

Chairwoman Velazquez, Ranking Member Graves and members of the committee. I operate a title insurance and settlement agency in Little Rock, Arkansas. I entered the title business over 20 years ago operating with just myself and two employees. We truly began as a small business.

I am currently honored to be the President of the American Land Title Association...and it is on the behalf of our many small businesses that I am pleased to be with you today.

At the outset, I wish to thank the Chairwoman and so many members of this committee for your support of America's small businesses. I could call the roster of this committee and recollect your individual and dear colleague letters of support through many of our most difficult times. We thank you.

No where in the world is the creation and transfer of interest in real property accomplished more efficiently and securely than in the United States.

Economic success in America is entirely rooted in a clear system of property rights. Individual claims of property interest are transparently placed in the public records and daily reviewed by members of the land title industry....whose active diligence alerts public officials and interested parties of recording errors, title defects, and attempts to fraudulently cloud or impair legitimate property rights.

It is precisely this work by our industry that allows a family to sit at a closing table to buy or sell a home.

No matter how many "simplification rules" we pass...transferring real estate is and always will be a complex process. In my experience, there is no such thing as a "normal" closing or title issue. Every property, every buyer and every seller add uniqueness to every transaction. It is a

credit to the superb job of title professionals that anyone might even think the closing process is routine.

But, we regularly face well intended regulators who, seeing the hammer in their hand, consider every problem to be a nail. Many of the frustrations of our small business members come as a result of the unintended consequences of “simplification”.

New RESPA regulations by the Department of Housing and Urban Development have created serious new costs. Implementation of the new regulations is frantically underway and will be fully required less than 90 days from now.

While we still have issues with the new RESPA rule, we have forged a productive relationship with HUD.....and hope to continue a constructive and consumer beneficial dialogue.

Last year, this Congress provided badly needed assistance to the real estate economy with the passage of the First Time Homebuyer Tax Credit. I would be reluctant to declare its effect a “boom”, but I can tell you that without that action, many in our industry would have closed their doors.

Unfortunately, the threat of closure still exists. In fact, unless Congress acts quickly, I believe it will be a very long winter for many of us.

As you know, the real estate economy is both cyclical and seasonal. We know the cycle is down and recovering slowly, but the summer season.....absent the tax credit stimulus.....essentially, did not happen.

The lack of summer reserves, coupled with exhausted or unavailable credit has left too many of our members struggling for their economic lives.

The proposal for a new regulator, such as the Consumer Financial Protection Agency could not come at a worse time. We simply cannot absorb....or even effectively engage....in a new regulatory regime at this time. Especially one with such a vague and over-reaching mission.

America's small business owners do not have H.R. and I.T. departments. They do not have in-house General Counsel or government compliance divisions. Those hats are all worn by the same small business owner/manager who is struggling to comply with existing regulations in a difficult economic time.

The CFPA is simply ill timed and ill conceived.

From experience, I know that hope and optimism are required traits for small business survival....and I can also say that, right now, neither is in great supply for America's small businesses..

We must not extinguish the remaining spirit of small business....and nowhere is it more tenuous than in our real estate sector.

I ask this Congress for three (3) things....

FIRST Raise the Fannie Mae and Freddie Mac conventional loan limits from the current \$417,000 to \$ 625,500. This will provide badly need credit availability to the "move up" buyers thereby creating a velocity throughout the real estate column.

SECOND Extend and expand the homebuyer tax credit to include all buyers of principal residences.

AND THIRD To provide better consumer awareness, enact a borrower's right of inspection giving buyer/borrowers a mandatory inspection period prior to settlement to review their completed closing statement.

Again, I am deeply grateful for your time and attention these critical matters.