwriting counsel. He will help grow the company's established commercial services division as well as supporting clients and facilitating complex transactions.

Bramhall has nearly two decades of experience underwriting commercial real estate transactions. He has served as national counsel for Chicago Title's national commercial services direct offices in New York and Washington, D.C., as well as First American's Washington, D.C., national commercial services operation. He has helped facilitate settlements in nearly every state, from single-site office buildings to multi-state industrial and hospitality portfolios.

FNF Bolsters Mid-Atlantic Team

The FNF Family of Companies recently added Timothy Hooper to its Mid-Atlantic area agency team as vice president of training and technology. With his background as a sales coach and business consultant, Hooper will focus on streamlining agents' internal processes, helping them stand out in their local markets. He will serve agents in Virginia, Maryland, West Virginia and Washington, D.C.

Fannie Mae Halts Pursuit of Reported Title Waiver Pilot



JACK RATTIKIN III
ALTA president

THROUGH A COMPREHENSIVE ADVOCACY EFFORT LED BY ALTA SINCE MARCH,

we have raised concerns about a reported pilot program being considered by Fannie Mae that would waive title insurance requirements on certain loans it purchases. A significant component of this effort was the participation of more than 200 ALTA members who shared their concerns with members of Congress during the ALTA Advocacy Summit in May.

I am pleased to share our message about the risks of the pilot was heard and acted upon. ALTA confirmed that Fannie Mae is no longer pursuing the title waiver pilot program it had under development. This pilot will not be submitted to the FHFA for review or consideration. I want to thank every one of you that took time to advocate for our industry!

This was a truly collaborative effort between ALTA professional staff, ALTA members, the ALTA Board of Governors, agents and underwriters, and industry partners. Whether it was sending messages through the Title Action Network (TAN), attending the ALTA Advocacy Summit, talking with your customers or hosting conversations about how this approach would only introduce more risk and weaken property rights.

There were a series of efforts highlighting the benefits of title insurance, including writing opinion pieces to be placed in their local papers. In the latest example, as Lisa Steele, a member of ALTA's Board of Governors and chief operating officer of Mother Lode Holding Co., had this article published this month sharing the benefits of title insurance and explaining the risks of proposed shortcuts or unregulated alternatives.

This is a significant achievement to protect consumers, lenders and the housing finance system, and showcases the benefits of our products, industry and your business. The success of challenging this pilot underscores the value of advocacy and making your voice heard. Engagement matters. Supporting the title industry through relationship building with TIPAC matters. We encourage everyone to become a member of the TAN to continue to advocate for our industry and our important role in the mortgage and real estate transaction.

Importantly, we will continue to work with the FHFA and policymakers to thoughtfully address housing affordability and opportunity. We will also continue to collaborate with Fannie Mae and Freddie Mac to deliver innovative and cost-effective title insurance products and solutions that best protect lenders and consumers.

While we celebrate this successful outcome, there's more work to do. Going forward, we must continue to sound the alarm about the use of any unregulated title insurance alternatives, including certain attorney opinion letters emerging in the marketplace, and any other threats that may surface.

We know title insurance provides the most comprehensive and essential protection. We must remain vigilant to prevent any proposed shortcuts or unregulated title alternatives that introduce greater risk to consumers, lenders and the housing economy. We will continue to champion the title insurance industry as the best way to protect consumers and their property rights.

AMERICAN
LAND TITLE
ASSOCIATION



Title Insurance Law Publications

www.alta.org/publications

The American Land Title Association (ALTA) offers several legal publications, which are some of the favorite research materials for land title professionals and counsel around the United States. The publications feature practical analysis valuable to claims administrators, coverage counsel, underwriters, agency managers, title examiners, regulators, escrow officers and more.

Title and Escrow Claims Guide

Need advice on how to handle claims on land title insurance policies, closing protection letters and closing mistakes? Available in print and electronic versions, the two volume book is the ultimate resource and the preferred research tool for land title claims professionals and retained counsel. It is updated every year and new features include access to the content on our website and search capabilities that allow the review of summary results and links to specific content. The Claims Guide, authored by well recognized industry expert J. Bushnell Nielsen, Esq., includes form letters regularly used by claims professionals. It is also a great resource for title companies to use when training new employees in claims, underwriting and title examination.

Price per copy:

Digital Single-user: ALTA members: \$275 | Nonmembers: \$395
Printed Book: ALTA members: \$279 | Nonmembers: \$399

The Title Insurance Law Journal

This monthly e-journal is the source of information about current law affecting the title insurance industry around the United States. Enabled for online access, a subscription now provides you access to both current and historic content, and also provides you with searching capabilities across the various journal issues. The digital journal reports on important court decisions and developments regarding title insurance coverage, class actions and regulatory enforcement, closing protection letters, escrow and settlement duties, agent/underwriter disputes, conveyancing law and RESPA compliance and violations. Author J. Bushnell Nielsen, Esq. offers insightful analysis. Should you want a sample of the journal prior to purchase, please, contact publications@alta.org.

Single-user Annual Subscription:

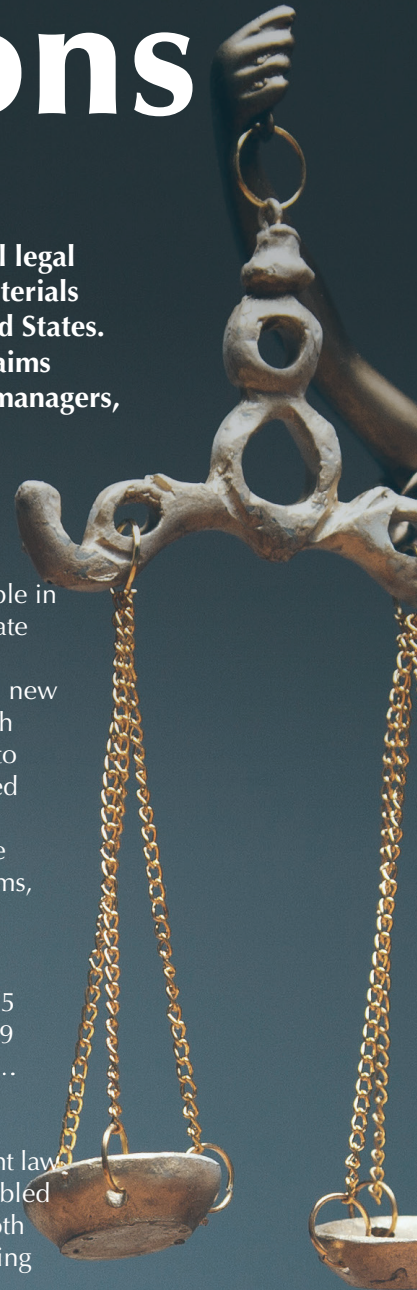
ALTA members: \$250 | Nonmembers: \$370

Subscribe Today

Visit www.alta.org/publications to subscribe to any of ALTA's publications

Grab Your Discount

Multiuser licenses are available for group subscriptions at discounted rates. Contact publications@alta.org for a group subscription or if you have any questions.





MISSION: PROTECT

Your mission—should you choose to accept it—is to learn how to protect the title insurance industry from outside forces. ALTA ONE is the perfect place to discover big, innovative ideas that will help us safeguard our customers and uncover a path forward for our businesses.

**OCTOBER 10-13, 2023 |
THE BROADMOOR | COLORADO SPRINGS, CO**

ALTA.ORG/ONE