



January 21, 2026

The Honorable French Hill  
Chairman  
House Committee on Financial Services  
Washington, DC 20515

The Honorable Maxine Waters  
Ranking Member  
House Committee on Financial Services  
Washington, DC 20515

Dear Chairman Hill, Ranking Member Waters, and Members of the Committee:

On behalf of the American Land Title Association (ALTA)<sup>1</sup>, I appreciate the opportunity to submit this letter for the record for the hearing entitled *Oversight of the Department of Housing and Urban Development and the Federal Housing Administration*. ALTA and its members share in the bipartisan goal to address the nation's affordability challenges and promote homeownership for all Americans. As Congress and the Administration continue to focus on housing affordability, much of the public debate rightly centers on interest rates, housing supply, zoning reform, and construction costs. These are critical components of the affordability challenge. However, one factor that receives far less attention, but has meaningful and measurable impacts on costs to consumers, is fraud prevention.

The threat of real estate-related fraud, such as title theft, appraisal manipulation, mortgage fraud and deceptive investment schemes, continues to grow. According to the FBI, in 2024 alone, U.S. consumers lost more than \$13 billion to fraud schemes, while real estate-specific fraud resulted in nearly \$175 million in losses.<sup>2</sup> Seller impersonation and deed-related schemes have become an increasingly prominent concern, with a nationwide survey of title professionals indicating that a significant share of companies encountered attempted seller

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<sup>1</sup> ALTA represents an industry comprised of more than 17,000 title insurance companies operating across the nation, with over 90% being small, family-owned businesses. Collectively, the title industry contributes over \$30 billion annually to the U.S. economy and supports over 150,000 professionals—including title agents, underwriters, abstractors, and real estate attorneys—who play a unique role in promoting confidence in the real estate market by proactively identifying and resolving issues before closing, protecting consumers from fraud, and safeguarding the property rights of homeowners.

<sup>2</sup> Federal Bureau of Investigation Internet Crime Complaint Center (IC3), 2024 Internet Crime Report, pp. 11, 19, [https://www.ic3.gov/AnnualReport/Reports/2024\\_IC3Report.pdf](https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf)

impersonation fraud in 2023, with many repeated attempts in 2024.<sup>3</sup> Most often, these schemes target properties that are vacant or less actively monitored, second homes, and rental properties – however, primary residences can just as easily fall prey. Criminals often rely on falsified notarizations or stolen personal information to appear authorized to transact, underscoring how easily fraud can exploit homeowners and undermine trust in the housing market.

Title professionals serve as one of the housing finance system’s most effective lines of defense against these threats. Through title insurance and robust fraud-prevention protocols, the industry invests heavily in secure processes, employee training, identity verification, transaction monitoring, and consumer education. When fraud is detected, title professionals work swiftly with financial institutions and law enforcement to mitigate losses and recover funds. These preventive investments matter. By reducing losses and containing risk, fraud-prevention infrastructure helps keep transaction costs lower across the system. Without these protections, fraud costs would not disappear; they would be passed on to consumers. Lenders would price increased risk into higher interest rates or tighter underwriting standards. Buyers would face higher legal costs, larger down-payment requirements, or reduced access to credit. Investors would demand higher returns to compensate for the uncertainty, which would increase borrowing costs throughout the market. From a policy perspective, protecting housing affordability means protecting consumers from hidden and destabilizing costs. Fraud is among the most damaging of these hidden costs.

Title insurance industry claims data further demonstrate the magnitude of the risk fraud presents to homebuyers and lenders. Fraud and forgery account for approximately 21 percent of the total dollars paid by title insurers in claims and losses, with an average claim cost exceeding \$143,000. On refinance transactions, the risk is even greater: the average fraud-related claim exceeds \$207,000, nearly seven times higher than other claim types associated with refinances.<sup>4</sup> Americans hoping to buy their first home or move up to make room for a growing family simply cannot bear these costs. The stronger the fraud-prevention framework, the more stable, accessible, and affordable the housing market becomes.

Housing affordability is about more than prices and interest rates. Fraud prevention, and the professionals who work every day to protect consumers and the integrity of real estate transactions nationwide, play a far more critical role than is often recognized. As lawmakers and regulators consider policies to expand access to homeownership, it is important to recognize the behind-the-scenes safeguards that allow the housing market to function at scale without shifting excessive risk onto American families.

I appreciate the opportunity to highlight the growing risk of real estate-related fraud and how the title industry’s role in fraud prevention promotes housing affordability, consumer protection, and market integrity. ALTA and its members stand ready to collaborate with

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<sup>3</sup> American Land Title Association, *Seller Impersonation Fraud Study Report*, August 2023, <https://www.alta.org/file/Seller-Impersonation-Fraud-Study-Report.pdf>

<sup>4</sup> Milliman, *Analysis of Claims and Claims-Related Losses in the Land Title Insurance Industry*, November 2025, <https://www.alta.org/file/2025-Analysis-of-Claims-and-Claims-Related-Losses-in-the-Land-Title-Insurance-Industry.pdf>

Congress, the Committee on Financial Services, and the Trump administration on policy proposals to combat fraud in the real estate market and protect homeownership for all Americans.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Morton".

Chris Morton  
Chief Executive Officer  
American Land Title Association

