TITLE News

MAY 2025

AMERICAN LAND TITLE ASSOCIATION

Home Equity Contracts

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iN This Issue

VOLUME 104 | NUMBER 5 | MAY 2025

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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.

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TITLENews

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

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Knowledge Is Power

JEREMY YOHE
ALTA vice president of communications

IN JANUARY, PRESIDENT TRUMP SIGNED AN EXECUTIVE ORDER "TO UNLEASH PROSPERITY THROUGH DEREGULATION." The order requires agencies to identify at least 10 existing rules, regulations or guidance documents to be repealed whenever it promulgates a new rule, regulation or guidance.

Last month, President Trump attempted to eliminate roughly 90% of the staff at the Consumer Financial Protection Bureau (CFPB), leaving around 200 people. A few days later, a U.S. district judge paused the firings as she considers whether the mass firing violated a court order halting the dismantling of the agency.

While the CFPB remains in limbo and federal regulations may be pulled back, it's clear states will step in to fill the enforcement void. As an example, Ohio's attorney general in April sued United Wholesale Mortgage (UWM) over alleged deceptive business practices. The AG's office accused UWM of falsely claiming its brokers are independent from the company, saying they save borrowers money on loans by finding the best deals from different lenders. The lawsuit alleges the Michigan-based lender colludes with brokers to funnel nearly all loans back to itself.

In a press release announcing the lawsuit, Ohio Attorney General Dave Yost made this very direct quote: "Buying a home is hard enough without having to worry about a lender scheming behind your back. This predatory business practice has no place in Ohio."

I recently had a conversation with a couple in their 20s who are in the process of buying a home. I asked which title company was handling the closing. Fortunately, they're working with an ALTA member, but the couple said the paperwork and process seemed very confusing. ALTA provides plenty of resources (many in different languages) to help explain title insurance and the closing process.

Regulations provide a framework for legal and ethical conduct. They protect both consumers and businesses. Compliant companies can also benefit from increased trust and a stronger reputation. Reducing regulations can have both positive and negative consequences, and the specific outcomes depend on the industry, the type of regulations involved and the overall economic context.

As you'll read in this month's edition, there's debate about whether home equity contracts are helpful products that allow homeowners to access money without taking on debt or are risky for consumers—especially when the agreements become due. A portion of the article includes information about analysis the CFPB conducted about these contracts. The bureau concludes that a lack of understanding among consumers about the terms, non-standardization in disclosures and other issues may prevent consumers from recognizing the true costs and risks of these products. Title companies must also be informed about these products as they could be pulled into lawsuit in states that deem home equity contracts to be deceptive.

Like all things, education is vital. Whether it's about products in the market or changes in regulation, keeping members informed is part of ALTA's mission.

ALTA News

AMERICAN LAND TITLE ASSOCIATION

HAPPENINGS, NEWS, UPDATES & EVENTS

ALTA Policy Forms Update

A new dual agent closing protection letter (CPL) and revision to the ALTA 28 Endorsement have been published as final following a public comment period.

- **ALTA CPL – Single Transaction - Dual Issuing Agents or Approved Attorneys:** The new "ALTA CPL – Single Transaction - Dual Issuing Agents or Approved Attorneys" form is a new Closing Protection Letter form designed for transactions involving two agents or an agent and an approved attorney who are both authorized by the same underwriter. This form applies when responsibilities in a single transaction—such as preparing the settlement statement, disbursing funds, issuing the policy, and recording documents—are divided between these parties.
- **ALTA 28 Endorsement - Damage or Enforced Removal:** The "ALTA 28 Endorsement - Damage or Enforced Removal" has been revised and updated from the existing 28-06 version. This new version of the endorsement continues to provide coverage for damage to, or forced removal or alteration of, existing buildings caused by the exercise of, use, or maintenance rights associated with specific easements. This revision adds an exclusion to make clear that certain casualty risks do not fall within the scope of coverage of this endorsement.

ALTA's Policy Forms can be accessed here.

Title Insurance Superhero: Fixing Issues Prior to Closing

Most home closing transactions require actions to clear the chain of title. Title insurance professionals routinely take care of various curative tasks, often without the buyer or seller being aware of the work. Share this video with your customers to showcase a few examples of the daily challenges title professionals face to keep the homebuying process running smoothly. Looking for additional consumer education material? ALTA members have exclusive access to many resources, many of which can be branded with company information. In addition, some of the most popular resources have been translated into multiple languages.

ALTA 2025 TIPAC Donors

The Title Industry Political Action Committee (TIPAC) is ALTA's voluntary, nonpartisan 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 2025, TIPAC has raised $224,981 from 260 people. In addition, $102,500 from 12 companies have donated to the TIPAC Education Fund. Check out who has supported the industry at *alta.org/tipac*.

NEWS TO SHARE?

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

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The industry will continue to evolve, but one thing is constant: with Stewart by your side, you’re positioned for success. We’re not just built to last – we’re built for what’s next.

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Artificial Intelligence Insights for the Title & Settlement Services Industry

ALTA's member-exclusive report titled Artificial Intelligence Insights for the Title & Settlement Services Industry provides a brief history of artificial intelligence (AI), various member perspectives on the technology, and guidance for evaluating AI policies, resources, and applications to ensure safe and effective implementation.

ALTA Leads Coalition Letter Supporting SECURE Notarization Act

ALTA led a coalition of industry groups and organizations in a letter urging support for the bipartisan Securing and Enabling Commerce Using Remote and Electronic (SECURE) Notarization Act (H.R. 1777).

In a letter to House Energy and Commerce Committee Chairman Brett Guthrie (R-Ky.) and Ranking Member Frank Pallone (D-N.J.), the groups shared that the bill would provide businesses and consumers with the ability to execute critical documents using two-way audiovisual communication while ensuring a level of safety and security nationwide

The SECURE Act would permit immediate nationwide use of remote online notarization (RON) with minimum standards and provides certainty for the interstate recognition of RON.

H.R. 1777 was reintroduced in the House this Congress by Reps. Cliff Bentz (R-Ore.), Julie Fedorchak (R-N.D.) and Madeleine Dean (D-Pa.). The SECURE Notarization Act passed the House by a voice vote in the 118th Congress but was held up in the Senate

Currently, 44 states have enacted laws allowing permanent access to remote online notarization. ALTA looks forward to working with our congressional champions and industry partners to advance this bill toward passage in both chambers this Congress.

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 figures from the past month.

- New Members: 32
- Title Agents: 22
- New Attorney Members: 5
- State With the Newest Members: Florida with 8
- Total Members: 5,100

CALENDAR

2025 ALTA EVENTS

FINCEN BOOTCAMP
June 2-3

LARGE AGENTS MEETING
July 20-22
Napa, CA

ALTA ONE
Oct. 7-10
New York, N.Y.

For more information, go to alta.org/events.

STATE CONVENTIONS

Montana
Helena, Mont.
May 14-16

Palmetto
Mount Pleasant, S.C.
May 14-16

Pacific Northwest
Coeur d'Alene, Idaho
May 19-21

New Mexico
Bernalillo, N.M.
May 22-23

California
Olympic Valley, Calif.
June 1-3

Wyoming
Casper, Wyo.
June 2-3

Texas
Nashville, Tenn.
June 8-11

South Dakota
Sioux Falls, S.D.
June 11-13

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Equity Contracts
Risky or a Good Idea?

Several States Target These Products

BY JEREMY YOHE

Home equity contracts—often called home equity "investments"—are relatively new financial products in which homeowners get an upfront payment from a company and, in exchange, must make a single lump sum repayment in the future that is based, in part, on the home's value.

Homeowners retain the right to occupy the home and assume all ongoing financial obligations for the home. They must repay by the end of the contract term—often 10 to 30 years—or when a triggering event such as a home sale occurs.

This market has grown in recent years. As of 2024, the market was dominated by four companies, including Unison, Point, Hometap and Unlock. Unison is generally credited with being the first to market with home equity contracts in 2006 and was the primary player in a small market for several years. Point was founded in 2015, followed by Hometap in 2017 and Unlock in 2019. Home equity contract companies were often funded by private equity, which continues to be a major source of funding. All four companies specialize in home equity contracts and do not offer mainstream mortgage products. Smaller home equity contract companies in the market include Aspire, Splitero, Balance Homes, EquiFi, QuantumRE and others.

As of October 2024, the four largest home equity contract originators have securitized home equity contracts totaling more than $2.5 billion. In the first 10 months of 2024, home equity contract companies securitized $1.1 billion backed by about 11,000 home equity contracts.

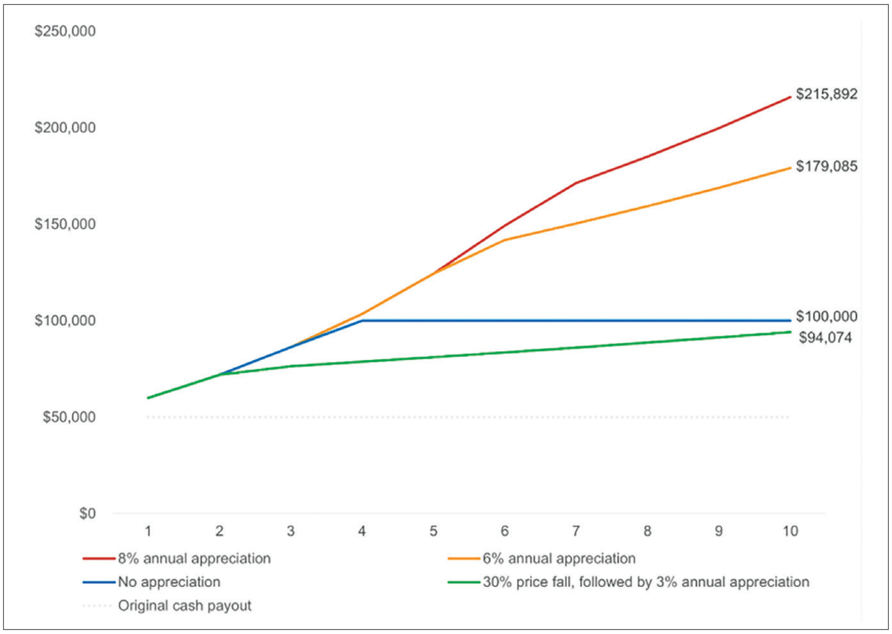
CFPB Report Examines Risks of Home Equity Contracts

As home equity option products have become more prevalent in the market, courts have on occasion considered the structure of the product and how it should be regulated. Meanwhile, in January, the Consumer Financial Protection Bureau (CFPB) issued a ***report*** analyzing the risks associated with home equity contracts.

According to the CFPB, home equity contracts carry features that echo some of the risky loan structures that were common in the lead-up to the 2008 housing crisis. Home equity contracts advertise "zero monthly payments," require consumers to assume all costs for property taxes, hazard insurance and property maintenance, and require a large settlement payment—similar to the loans originated in the early 2000s that were negative amortizing and required a balloon payment at the end of the loan term. Home equity contracts also tout loose underwriting requirements, enabling them to reach homeowners with low credit scores or little to no income.

STOCK.ADOBE.COM / TALAJ

Figure 1: Repayment amount for a $50,000 payment to the consumer under four scenarios for home price appreciation



Summary	Home equity contract	HELOC
Years 1 to 10	Pay $0 per month to home equity contract company	Pay $375 per month for interest
Consumer is responsible for paying taxes, insurance, and other maintenance costs	Yes	Yes
Amount needed to settle at 10 years	$94,074 to $215,892	$50,000
Total paid over 10 years	**$94,074 to $215,892**	**$95,000**

The bureau reported home equity contract offerings have primarily targeted existing homeowners. However, as of late 2024, at least two companies have announced new home equity contracts aimed at homebuyers. Product details are limited, but these contracts appear to be in second-lien position behind more traditional mortgages and would replace part of the homebuyer's down payment.

In the report, the CFPB analyzes the cost of these contracts to consumers versus other home-secured finance options. In an example from the report, a consumer gets a mainstream $50,000 home equity line of credit (HELOC) with a 9% interest rate and interest-only payments for 10 years. Their payments would be $375 per month for the first 10 years. After three years, they would have paid $13,500 in interest. At 10 years, they would have paid $45,000 in interest and still owe the original $50,000. In comparison, using the example home equity contract the CFPB detailed in the report with a $50,000 up-front payment, the consumer would have to pay between $94,074 and $215,892 under the home price appreciation scenarios discussed in the report. The home equity contract would be more expensive overall than the HELOC if the home appreciates. It would be less expensive overall only if the home value falls by at least 5% from its starting value 10 years earlier. However, under the strongest home price appreciation scenarios, the consumer would repay more than twice as much overall for the home equity contract than for the HELOC.

Key findings:

- Consumers primarily use home equity contracts for debt consolidation and home improvements, though some consumers have reported that they use the funds for real estate investing or savings for or during retirement. The median home equity contract customer was in their 50s when they signed the contract and roughly 90% or more had mortgages that took a senior lien position to the home equity contract, according to a review of recent home equity contract securitizations.
- Home equity contracts are often marketed as an alternative to a cash-out refinance, HELOC, or traditional reverse mortgage loan, like a federally insured home equity conversion mortgage (HECM). Advertisements for home equity contracts tout large upfront payments and claim home equity contracts are not debt. Some marketing websites state that home equity contracts have "no monthly payments" and "no interest" and are available to homeowners who have no income and low credit scores.
- The industry is small but has expanded in recent years, driven in part by an emerging secondary market for securitizations. The first home equity contract company was founded in 2006 and competitors joined the market starting in 2015. The market got a boost in 2023 when Morningstar DBRS started rating securitizations with home equity contracts. In the first 10 months of 2024, the four largest home equity contract companies securitized approximately $1.1 billion backed by about 11,000 home equity contracts. Despite the expansion, home equity contracts are still a niche product in comparison to the 1.2 million HELOCs originated during the four quarters ending Q2 2024.
- Homeowners must repay a home equity contract with a single payment—the amount of which can be difficult to predict and can run in the hundreds of thousands of dollars. Each home equity contract company has its own methodology for calculating the repayment amount, but all generally require full repayment by the end of the

term, typically 10 to 30 years, or upon a trigger event such as the sale of the home. The repayment amount is based, in part, on the home's value at the time of the settlement, which makes the total financing cost uncertain.

- Home equity contracts are expensive compared to other home-secured financing options. Home equity contracts often carry features that boost the settlement amount due from the consumer and insulate home equity contract providers from losses in all but extreme home price declines. Under many contracts, the settlement amount grows at a rate of 19.5-22% per year in the early years, which is substantially higher than interest rates on most home-secured credit, and somewhat less than interest rates on unsecured debt like credit cards.
- Home equity contracts are complex financial contracts that can be difficult to understand or compare to other options, and companies currently provide non-standardized disclosures. The final repayment amount depends on a complex interplay of numerous factors, some of which won't be known prior to settlement. For example, some home equity contract companies credit the homeowner for renovations or improvements that increase the value of the home, while others do not. As another example, some home equity contract companies place an upper limit on the total settlement amount a consumer could owe them, while others have no limit to the amount a consumer might end up paying.
- Consumer complaints are limited so far but provide a preview of consumers' issues with home equity contracts. A review of complaints shows homeowners who felt frustrated or even misled about various aspects of home equity contracts—including confusion about the financing terms, surprise at the size of the repayment amounts, disputes about appraisal values, difficulty with refinancing due to the existence of the home equity contract and frustration their only option to get out of the contract was to sell their home.

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- Consumers could be forced to sell their homes to pay off the contracts. These contracts generally require that consumers repay the full settlement amount by the end of the term or upon a triggering event. Those who want to stay in their homes must either liquidate other assets or qualify for enough financing to repay the home equity contract in full. Homeowners who cannot pay the full settlement amount at the end of term risk having to sell their home or face foreclosure.

Washington State Targets These Products

In a consumer protection lawsuit filed in King County Superior Court in Seattle, the attorney general's office asserted that seven Washingtonians and their five companies manipulated the probate system to gain control over hundreds of deceased strangers' estates. They walked away with millions of dollars that should have gone to heirs. The complaint asserts the defendants violated Washington's Consumer Protection Act as well as state probate, estate and escrow laws.

"Probate is a solemn legal process that ensures heirs receive their share of an estate after a loved one dies," said Nick Brown, Washington State attorney general. "These defendants exploited loopholes, and our consumer protection team will hold them accountable for the harms caused to multiple families."

At the attorney general's request, a judge froze dozens of the defendants' bank accounts to prevent additional losses.

The attorney general's investigation determined the defendants filed more than 200 probates across the state over the last five years, selling at least 90 homes collectively worth more than $28 million. Large sums of money have gone missing, and the defendants have refused to say where the funds are.

The lawsuit seeks penalties for each violation of the Consumer Protection Act for the group's deceptive and unfair acts, and full restitution for heirs affected by the "probates for profit" scheme. The lawsuit also asks the court to permanently stop the individuals and companies from breaking the law in the future.

A bill introduced in Washington would require originators of home equity sharing agreements (HESA) to be licensed and subject to regulation by the Department of Financial Institutions (DFI) by July 1, 2026. The bill also would require originators to disclose crucial information to homeowners, including projected property values, the percentage of equity the originator would claim and any applicable caps on appreciation.

The National Consumer Law Center (NCLC) testified in opposition because it feels the bill doesn't do enough to protect consumers.

"We think the best approach to regulating HESAs is to treat them as mortgage loans and give state regulators the authority to make appropriate rules," said Andrew Pizor, senior attorney for NCLC. "Connecticut, Illinois and Maryland have already done so, and we urge Washington do the same. (The bill) will expose Washingtonians to dangerous loans that may steal their equity and the roof over their heads."

Disclosure Requirements in Maryland

Regulations in Maryland governing these agreements went into effect in November 2024. The regulations establish the disclosure requirements that allow a lender to satisfy Maryland's statutory requirements for financing agreements and commitments in the Credit Grantor provisions in Maryland Commercial Law. Lenders that receive an application for a shared appreciation agreement must provide the consumer with a financing agreement.

The financing agreement requirement can be satisfied by:

1. Providing the consumer a disclosure in the form, or in a substantially similar form, to ***Appendix A*** of the final regulations within 10 business days after the date of an application; and
2. Calculating the annualized cost of the shared appreciation agreement for each scenario shown on the Appendix A form by using Appendix J of federal Regulation Z for calculating an annual percentage rate.

Appendix A is a six-page disclosure titled "Important Information Regarding Your Shared Appreciation or Shared Equity Transaction."

Lenders also must disclose information about the estimated fair market value of the property used in the financing agreement disclosure, including:

1. The method used to calculate the estimated fair market value.
2. The amount, if any, by which the lender is discounting the estimated fair market value in establishing the property's initial value.
3. The estimated fair market value of the property and any discount applied to that value in determining the starting value.
4. The potential impact of that discount on the repayment amount.

Based on the final regulations, a lender offering a shared appreciation agreement is considered to have given due regard to a consumer's ability to repay if the lender provides the required disclosures in Appendix A, the shared appreciation agreement does not require periodic payments prior to termination, and the term of the shared appreciation agreement is no less than five years.

Arizona Sues Real Estate Operators, Title Companies

In Arizona, the attorney general filed a lawsuit against multiple individuals and companies for allegedly orchestrating a widespread equity-stripping scheme that defrauded Arizona homeowners facing foreclosure.

The lawsuit alleges Cameron Jones, through several of his companies including Magnum Financial, led a network of businesses and individuals engaged in an organized real estate scam. The operation targeted homeowners in foreclosure by tracking foreclosure notices on county recorder websites.

Once foreclosure notices were posted, "door knockers"—recruited by the defendants—were dispatched within minutes to approach homeowners under false pretenses, according to the lawsuit. These individuals posed as foreclosure relief specialists or representatives of charitable organizations, including a fabricated entity called "Arizona's Helping Hands," to gain homeowners' trust and make them believe they were dealing with a legitimate charity, the attorney general alleges.

The complaint says that after entering homes, the defendants used high-pressure tactics and deceptive contracts to strip homeowners of their equity. The contracts—often invalid under Arizona law—allowed the fraudsters to acquire properties far below market value while retaining broad rights to cancel transactions and flip the homes for significant profit. In some cases, fraudulent bankruptcy and probate filings were used to delay foreclosure auctions and maintain control over properties without homeowners' knowledge.

The lawsuit also named title companies and law firms that allegedly facilitated the fraudulent scheme by processing sales despite clear red flags.

The complaint alleges these companies notarized and approved deeds even when homeowners received far below market value, allowed rapid flips between shell companies to conceal the fraud and filed lawsuits against victims to force completion of transactions and evict defrauded homeowners. The title companies and law firms named in the lawsuit include Magnus Title Agency LLC, American Title Service Agency LLC, Fowler St. Clair PLLC and Zona Law Group PC.

"This scheme relied on an entire ecosystem of supposedly legitimate businesses to put a veneer of legality on blatant consumer fraud," said Arizona Attorney General Kris Mayes. "Title companies and law firms knew what they were doing, but they kept going because this scam generated millions of dollars—and they wanted their share."

The lawsuit seeks civil penalties of $10,000 for each instance of consumer fraud, the dissolution of companies used as fronts for the fraud and a permanent ban on the defendants engaging in real estate transactions in Arizona.

In Massachusetts, the attorney general filed a similar lawsuit against Hometap Equity Partners LLC and HomeTap Management Holdings LLC. The lawsuit alleges Hometap "pervasively and systematically violated the state's consumer protection laws, including mortgage and foreclosure prevention laws, putting financially vulnerable homeowners at high risk of losing their homes." ■

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

HOW TO SPOT PHISHING:
A Guide to Keeping Your Operation Safe

Phishing is one of the oldest tricks in the hacker playbook—but also one of the most effective. And it's not just big businesses being targeted—individuals, small companies and even schools and local governments are vulnerable.

The good news? You don't need to be a cybersecurity expert to protect yourself. You just need to know what to look for and how to respond.

What Is Phishing?

Phishing is a cybercrime where scammers impersonate trusted sources—like a bank or real estate agent, your company's HR department or even a friend—in order to trick you into revealing personal information, clicking malicious links or downloading harmful files.

"Phishing is a con game," said Trent Milliron, chief executive officer of Kloud9. "They're trying to build your trust just long enough to get you to click on something you shouldn't."

The phishing communication often arrives via email or text message but can also happen through phone calls (called "vishing") or social media.

Common Signs of a Phishing Attempt

Knowing the red flags is key. Here's what to watch for:

1. **Urgent or Threatening Language**

   Scammers want you to act without thinking. Messages may say things like:
   - "Your account has been suspended."
   - "Unusual activity detected—verify now."
   - "You only have 24 hours to respond."
   - Or the latest, "Notice of Toll Evasion."

   Milliron noted, "They're relying on your instincts to protect yourself—but they're twisting that instinct to serve their scam."
2. **Suspicious Links or Attachments**

   If an email asks you to click on a link or download a file, pause. Dickon Newman, information security officer for Kloud9, said, "If the link seems even a little bit off, don't click. It's better to be paranoid than compromised."

   To protect yourself from a phishing email, always hover your mouse over links before clicking to reveal the actual URL, ensuring you're not redirected to a fake or malicious site. This allows you to verify the link's legitimacy before proceeding. Hover over the link to preview the destination. Typos in the web address or strange domains are strong indicators of fraud.
3. **Unfamiliar or Lookalike Email Addresses**

   Phishers often spoof email addresses. For example, an email might appear to be from bob@yourbanklIc—but look closely, the second "l" is actually an uppercase "I."

   Also, beware of generic email services (like Gmail or Outlook) claiming to represent official business departments.
4. **Generic Greetings or Poor Personalization**

   Legitimate companies usually address you by name. "Dear customer" or "Hello user" is a red flag.
5. **Spelling Mistakes or Clunky Language**

   Grammatical errors and awkward phrasing are common in phishing attempts. While some are improving their writing, many still give themselves away with sloppy text.

   "Bad spelling doesn't always mean it's a scam—but in a suspicious email, it's another piece of the puzzle," Newman said.

Advanced Phishing Tactics to Know

Cybercriminals are constantly refining their methods. Here are a few phishing variations to be aware of:

- **Spear Phishing:** This is a targeted phishing attack that uses personalized information—like your name, job title or company—to make the scam more convincing. These are often harder to detect.
- **Business Email Compromise (BEC):** In BEC attacks, scammers impersonate a company executive or vendor to trick employees into transferring funds or revealing credentials. These scams cost organizations billions every year.
- **Clone Phishing:** Scammers copy a real message you've received (like a company newsletter), but replace links or attachments with malicious versions.

What to Do If You Suspect Phishing

Taking a moment to think before you act can stop phishing in its tracks.

Here's what to do:

- Don't click links or download attachments from suspicious messages.
- Verify directly: Call or email the company using a known, official contact—not the one in the message.
- Report it: Most platforms allow you to flag phishing attempts. At work, notify your IT or security team.
- Delete the message once you've reported it.

"Your first instinct may be to click, but taking a few seconds to double-check can save you from a major headache," Milliron added.

Deepfakes Targeting Companies

The U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) issued an alert to help financial institutions identify fraud schemes associated with the use of deepfake media created with generative artificial intelligence (GenAI) tools.

GenAI provides the ability to produce synthetic content that is difficult to distinguish from unmodified or human-generated outputs. GenAI-rendered content that is highly realistic is commonly referred to as "deepfake" content or "deepfakes." Deepfakes can manufacture what appear to be real events, such as a person doing or saying something they did not actually do or say.

For example, some companies have reported that criminals employed GenAI to alter or generate images used for identification documents, such as driver's licenses or passport cards and books. Criminals can create these deepfake images by modifying an authentic source image or creating a synthetic image. Criminals have also combined GenAI images with stolen personal identifiable information (PII) or entirely fake PII to create synthetic identities.

How to Protect Yourself Long-Term

1. Use multi-factor authentication (MFA) wherever possible.
2. Install antivirus software and keep it updated.
3. Keep software and operating systems current to patch security flaws.
4. Stay educated. Many phishing attacks are preventable with awareness and training.

"Phishing is about psychology. If you can out think the scam, you win," Newman emphasized.

Phishing may never go away—but by staying alert, slowing down and trusting your instincts, you can keep yourself and your customers' money and information safe. Educate yourself, educate your team and don't be afraid to ask questions.

ALTA Resources

Click here to access several resources ALTA has developed to help members enhance their cybersecurity.

The Hidden Dangers of Overconfidence in Phishing Detection

Overconfidence in your ability to detect scams and phishing can lead to disastrous consequences. A recent report by Mimecast revealed that a staggering 95% of data breaches in 2024 involved human error. Mimecast's State of Human Risk Report and a KnowBe4 benchmarking report highlight that, despite employees' confidence in detecting phishing attempts, over half admitted to falling victim to scams.

The risk here is profound. The illusion of infallibility can leave organizations vulnerable to sophisticated social engineering tactics. While most employees believe they can spot phishing attempts, attacks leveraging psychological and cognitive biases often succeed, leading to significant data breaches and financial losses. Intentional and unintentional insider risks have also increased, further complicating organizational security.

To mitigate these risks, enhancing cybersecurity education beyond generic training is crucial. Implement tailored human risk management programs to identify high-risk individuals and address specific behaviors. Regularly update and rigorously test security protocols, especially for collaboration tools like Microsoft Teams and Slack, which are emerging as new attack surfaces. Encourage a culture of transparency and reporting where employees feel comfortable sharing security concerns without fear.

Relying on advanced tools like AI for threat detection and employing diverse training strategies can bridge the gap between overconfidence and actual capability, ensuring a more secure digital environment.

***BRUCE PHILLIPS** is chief information security officer for WFG National Title Insurance Co. and a member of ALTA's Information Security Work Group. He can be reached at bruce.phillips@willistonfinancial.com.*

The Future of Real Estate: Challenges, Change and Opportunity

By Megan Hernandez CAE

THE REAL ESTATE INDUSTRY IS IN THE MIDST OF A TRANSFORMATION. Mortgage rates, shifting consumer behavior, changes to real estate agent commission rules and evolving technology are reshaping the landscape, leaving many professionals wondering what's next. But for those willing to adapt, the future holds immense potential. That was the message Neda Navab, president of Compass, delivered during ALTA EDge in Louisville, Ky. In a general session sponsored by the FNF Family of Companies, Navab shared her predictions for the industry—offering both a sobering look at today's challenges and a roadmap for seizing tomorrow's opportunities.

A Market Redefined: Interest Rates and Sales Trends

Real estate professionals have navigated unprecedented volatility in recent years, and Navab emphasized that this turbulence isn't over. A choppy interest rate environment has kept many buyers on the sidelines, and home sales have reached their lowest level in 30 years. Between March 2022 and July 2023, the Federal Reserve raised the federal funds target rate by 525 basis points, the largest increase in four decades. This sharp rise in interest rates has fundamentally altered the landscape.

Title insurance professionals who embrace AI will be able to make better-informed decisions about where to focus their time and marketing efforts, according to Compass President Neda Navab.

"A new normal of 6%-plus mortgage interest rates is here to stay," Navab said. However, she noted a silver lining: "Buyer psychology is adjusting. They were just staring down the barrel of a 7 to 9% rate—6% has never felt so good."

Additionally, listing inventory is trending up as the "mortgage lock-in effect" appears to be weakening, a sign that more sellers are adjusting their expectations. Price reductions also have increased, with February 2025 recording the highest number of price cuts for that month since 2019. These factors suggest that while affordability remains a major hurdle, more opportunities for movement in the market are emerging.

Navab also pointed to the disparity in housing trends across price points. Luxury home sales have continued to outpace sales at lower price ranges, reflecting how wealthier buyers can take advantage of market shifts, often through all-cash deals. Meanwhile, wages for the bottom 90% of earners have not kept pace with inflation, exacerbating affordability challenges.

The Power of Life Events and Shifting Demographics

Despite current headwinds, Navab pointed out that demand for housing remains deeply rooted in fundamental life events.

"You can only put off these big life events for so long," she said, citing the "Five Ds"—diamonds (marriage), diapers (births), diplomas (graduations), death and divorce—as primary drivers of housing transitions.

Each year, the United States sees approximately 11.6 million of these significant life moments, including 1.5 million marriages, 3.5 million births and 4 million graduations. These milestones, combined with the fact that the country is on the brink of the largest transfer of wealth in history, mean Gen Z and Millennials—who are heading into prime homebuying age—will shape the market in the coming years.

The Importance of Adaptation

Navab stressed that the ability to adapt is the key to success in this evolving landscape. From the impact of the recent National Association of Realtors (NAR) lawsuit settlement to advances in artificial intelligence, change is happening at an accelerated pace.

"We have taken for granted that things have to work the way they've been working," she said, challenging the audience to rethink industry norms.

One of the biggest game-changers, according to Navab, is the role of artificial intelligence in real estate.

"Artificial intelligence is redefining the experience of buying and selling real estate," she said.

AI is not just about automation—it's also about empowering professionals with better insights. Title insurance professionals who embrace AI will be able to make better-informed decisions about where to focus their time and marketing efforts.

Consumers, in turn, are demanding a better, more seamless homebuying experience.

"How do you take this moment of rapid change and become the very best at adapting?" Navab asked. "How do you become the Caitlin Clark (widely regarded as one of the greatest collegiate basketball players who helped popularize modern women's basketball) of your industry? It's all about adaptation."

Looking Ahead: Cautious Optimism

Navab offered several key predictions for the industry's future. While home sales are unlikely to return to pre-pandemic levels of over five million transactions per year, she forecasted a rebound in late 2026. She also highlighted the growing role of political instability and unforeseen natural disasters, such as the recent devastating Southern California wildfires, in shaping market dynamics.

Beyond economic shifts, Navab emphasized that the evolving regulatory landscape is placing new demands on real estate professionals. With the post-NAR settlement era reshaping industry relationships, strengthening real estate agent partnerships will be more critical than ever.

For title professionals, the key takeaway is clear: Challenges will persist, but opportunities exist for those who stay informed, embrace change and position themselves strategically for the future.

As Navab put it, "Prepare for the worst, but navigate and thrive for what there is."

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PHOTO BY SHAWN SULLIVAN

ALTA EDge

Lessons in Leadership from Maker's Mark: What Title Insurance Can Learn from Bourbon

By Megan Hernandez CAE

BOURBON AND BUSINESS HAVE A LOT IN COMMON: Both require patience, precision and a little bit of heart. Samuels, an eighth-generation distiller of Maker's Mark, proved just that when he spoke at ALTA EDge in Louisville, Ky., during a general session sponsored by the FNF Family of Companies. Sharing the storied history of his family's brand, Samuels distilled (pun intended) some key lessons learned that resonate far beyond the bourbon industry.

So, what can title insurance professionals take away from the journey of one of America's most beloved whiskey brands? Pour yourself a metaphorical dram and take note—these principles could be the perfect blend for success.

Know When to Walk Away (Even If It's Tough)

In the early days of Maker's Mark, Samuel's grandfather, Bill Samuels Sr., made a bold decision: He abandoned the 170-year-old family bourbon recipe. Instead of sticking with tradition, he burned the old one (literally) and set out to create a smoother, more approachable whiskey.

Title professionals know that sometimes, the best decision is to walk away from outdated practices, inefficient processes or even bad business deals. Holding onto something just because "it's always been done that way" can hold a company back. Being willing to pivot when necessary is key to long-term success.

PHOTO BY SHAWN SULLIVAN

Control Your Quality

From grain selection to barrel aging to its own 12-acre water source, Maker's Mark controls every aspect of its bourbon-making process. The company doesn't outsource quality. It knows that its brand—and its customers—depend on its ability to maintain consistency.

For title professionals, the same lesson applies. Whether it's managing your team, your technology or your customer relationships, being hands on and intentional about your resources ensures a high-quality experience. Don't leave your reputation up to chance: Make sure every transaction reflects your commitment to excellence.

Go Against the Grain (While Staying True to Your Vision)

In a time when high-proof, rye-heavy bourbons dominated the market, Maker's Mark did something different. They used red winter wheat instead of rye, creating a softer, sweeter profile that set them apart. Critics doubted them at first, but today, their brand is one of the most recognizable in the world.

"In the early 1950s, there was no indication that anyone in the world would be interested in this idea of an elevated bourbon," Rob Samuels said.

Title professionals are no strangers to skepticism and pushback. In an industry facing constant change, from regulatory shifts to technological advancements, it's easy to follow the crowd. But real innovation happens when companies dare to take a different path. Whether it's embracing new digital tools, rethinking customer service strategies or finding unique ways to market your expertise, standing out from the competition can help you make your mark.

Stay the Course, Even When It's Hard

Maker's Mark wasn't an overnight success. In fact, it took decades for the brand to gain widespread recognition.

"Success doesn't always show up in Excel spreadsheets," Rob Samuels said. "It took us 30 years to make a profit."

But the Samuels family believed in the company's vision and never cut corners.

Rob Samuels' grandmother, Margie Samuels, was charged with creating the bourbon's name and designing the bottle. She was inspired to design a branded package that would celebrate the vision Bill Samuels Sr. had for his hand-made bourbon. The Maker's Mark brand is still exactly the same today—complete with the hand-dipped red wax seal—as when Margie Samuels originally created it.

"I'm fairly confident that today, in 2025, we have the most inefficient bottling run in our industry," Rob Samuels said, describing the current hand-dipping process. "But when the tendrils (of the red sealing wax) run down the neck of the bottle, each is a little unique, different and special from the next, which is the mark of any handmade piece."

Title professionals, especially when navigating market downturns or industry disruptions, can take this lesson to heart. Building a strong brand and reputation takes time. Providing exceptional service, fostering client relationships and following your vision will pay off in the long run—just like aging a fine bourbon.

Doing Good for the Community Is Good for Business

Rob Samuels emphasized that Maker's Mark doesn't just make bourbon—it also invests in its community. From sustainability initiatives to local partnerships to treating customers and employees like family, the company understands that a business succeeds when its community thrives.

Title professionals are in a unique position to make a difference. Whether it's educating consumers about homeownership, donating to the ALTA Good Deeds Foundation and giving back to local groups, or mentoring new professionals in the industry, doing good isn't just the right thing to do—it's a smart business strategy. Clients and partners remember the companies that stand for something bigger than just the bottom line.

Dare to Dream, Even When Everything Is Against You

When Bill Samuels Sr. set out to create Maker's Mark, he was met with doubt. The industry was dominated by big players. Launching a small, premium bourbon brand seemed like a long shot. But he had a vision, and he pursued it with unwavering determination.

Title professionals often face challenges—tight margins, shifting regulations and evolving consumer expectations. But the most successful companies aren't the ones that play it safe. They're the ones that dream big and go after what they believe in.

Raise a Glass to the Future

Bourbon and title insurance may seem worlds apart, but as Rob Samuels reminded us, the principles of success are universal. Stay true to your vision and values, control your quality, embrace your community and look for ways to stand out. Because whether you're crafting a bottle of bourbon or closing a deal, excellence is always worth the wait.

So, here's to you, title professionals. May your transactions be smooth, your clients loyal and your success aged to perfection.

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ALTA Foundation Surpasses $1.2M in Giving With Latest Grant Awards

The ALTA Good Deeds Foundation (AGDF) announced it awarded $108,000 in grants to 18 organizations during ALTA EDge. AGDF awarded 17 $6,000 grants to charities supported by ALTA members. The grants were awarded to:

The risk

- A Bed 4 Me Foundation, Valparaiso, Fla.
- CASA of Graves County & Southwest KY, Mayfield, Ky.
- Community Dinner Table & Pantry, Blackfoot, Idaho
- From the Ground Up Ministries Inc., Cape Coral, Fla.
- Great Falls Clinic Legacy Foundation, Great Falls, Mont.
- Jacksonville Community Land Trust, Jacksonville, Fla.
- Jordan's Relay, Allentown, N.J.
- Junior League of Hartford, West Hartford, Conn.
- L&A Park Foundation, Delphi, Ind.
- Leukemia and Lymphoma Society, Denver, Colo.
- Open Arms, Kokomo, Ind.
- Operation with Love from Home, Napa, Calif.
- Rose Rock Habitat for Humanity, Norman, Okla.
- Seniors Unlimited Lifestyles Inc., Chesapeake, Va.
- Siesta Key Kiwanis Club Foundation Inc., Sarasota, Fla.
- Veterans Resource Center, Eagle River, Wis.
- York Builders Association Workforce NOW Foundation, York, Pa.

AGDF also awarded a $6,000 grant to Housing Development Alliance, a nonprofit affordable housing developer in rural southeastern Kentucky, close to the host city of this year's ALTA EDge. The Housing Development Alliance has been helping locals rebuild after the 2022 and 2025 flood disasters, which took the lives of approximately 60 people.

To see an example of the types of charitable organizations that receive grants from the ALTA Good Deeds Foundation, *click here*.

John Williams | Chief Executive Officer | Bluegrass Land Title

'Doing Good When No One Is Looking'

How long have you been in the title industry and how did you get started in this profession?

I jumped into the title industry on May 31, 2002—completely by accident! My mom was a Realtor and had a close relationship with a local closing attorney who was looking for a sales rep. At the time, I was newly married and working a sales job that had me spending way too many nights away from home. So, when the opportunity came up, I thought, "Why not?"

The only problem? My entire knowledge of "title" was limited to car titles. For days, I was too embarrassed to ask why on earth you needed a car title to sell a house! I kept nodding along in meetings, pretending I understood, all while secretly wondering how the DMV played into all of this. Eventually, I worked up the courage to ask—and, thankfully, they didn't fire me on the spot.

Over two decades later, I'm still here, and I can confidently say that real estate titles have absolutely nothing to do with vehicles—with the exception of mobile homes—so I wasn't completely wrong!

What's a day on the job like for you? What excites you?

As the owner of a company spanning multiple cities and states, my days are a whirlwind of meetings, calls, problem-solving and the occasional deep breath. Everyone—clients, employees, new relationships, long-term partners—needs a little piece of your time. The biggest challenge is making sure each person knows they're equally important. Balancing those relationships is an art form I'm still perfecting!

But what truly excites me? We're not just pushing paperwork—we're handling one of the most significant assets in a person's life. Buying or selling a home isn't just a transaction; it's a milestone, and being part of that process is incredibly rewarding.

What most people—whether it's my staff, clients or even my family—don't always see is my involvement at the national and state levels of leadership, on top of running multiple offices with their own unique challenges. It's a lot to juggle, but thankfully, I have an amazing team that keeps everything moving forward.

And then, after a full day of making sure everyone else's needs are met, I walk through the door at home—where I am not the boss. I'm a husband, a dad to four energetic boys and the personal concierge to a very needy dog who firmly believes he's priority No. 1. Finding time to give everyone the attention they deserve is a challenge, but at the end of the day, I wouldn't trade the chaos for anything.

What's your best industry "war" story?

Oh, I've seen some things in this business, but one particular closing still stands out as the ultimate "awkward turtle moment."

Years ago, we had a transaction where the new wife had multiple liens against her. I called the husband-to-be and explained that if she was on the loan, all those financial ghosts would attach to his property, potentially causing major headaches when he decided to sell. He assured me, *"I love her, and I want her on the deed."* Sweet, right? Well, after some back and forth, they decided to restructure the deal to keep her off the loan. Crisis averted. Or so we thought.

Fast forward to closing. Everything's going smoothly—until she has to sign a name affidavit. That's when things took a turn. The husband, who thought he was spouse No. 2, suddenly saw a list of not three, but seven last names. His face turned a lovely shade of pale, and he mumbled, *"I need a minute."*

Sensing the tension, she patted his hand and casually reassured him, *"Honey, that all happened before I met you. Don't get overly concerned."* If anything, that seemed to increase his concern.

After an awkward silence (that felt like an eternity), he took a deep breath. They finished signing and that was that. Funny thing? He never called me back to add her to the deed. Guess some surprises are deal-breakers after all!

How does your company differentiate itself in the market?

Every title company claims to have *great customer service*—but to us, that's the bare minimum, not a differentiator. If your only selling point is "good service," you're already blending in.

What truly sets us apart is the experience we create at the closing table. In every transaction, we have multiple clients—some may know and trust us, while others may have their own go-to company they prefer. Our goal isn't just to handle the paperwork—it's to make everyone at the table feel something different. Something better.

At the core of what we do, we're not just closing deals—we're protecting homeownership rights. That responsibility is huge, and we take it seriously. But beyond that, we create a memorable, seamless and elevated closing experience that stands out from the rest.

Customer service? That's just a small part of it. What we deliver goes far beyond that—and that's what makes us different.

How does your company support its community?

As a large company, we don't just want to scale internally—we want to be a meaningful part of the communities we serve. We believe that with our size comes the opportunity to make a real difference on a local level.

One of the ways we do this is through our "Giving Back to the Bluegrass" initiative. During the holiday season, we let our staff pick a few local charities that are close to their hearts. When a closing is complete, we tell our buyers and sellers that we will donate a percentage of our compensation to one of these charities on their behalf. The amazing part? The clients are often so passionate about which charity they select, and it's clear how much they care about supporting their own community.

It's incredibly impactful and meaningful, and the best part is that we provide our team with a weekly tally so they can see the real impact their choices are having on these organizations.

For me, personally, as a Catholic man, I also believe it's crucial to do good when no one is looking. That's why we don't post these totals on social media or make a public spectacle of our efforts. It's not about getting recognition—it's about making a real difference in the lives of the people and communities we serve.

We strive to leave a positive mark where it matters most, and that's something we're incredibly proud of.

If you could have dinner with anyone, who would it be and why?

If I could have dinner with anyone, I'd love to say Jesus, but honestly, I think I'd be way too nervous to say anything meaningful. Maybe I'd start with the Pope and work my way up to that level of enlightenment!

But realistically, I'd pick Morgan Freeman. The man is not only in some of my favorite movies, but he seems to be incredibly wise, interesting and full of fascinating stories. Plus, I feel like he'd be one of those people you could have a real conversation with—without getting stuck talking about politics or the weather. I can't imagine a dinner with him being anything less than memorable!

What's your favorite book/movie/TV series? Why?

I wish I were a big book reader, but I'm not. I tend to buy a book every time I'm at the airport, though I probably only finish about one out of every eight. That said, TV has definitely improved over the years, and I really enjoy a good series on HBO or Paramount. My current favorite is *Land Man*. Billy Bob Thornton does an excellent job portraying an oil executive who navigates the gritty underworld of the business. From my perspective as a Kentucky guy, it feels very realistic, though someone from Texas might see it differently.

What's on your music playlist?

Music is my drug, and I'm always down for live shows—whether it's amazing or just a good time, I'm in. My taste is all over the place. I'll go from Billy Joel and Prince to the Rolling Stones, '80s and '90s rock bands, gangster rap and country. When I'm golfing, you'll probably catch me on a yacht rock channel. I also love discovering new artists. But, there's definitely a lot of music my kids like that I just don't get. My wife always jokes, "Why are all the concerts you go to for old people?" So, I guess I'm not as cool as I think!

Industry Update

Title, Settlement Agents Urged to Verify Orders

As seller impersonation and deed fraud continues to increase, title and settlement agents should take extra precaution to verify the legitimacy of title orders they receive.

As an example, Gill Escrow and Settlement Corp. in New York received an order from Miguel Rodrigues of Garnet Health Medical Center in Middletown, N.Y.

The title order was for a $2.75 million second mortgage on the hospital.

Nan Gill-Wilson, president of Gill Escrow and Settlement Corp., researched the branch of the bank referenced in the email and found it was permanently closed. She also discovered the phone number provided in the title order were for individuals, some of whom were located in Minnesota.

This is a good reminder to perform due diligence and confirm the validity of orders when received.

Freddie Mac Sends Reissue Rate Message to Lenders

Freddie Mac issued a message in its Loan Product Advisor to lenders indicating potential eligibility for a title insurance reissue rate based on the state and age of the loan being refinanced.

Freddie Mac said the message is to help identify lower-cost options for borrowers. The effective date of the message is May 11, 2025.

This is an opportunity to connect with lender customers and explain to them the benefits of title insurance and the protection it provides for their investment. ALTA has a host of material, including multilingual handouts, to help in these education efforts.

FinCEN Renews Real Estate Geographic Targeting Orders

The Financial Crimes Enforcement Network (FinCEN) on April 14 renewed its Geographic Targeting Orders (GTOs) that require U.S. title insurance companies to identify the natural persons behind shell companies used in non-financed purchases of residential real estate.

- The terms of the GTOs are effective through Oct. 9, 2025.
- FinCEN renewed the GTOs that cover certain counties and major U.S. metropolitan areas in California, Colorado, Connecticut, Florida, Hawaii, Illinois, Maryland, Massachusetts, Nevada, New York, Texas, Washington, Virgina, and the District of Columbia.
- The purchase amount threshold remains $300,000 for each covered metropolitan area, except for the city and county of Baltimore, where the purchase threshold is $50,000.

FinCEN said it appreciates the continued assistance and cooperation of title insurance companies and ALTA in protecting real estate markets from abuse by illicit actors. Any questions about the orders should be directed to FinCEN's Regulatory Support Section at FRC@FinCEN.gov.

More Members of Congress Urge FHFA to Halt Title Acceptance Pilot

U.S. Reps. Andrew Garbarino (R-N.Y.) and Mike Flood (R-Neb.) became the latest members of Congress to urge the Federal Housing Finance Agency (FHFA) to withdraw the Title Acceptance Pilot.

In a letter to FHFA Director Bill Pulte, Garbarino and Flood called the pilot "one of the many misguided Biden Administration policies that need to be reversed" because it inserts new risks into the housing market and broader financial system.

The letter expressed concern the pilot introduces unnecessary risks to the housing market and undermines state authority over insurance regulation, stressing the need for transparency and adherence to established processes—something the Biden administration circumvented in its approval of the Title Acceptance Pilot.

The letter is the latest example of congressional leaders acknowledging the dangers of the pilot. In November, the bipartisan Congressional Real Estate Caucus urged the FHFA to halt the pilot until the agency solicits public input and thoroughly vets the program.

ALTA will continue to advocate for the elimination of the Title Acceptance Pilot and work with Congress and the Trump administration to pursue policies that actually address housing affordability without increasing risk for homebuyers or lenders.

Pioneer Title Launches Down Payment Assistance Fund

Washington-based Pioneer Title Co., in collaboration with the Community Foundation of NCW (CFNCW) launched an initiative designed to help working-class families in the Greater Wenatchee Valley region achieve homeownership.

Called the Chelan Douglas Down Payment Assistance Fund (CDDPAF), the program addresses a critical gap in existing down payment assistance programs. While current assistance programs typically support home purchases up to $300,000, the CDDPAF extends crucial financial support to families looking to purchase homes in the $400,000-$600,000 price range. Pioneer Title will donate $50 for every home sale closed in the Valley. The title company will add another $50 if any other participants in the transaction—including buyers, sellers, lenders or real estate agents—make a donation.

Brian Fair, owner of Pioneer Title, highlighted how the Wenatchee Valley has fallen behind in ownership rates compared to the rest of the country.

"65% of housing units are owner occupied nationwide," he said. "The Wenatchee Valley has fallen behind in that category, as only 58% of housing units are owner occupied in East Wenatchee, and 52% in Wenatchee. Studies show that over a 10-year period homeowner's wealth will increase 40 times greater than that of someone that rents."

Once the fund reaches a significant amount, local housing and non-profit organizations serving affordable homeownership will be able to apply for grant funds. This collaborative approach ensures the resources directly benefit those most in need in the Chelan and Douglas county areas.

Advocus Launches Virtual Closing Platform

Chicago-based Advocus National Title Insurance Co. unveiled a new virtual closing system designed to connect attorneys and their clients in a convenient and secure platform.

GO Live will launch in Chicago and will be rolled out in additional markets during the coming months.

According to Advocus, GO Live addresses the common challenges attorneys and buyers face during virtual closings by delivering a seamless, personalized and professional experience. The platform is equipped with state-of-the-art features, ensuring every stakeholder feels confident and connected throughout the process.

The platform allows buyers to view closing documents in real time. Through streaming video, GO Live enables attorneys to see the documents as buyers sign them, ensuring accuracy and reducing errors like signing on the wrong line or overlooking critical details, the company said in a release.

True Title Expands Reach in Colorado

True Title Co. is opening a new office in Buena Vista, Colo. The title company has offices throughout the St. Louis and Denver metropolitan areas.

Laura Barnthouse will lead the Buena Vista office. She brings to the position more than a decade of expertise in title and escrow services. Barnthouse will be supported by Noelle Tozier, an escrow officer who has served the central Colorado area for many years; Toni Cardenas, True Title's lead title examiner in Colorado; and Leo Hebert, who brings a wealth of industry experience to the team.

The Clearing House's ACH Network Transaction Volume Increases 6.2%

The Clearing House Payments Co. reported transaction volume through its ACH network grew 6.2% in 2024. In 2024, the EPN system processed 20.7 billion transactions worth $56.4 trillion, approximately half of the U.S. ACH commercial volume last year, according to The Clearing House.

Recently, the EPN system processed a record number of transactions on February 14, with a single-day transaction volume of over 152.4 million. The EPN network is the industry's private-sector ACH network, helping financial institutions process and settle ACH transactions and providing related services.

DomiDocs Launches Documenting for Disaster Program

DomiDocs Inc. launched a cloud-based platform aimed at helping homeowners organize, store and manage vital records verifying their property coverages, conditions and contents before and after a disaster strikes.

In addition to being available for free directly to consumers through the DomiDocs' web portal, the Documenting for Disaster program is also available on 50% of all new homebuilders' and title companies' residential closings through an integration with SoftPro.

The platform provides access during times of need with functionality including accounting, vendor management, calendaring, inventory tracking and a resource directory.

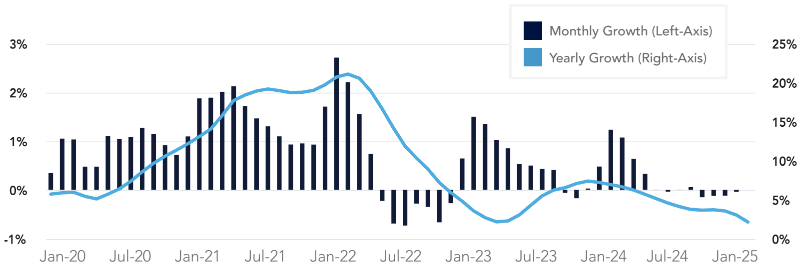
Munich: Global Cyber Premium Set to Rise as Attacks Continue

Gross written cyber insurance premiums are predicted to increase 6.5% and reach $16.4 billion in 2025, according to the latest global cyber insurance market report from Munich Reinsurance Co.

Last year, cyberattacks impacted the technology, government, and manufacturing sectors the most, with Munich's cyber data analytics team indicating that most cyber insurance losses were caused by ransomware. The highest number of ransomware attacks were in the manufacturing sector, followed by health care. According to the report, 51% of ransomware costs were tied to business interruption claims. Data breaches reached a record cost of $4.9 million. Eighty-seven percent of C-suite executives believe their organization's protection is insufficient, and supply chain cyber incidents continue to be a major risk, according to the report.

House Price and Buying Power Snapshot

First American Data & Analytics National House Price Index, January 2025



Source: First American Data & Analytics, Jan. 2025

-0.04%	+2.9%	+54.2%
Monthly Growth	Yearly Growth	Change from Pre-Pandemic (Feb. 2020)

*The First American Data & Analytics HPI report measures single-family home prices, including distressed sales, with indices updated monthly beginning in 1980 through the month of the current report.

National Consumer House-Buying Power

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

January 2025

$373,125
House-Buying Power

+0.5%
Year-Over-Year

Where House-Buying Power is Strongest

Top States and Markets

Rank	State	Buying Power	Rank	Market	Buying Power
1	New Jersey	$514,644	1	San Jose, CA	$746,416
2	Massachusetts	$489,358	2	San Francisco, CA	$642,289
3	Hawaii	$480,853	3	Denver, CO	$511,250
4	Colorado	$466,508	4	Seattle, WA	$505,292
5	Maryland	$459,987	5	Salt Lake City, UT	$496,385

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

Movers & Shakers

AmTrust Title Appoints Gosdin as Head of Direct Underwriting

James Gosdin

AmTrust Title Insurance Co. named James Gosdin as head of direct underwriting. Gosdin previously served as senior vice president and chief underwriting counsel for Stewart Title Guaranty Co. He has underwritten title insurance transactions across the United States, including reinsurance and international title insurance transactions.

Gosdin is a member and past chair of the American Land Title Association (ALTA) Forms Committee and participates in the ALTA/NSPS Land Survey Work Group, the ALTA Native American Lands Work Group and the ALTA State Legislative and Regulatory Action Committee. He is a member of the American Bar Association, the Texas Bar Association and the Houston Bar Association, and a contributor to the Texas Title Standards Joint Editorial Board. In addition, Gosdin is a Fellow of the American College of Mortgage Attorneys and a member of the American College of Real Estate Lawyers.

Transnation Title Agency Makes Two Leadership Promotions

Michigan-based Transnation Title Agency appointed William Van Hulle as chief executive officer and promoted Rebecca Malone to chief residential and commercial officer.

A founding member of Transnation Title in 2008, Van Hulle succeeds former CEO Tom Olson, who retired on March 1. Van Hulle has served as the company's chief financial officer for the past 16 years. With over 35 years of experience in finance and the title insurance industry, he has played a key role in the company's growth, stability and strategic direction. As CEO, he will focus on increasing employee development, strengthening industry partnerships and championing sustainable growth.

Malone, another founding member of Transnation Title, was already part of the company's leadership team. In her expanded role, Malone now oversees both the residential and commercial divisions of Transnation Title. With 39 years of industry experience, Malone has been instrumental in mentoring future leaders, fostering a culture of innovation and enhancing customer service excellence.

Attorneys Title Guaranty Fund Names Eastern Region Agency Manager

Attorneys Title Guaranty Fund Inc. recently appointed Robert Grohol as agency manager for its Eastern Region, which includes Maryland, Alabama, Louisiana and Mississippi. Grohol has more than 20 years of experience in the title and escrow industry. He began his career in the real estate industry in 1999 working for a title production software company. He also spent time growing a national electronic document recording vendor and worked for an underwriter.

Truly Title Promotes Western Region President

Truly Title Inc. promoted Crystal Bond to president of the company's Western region. In her new role, Bond will oversee operations and strategic growth across the Western United States. Bond served as president of the Truly Title's Utah operations since the company's launch in 2019. Bond has more than two decades of industry experience.

Westcor Names Vice President of Sales Enablement

Westcor Land Title Insurance Co. promoted Bettina Arthur to vice president of sales enablement. In this new role, Arthur will support regional revenue growth and help drive sales outcomes for the company. Arthur has over 30 years of diverse experience in the real estate industry. She joined Westcor in 2011 and served as director of training prior to this new role. Before joining the company, Arthur spent a decade as director of operations for a national homebuilder.

Southern Title Hires Sales Director

Southern Title recently hired Rachel Miller as director of sales and marketing. She began her career in retail banking, lending and real estate in 1998 in Dayton, Ohio. She joined SouthTrust Bank as a financial specialist in 2002 after her family relocated to Florida. Miller spent 12 years as market president for BB&T, overseeing multiple sales teams throughout Florida.

Many Flavors of Fraud

RICHARD H. WELSHONS MTP, NTP
ALTA president

WIRE FRAUD. SELLER IMPERSONATION FRAUD. MORTGAGE FRAUD. CYBER FRAUD. Like Baskin-Robbins, there are many flavors of fraud. But unlike ice cream, life is not better with fraud. As we know, any type of fraud can be devastating to a title company.

In ALTA's latest cybercrime survey, 94% of title companies remain concerned about the threat of wire fraud over the next 12 to 18 months. More than 40% of title companies reported receiving at least one email per month in 2023 attempting to change wiring/payoff instructions. Meanwhile, another ALTA survey showed 28% of title insurance companies experienced at least one seller impersonation fraud attempt last year.

Federal Housing Finance Agency (FHFA) Director Bill Pulte has focused a good amount of attention on mortgage fraud. It's what he cited when he posted an invitation on X for people to "Please submit any alleged criminal mortgage tips or mortgage fraud tips to *fraudtips@fhfa.gov*." This coincided with the FHFA's new Hotline for Reporting Alleged Fraud, Waste, Abuse, or Mismanagement at *Hotline | FHFA-OIG*. The hotline website encourages federal employees and the public to "report information about those, whether inside or outside of the federal government, who waste, steal, or abuse government funds in connection with the Agency, Fannie Mae and Freddie Mac (the Enterprises), any of the Federal Home Loan Banks (FHLBanks), or the FHLBanks' Office of Finance, or about mismanagement within FHFA."

Protecting against fraud is one of the key differentiators of title insurance versus other less protective products emerging in the marketplace recently. According to industry data, 30% of title claims paid are for issues that could not have been found in a review of public records, including fraud and forgery claims, which average $143,000 per incident.

ALTA CEO Diane Tomb recently collaborated with Tom Cronkright II, executive chairman of CertifID, to write an *article* that highlights the many ways title professionals protect homeowners from fraud. Real estate wire fraud, among other crimes, has grown significantly during the past decade, reaching $500 million in losses *annually reported to the FBI*.

ALTA continues to lead the way to help protect against fraud, including the continued updates to its Best Practices, which now include the use of wire verification services.

When talking with your customers, remind them of how title insurance reduces their risk and protects their investment, but also inform them about the various processes your company has implemented to safeguard against fraud. Education plays a critical role in addressing the gaps in knowledge that criminals exploit. ALTA provides several resources to educate consumers including *videos* and *infographics*.

While criminals continue to churn out new flavors of fraud, we will remain steadfast in protecting property rights and funds involved in transactions.

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