

TITLENews

SEPTEMBER 2017

AMERICAN LAND TITLE ASSOCIATION

BE PART OF
THE SOLUTION



Page 11

A NEW
LOOK FOR

TITLENews

Trust

Serious rock climbers put their trust in their tools. During treacherous and challenging climbs, their ropes are their lifelines. In our industry, the lifeline we offer you is strength and security. We've combined our top-level technology, research, and best practices to create a lifeline you can depend on to guide and protect you through challenging transactions.

Reach out – we are here for you.

Trust your instincts.



With you...for what's next

fntg.com/next



COVER PHOTO: ISTOCK / MICROSTOCKHUB / SERDARBAYRAKTAR / BONOTOM STUDIO

iN This Issue

VOLUME 96 | NUMBER 9 | SEPTEMBER 2017

COVER STORY

16 Be Part of the Solution

The national ALTA Registry serves as an efficient, accurate and needed industry phonebook allowing lenders to know they are working with the correct company

FEATURES

11 *Title News* Gets a Makeover

Redesign Embraces a Fresh Layout
With New Colors and Fonts

18 E-mortgages: Reshaping the Way You Do Business

Interview with Anne Anastasi, first vice president of
Old Republic Title

20 The Need for Change Management

By Natalie I. Lancaster

24 Kentucky Law Firm Wins RESPA Case Against CFPB

26 Doing This Will Help Stop Fraud

Stay Ahead of Criminals by Purchasing
Web Domains Similar to Your Own

By Gregory McDonald

28 NTP Profile

Cynthia Durham Blair NTP

30 Debt Collection, Mortgage Issues Account for Half of Complaints Received by CFPB

DEPARTMENTS

- 5 Publisher's Desk
- 6 ALTA News
- 32 Industry Update
- 36 Movers & Shakers
- 38 Closing Comment



**DON'T MISS THIS MONTH'S
DIGITAL ISSUE OF**

TITLENews

The digital edition of **TITLENews** includes a webinar recording that discusses the transforming e-mortgage ecosystem, and how title companies can benefit by providing a more efficient transaction for your customers.

Go to www.alta.org
to get your copy of
Digital TitleNews Today.



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."

©2017 American Land Title Association

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

TITLENews

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

PUBLISHER
Michelle L. Korsmo

EDITOR IN CHIEF
Jeremy Yohe

DIRECTOR OF DIGITAL
AND PRINT MEDIA
Shawn Sullivan

ASSOCIATION OFFICERS

PRESIDENT
Daniel D. Mennenoh ITP, NTP
H.B. Wilkinson Title Co.
Galena, IL

PRESIDENT-ELECT
Steven G. Day NTP
Fidelity National Title Group
Jacksonville, FL

TREASURER
Daniel M. Wold
Old Republic National Title Insurance
Company
Minneapolis, MN

CHAIR, FINANCE COMMITTEE
Jack Rattikin III
Rattikin Title Company
Fort Worth, TX

CHAIR, TITLE INSURANCE UNDERWRITERS
SECTION
Mary O'Donnell
Westcor Land Title
Insurance Company
Winter Park, FL

BOARD REPRESENTATIVES,
TITLE INSURANCE UNDERWRITERS
SECTION
Patrick H. Beall
Stewart Title Guaranty Company
Houston, TX
Don Kennedy
First American Title Insurance
Company
Santa Ana, CA

CHAIR, ABSTRACTERS AND TITLE
INSURANCE AGENTS SECTION
Cynthia D. Blair NTP
Blair Cato Pickren Casterline, LLC
Columbia, SC

BOARD REPRESENTATIVES, ABSTRACTERS
AND TITLE AGENTS SECTION
William Burding Jr.
Orange Coast Title Family of
Companies
Santa Ana, CA
Richard H. Welshons
DCA Title
Hastings, MN

IMMEDIATE PAST PRESIDENT
John M. Hollenbeck NTP
First American Title Insurance Co.
Santa Ana, CA

ASSOCIATION EXECUTIVE STAFF

CHIEF EXECUTIVE OFFICER
Michelle L. Korsmo

VICE PRESIDENT OF
GOVERNMENT AFFAIRS
Justin Ailes

CHIEF OPERATING OFFICER

Cornelia Horner, CMP

VICE PRESIDENT
Kelly Romeo, CAE

VICE PRESIDENT OF COMMUNICATIONS
Jeremy Yohe

Ready for What's Next

MANY OF YOU MAY KNOW that my family spends the summer back in our hometown in North Dakota. I try to enjoy some downtime in between traveling to various meetings across the country.



Often, in the summer, I remind you of the importance of taking a break to refresh your creativity and renew your energy—even though it's hard to do in the busy summer months. Many of you may be like the average worker, however, and not take your allotted vacation days. According to a recent survey, 54 percent of employees ended 2016 with unused time off, collectively sacrificing 662 million vacation days. That's a lot of time that could be used visiting some of the beautiful places of the United States.

Over the summer, I had the opportunity to visit two of wonderful National Parks as I drove to industry events. The first was Mount Rushmore, which reminded me of our shared identity as Americans. The spectacular memorial showcased the important contributions of the four presidents depicted on the mountain. The second was Grand Teton National Park, the site of the July Large Agents Meeting. The soaring beauty, crisp air and abundant wildlife reminded me of how varied the United States is from corner to corner. The differences in our landscape, as well as our citizens, are what make us who we are.

The various business models of our membership are what make ALTA who we are as well. The title of this publisher's letter is a statement, not question. While it's a subtle difference, the meaning is substantial. ALTA is dedicated to helping you be ready for what's next.

Following this philosophy, the cover article of this edition highlights the new design of *TitleNews*. We hope you enjoy the new format as we strive to deliver the information your company needs to excel. There's also a timeline chronicling how the magazine has evolved over the past 96 years. It's interesting to see how the look and feel changed over time.

It's also exciting to see how the industry has adapted and adjusted over time to meet customer needs. We face new opportunities with electronic mortgages and closings, continued consumer education and the ongoing threat of cyber attacks and wire fraud.

Thinking differently and taking time to rest create a competitive advantage. It's one of the benefits we want to provide those who attend ALTA ONE. At this year's event, we will focus on issues such as emerging technology, the shifting regulatory environment, building your team, ensuring profitability and cultivating your reputation. This year, ALTA ONE is all about being ready for what's next. I hope to see you in Miami in October and hear all about your time in a national park this summer. ■

A handwritten signature in black ink that reads "Michelle L. Korsmo". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Michelle L. Korsmo, ALTA's chief executive officer

2017-18 Nominations for ALTA Board and Executive Committees

ALTA's Nominating Committee is pleased to present the list of nominations for the 2017-18 ALTA Board of Governors, as well as the Abstracters and Title Insurance Agents Executive Committee and the Title Insurance Underwriters Executive Committee. Nominations will be voted on during ALTA ONE, which will be held Oct. 10-13 in Miami. Here is the slate for the Board of Governors and Section Executive Committees.

2017-18 Board of Governors Nominations



President

Steven G. Day NTP
(Jacksonville, Fla.)



President-elect:

Cynthia D. Blair NTP
(Columbia, S.C.)



Treasurer

Daniel M. Wold
(Minneapolis, Minn.)



Chair of Finance Committee

Jack Rattikin III
(Fort Worth, Texas)



Agents Section Chair

William Burding Jr.
(Santa Ana, Calif.)



Agents Section Rep

Richard H. Welshons
(Hastings, Minn.)



Agents Section Rep

Maureen Pfaff
(Port Angeles, Wash.)



Underwriters Section Chair

Mary O'Donnell
(Winter Park, Fla.)



Underwriters Section Rep

Patrick H. Beal
(Houston, Texas)



Underwriters Section Rep

Don Kennedy
(Santa Ana, Calif.)



Immediate Past President

Daniel D. Mennenoh NTP
(Galena, Ill.)

Abstracters and Title Insurance Agents Executive Committee

- **Chair:** William Burding Jr. (Santa Ana, Calif.)
- **Vice-Chair:** Randall E. Bradley (Roseville, Calif.)
- **Secretary:** Nicole Plath (Roseland, N.J.)
- **Three-year term:** Richard H. Welshons (Hastings, Minn.)
- **Three-year term:** Celia Flowers (Tyler, Texas)
- **Three-year term:** Chris St. John (Topeka, Kan.)
- **Two-year term:** Nicole Plath (Roseland, N.J.)
- **Two-year term:** Randall E. Bradley (Roseville, Calif.)
- **Two-year term:** Deborah Bailey (Alpharetta, Ga.)
- **One-year term:** Maureen Pfaff (Port Angeles, Wash.)
- **One-year term:** Thomas D. Richardson (Ann Arbor, Mich.)
- **One-year term:** John F. Robichaux NTP (Lake Charles, La.)
- **Board Rep (from section):** William Burding Jr. (Santa Ana, Calif.)
- **Board Rep (from section):** Maureen Pfaff (Port Angeles, Wash.)
- **Board Rep (from section):** Richard H. Welshons (Hastings, Minn.)
- **Board Finance Chair:** Jack Rattikin III (Fort Worth, Texas)

Title Insurance Underwriters Executive Committee

- **Chair:** Mary O'Donnell (Winter Park, Fla.)
- **Vice-Chair:** Theodore C. Rogers (Baltimore, Md.)
- **Secretary:** David Townsend NTP (Columbia, Mo.)
- **Three-year term:** Erika Meinhardt (Jacksonville, Fla.)
- **Three-year term:** David Townsend NTP (Columbia, Mo.)
- **Three-year team:** Jim Czapiga (Rocky Hill, Conn.)
- **Two-year term:** Patrick H. Beal Houston, Texas
- **Two-year term:** Don Kennedy (Santa Ana, Calif.)
- **One-year term:** Robert J. Grubb (Longmont, Colo.)
- **One-year term:** Theodore C. Rogers (Baltimore, Md.)
- **One-year term:** Henry L. Shulruff (Chicago, Ill.)
- **Board Rep (from section):** Patrick H. Beal Houston, Texas
- **Board Rep (from section):** Don Kennedy (Santa Ana, Calif.)
- **Board Treasurer:** Daniel M. Wold (Minneapolis, Minn.)

For years, you've trusted the team at RynohLive to monitor and protect your Escrow Accounts.
Now enjoy the same peace of mind with your Operating Accounts.



Learn more at rynoh.com/rynohopx



397 Little Neck Road | 3300 South Building #306 | Virginia Beach, VA 23452 | 877 GO RYNOH (877.467.9664)

Use This Video to Warn Consumers About Wire Fraud

To help raise awareness about wire fraud, ALTA created a 2-minute video that provides four tips on how consumers can protect their money and offers advice on what to do if they have been targeted by a scam. ALTA members are encouraged to link to this video from your website, include in email or share on social media. To link to the video, go to ALTA's YouTube channel at www.youtube.com/altavideos.

Human Resources Guru to Provide Practical Guidance on Finding, Keeping the Best People

Anyone seeking to get the best results for their organization must find and keep great employees. Yet many HR departments still use cookie-cutter approaches to finding new hires.

Register for ALTA ONE and you'll get to hear Johnny C. Taylor Jr., who recently was named president and CEO of the Society for Human Resource Management, share how you can attract—and hang onto—the best and the brightest talent.

Having traveled the world extensively as a business leadership speaker and human resource thought leader, Taylor will provide a glimpse into the latest thinking in employee relations, compensation and benefits, training, onboarding and development practices. You'll leave Miami with new tools to improve your hiring process and grow your business.

For more information about ALTA ONE, go to meetings.altaprofessionals.com/one. ■

ALTA 2017 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. TIPAC has received \$512,475 from donors 882 so far in 2017. Check out who has supported the industry at www.altaprofessionals.com/tipac.

CALENDAR

2017 ALTA CONFERENCES

ALTA ONE

October 10-13
Miami, FL

STATE CONFERENCES

COLORADO

September 6-8
Beaver Creek, CO

MARYLAND

September 7-9
McHenry, MD

MISSOURI

September 7-8
Columbia, MO

ARIZONA

September 13-15
Tucson, AZ

NORTH DAKOTA

September 14-16
Bismarck, ND

NORTH CAROLINA

September 14-16
White Sulphur Springs, WV

SOUTHEAST LOUISIANA

September 14-16
New Orleans, LA

INDIANA

September 20-23
French Lick, IN

NEBRASKA

September 20-22
Kearney, NE

OHIO

October 4-6
Columbus, OH

WISCONSIN

October 18-20
Milwaukee, WI

KNOWLEDGE FOR GROWING BUSINESS. RIGHT HERE. RIGHT NOW.

Put the power of our knowledge to work for you. As a Stewart Trusted Provider™, you get access to the industry's brightest minds, time-saving tools and the benefit of knowing your underwriter is defined by financial strength – all of which makes it easier to get your job done. We act as your partner in growing your business and in providing access to knowledge you need, whenever you need it.

Real partners. Real possibilities.™

Visit stewart.com/alta2017 to access the knowledge you need now.



stewart

preferable

/'pref(ə)rəb(ə)l/

- adjective

more desirable or suitable.



Gets a Makeover

Redesign Embraces a Fresh Layout With New Colors and Fonts

For nearly a century, *TitleNews* has been the go-to source of information about the land title insurance industry. Since the first edition in 1922, iterations have evolved from an extremely text-heavy publication to a magazine that attempts to meet the needs of today's readers.

In the latest incarnation of one of the main ALTA member benefits, we've introduced a new layout that brings content to life by matching print browsing with online reading habits. While new colors and fonts provide different look and feel, the content remains dedicated to providing members relevant and accurate information to help our member companies excel in a dynamic business and regulatory environment.

Deb Grace, vice president of business development for

NextDeal, says she loves the refresh because it's easy to read and user-friendly.

"I especially love the pullouts, which provide a quick point of reference—great idea," she added.

Members of ALTA's PR Committee helped guide and provide feedback for the redesign, which started nearly a year ago following a survey of *TitleNews* readers to learn about their likes and dislikes of the magazine.

"As a member of the PR Committee, I had the opportunity to give input on the redesign, which is something I believe we should be doing every few years to ensure that our trade publication is fresh and intriguing," said Jenny Martin, senior vice president and corporation business development director for Futura Title & Escrow Corp. "We often talk about attracting the next generation to the title industry and this project demonstrated that ALTA recognizes the value of staying current by providing relevant industry updates and presenting them in an inviting modern format."

Wayne M. Stanley, owner and chief inspiration officer for Bowe Digital, said he turns to *TitleNews* for the latest trends affecting the industry, information on the movers and shakers within the industry and to see what other companies are joining ALTA each month.

"*TitleNews*' redesign is a welcomed and needed facelift for this industry staple," Stanley said. "With the redesign, graphics will be front and center in the magazine giving you more time to focus on your work and less time pouring through long articles. In the digital era, there's still a place for print magazines, and *TitleNews* is leading the way for our industry." ■

We often talk about attracting the next generation to the title industry and this project demonstrated that ALTA recognizes the value of staying current.

TitleNews

The Redesign Process



Over the past year, ALTA has developed new meetings to deliver enhanced learning and networking experiences, and rolled out a new website to improve the user experience and serve as a beacon highlighting ALTA's strategic priorities. In the same vein of continuous improvement, we decided it also was time to bring new energy to *TitleNews*, as it has been about a decade since it was redesigned. We hope you like the new look and feel.

Feedback can be emailed to communications@alta.org.

FIRST, THE LOGOTYPE—The signature look for the logotype was changed by separating **TITLE** from **News**, using upper and lower case letters, making a slight change in the weights, and playing with the “i” in **TITLE**. Colors will vary with each issue.



THEN BASIC FONTS—After designing the new logotype using the font Tungsten, Gotham and Warnock were chosen to carry the rest of the magazine. Workhorses, indeed, these two offer varied weights for varied uses and complement each other visually. Other fonts may be used occasionally in the features for emphasis and design enhancement.

TUNGSTEN TUNGSTEN TUNGSTEN TUNGSTEN TUNGSTEN
Gotham Gotham Gotham Gotham
Warnock Warnock Warnock Warnock



AND THE CONTENTS PAGE—The main objective with the contents page was to make it more readable and simplified. Calling it **in This Issue** allowed the reflection of the typography of the logotype. Putting the cover story and the features in one column opened up some needed white space. This page shows how all the new fonts work together cleanly and distinctly.

NEW

PUBLISHER'S Desk

The Question You Should Ask

IN AN INTERESTING MOVE LAST MONTH, Thomas Balle and Steve Allen of TitleRight moved to a new show. Thomas Balle and Steve Allen of TitleRight moved to a new show. Thomas Balle and Steve Allen of TitleRight moved to a new show.



Thomas Balle
ALTA Editor-in-Chief

ALTA members have access to all the information you need to know about the industry. The ALTA members have access to all the information you need to know about the industry.

ALTA members have access to all the information you need to know about the industry. The ALTA members have access to all the information you need to know about the industry.

ALTA members have access to all the information you need to know about the industry. The ALTA members have access to all the information you need to know about the industry.

NEW

ALTAOnline

It's Back March Title Madness

Have You Used ALTAprints?

United We Protect

Register Now for ALTA's Innovation Boot Camp in Nashville or Baltimore

Use HOP to Train Real Estate Agents, Lenders

ALTA members have access to all the information you need to know about the industry. The ALTA members have access to all the information you need to know about the industry.

NEW

Movers & Shakers

Weichert Title Group Names President

AmTrust Title Tabs New Jersey State Council

Weichert Appoints New York Commercial Counsel

Meridian Title Cororates His National Operations Manager

NATIC Names State Agency Manager in Florida

ALTA members have access to all the information you need to know about the industry. The ALTA members have access to all the information you need to know about the industry.

OLD

ALTA News

ALTA News is a publication of the American Land Title Association. It provides news, updates, and events for the industry.

ALTA News is a publication of the American Land Title Association. It provides news, updates, and events for the industry.

NEW

ALTA News

2017-18 Nominations for ALTA Board and Executive Committees

2017-18 Board of Governors Nominations

ALTA News is a publication of the American Land Title Association. It provides news, updates, and events for the industry.

NEW

CALENDAR

2017 ALTA CONFERENCES

STATE CONFERENCES

Human Resources Guru to Provide Practical Guidance on Finding, Keeping the Best People

ALTA 2017 TIPAC Donors

ALTA News is a publication of the American Land Title Association. It provides news, updates, and events for the industry.

ALTA NEWS ENLIVENED—Typography and visual interest were the main drivers of the new ALTA News format. Rather than run the text in simple columns, some white space was introduced, and a variety of shapes for items to occupy will break up the columns. Here is another chance for members to submit images and material of interest.

MORE DYNAMIC FEATURES—The cover story and features will have a free form driven by the context and images. Spreads will be emphasized, and creative typography will complement the space and concept of each article.

Be Part of the Solution

ALTA Registry

Who Needs the ALTA Registry?

What You Need to Do

ALTA Registry is a service that helps real estate professionals and lenders verify the identity of the service provider that they, or their employees, are using. It provides a secure and reliable way to verify the identity of the service provider that they, or their employees, are using.

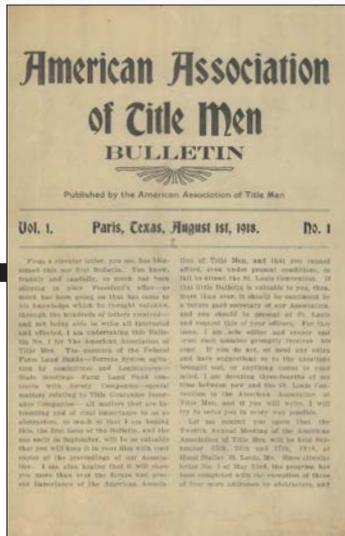
Doing This Will Help Stop Fraud

Stay Ahead of Criminals by Purchasing Web Domains Similar to Your Own

How Can You Protect Yourself?

ALTA Registry is a service that helps real estate professionals and lenders verify the identity of the service provider that they, or their employees, are using. It provides a secure and reliable way to verify the identity of the service provider that they, or their employees, are using.

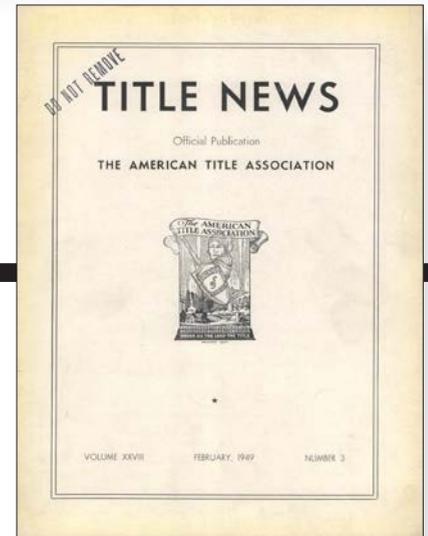
The Evolution of



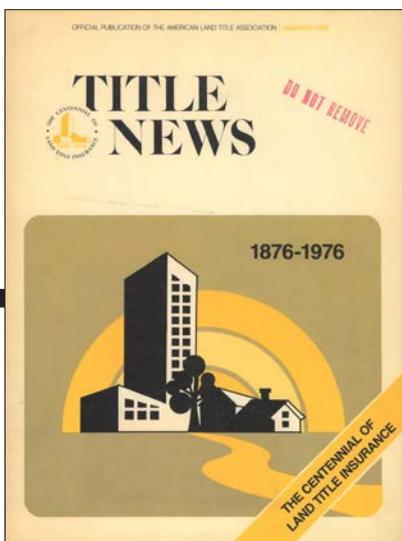
August 1918
First Edition



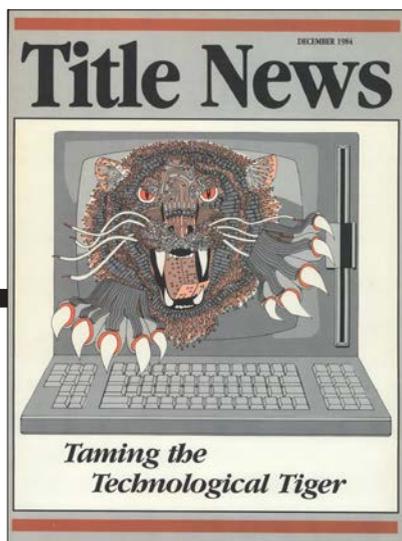
December 1933



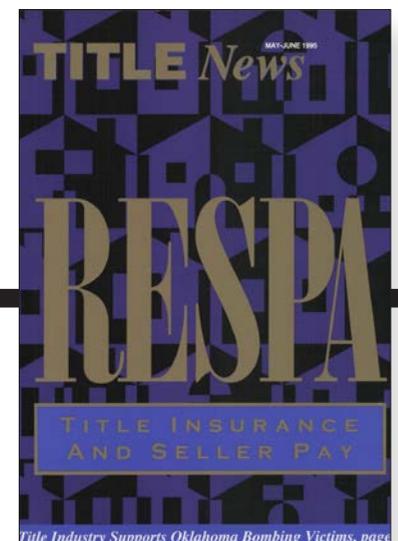
February 1949



January 1976

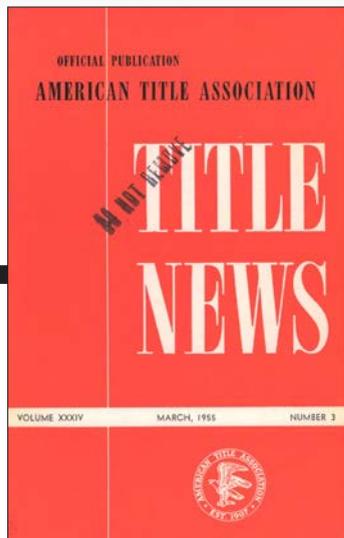


December 1984

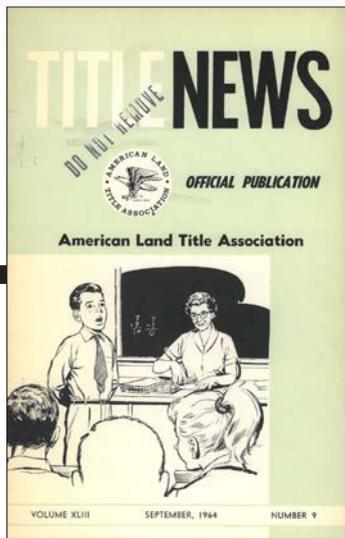


May/June 1995

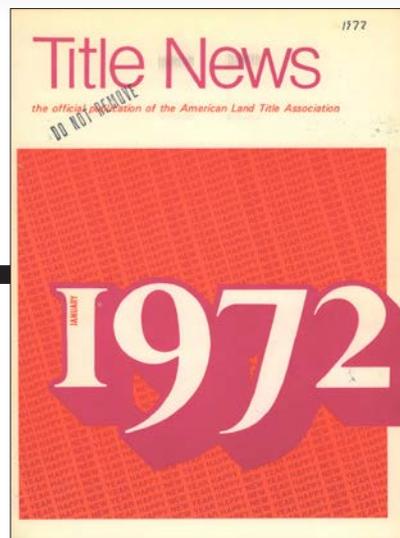
TITLENews



March 1955



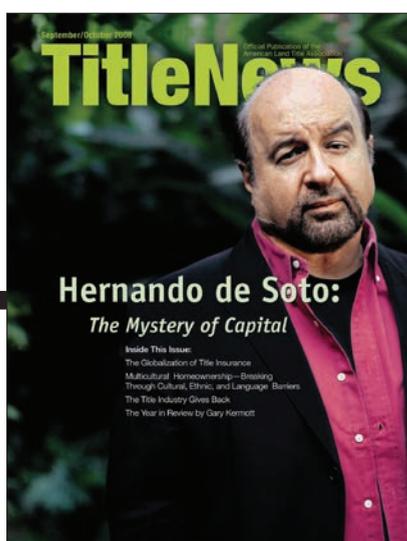
September 1964



January 1972



May/June 2003



September/October 2008



September 2017

Be Part of the Solution

The national ALTA Registry serves as an efficient, accurate and needed industry phonebook allowing lenders to know they are working with the correct company

ALTA Registry

In 1878, New Haven, Conn., became home to what is considered the world's first telephone directory, consisting of a single piece of cardboard that included listings for 50 individuals, businesses and other offices in the city of 150,000 people.

While other businesses had used telephones before—even printing lists of subscribers—the New Haven version claim to primacy rests on the fact that it was the first such list to include private customers as well as business lines.

This phone “book” did not list telephone numbers, only names. Early telephone directories existed solely for the purpose of alerting customers to the existence of other telephone subscribers. To make a call, the telephone user would pick up the phone and tell the operator the name of the person to ring up.

In the title and settlement space, there has never existed an online, searchable database that could be used to identify title and settlement agents and real estate attorneys early in the real estate transaction. Until now.

ALTA has created an online phonebook—the ALTA Registry—a first-of-its-kind industry utility that allows lenders to know they are working with the correct company. Beginning Oct. 1, agents and underwriters will work together to communicate and to confirm company name and contact information—providing lenders with a trusted industry utility to identify transaction partners.

“Mortgage lenders, title insurance agents, real estate attorneys, title insurance underwriters and other participants in the real estate closing process must be able to identify each other and communicate in a timely and consistent manner throughout the mortgage transaction,” said Michelle Korsmo, ALTA’s CEO.

Similar to finding someone’s number in a phonebook, the

national ALTA Registry is a snapshot of information. You may find a house you like on Zillow, but you would still call your real estate agent to see if it’s still available and if the price has dropped, according to Korsmo. The ALTA Registry database lists a business and its accurate information at the time of confirmation by a title insurance underwriter.

The ALTA Registry offers a unique seven-digit identifier, the ALTA ID, which is automatically assigned to each new database record as a permanent ID number and is never changed, reassigned or reused. This is the number assigned to all records within the ALTA Registry. For organizations with a network of branches, each office location will have its own ALTA ID and may be connected to the HQ or head office location, called a “primary business location” with no requirement for consecutive or numerically correlated ALTA ID numbers. ALTA ID numbers are available for free to title agents and real estate attorneys.

“ALTA estimates there are nearly 30,000 title and settlement companies, and real estate attorneys in the United States,” said Eddie Oddo, co-chair of the ALTA Registry Committee and vice president of corporate business solutions for First American Title Insurance Co. “Establishing and confirming a business on the ALTA Registry helps ensure more efficient communication among all parties in the real estate transaction. Lenders, underwriters, agents and vendors can easily and confidently identify the right settlement provider across each of their databases—something our

industry needs but has struggled with in the past.”

Independent escrow companies will not have their companies listed in the ALTA Registry. These entities do not have formalized relationships with title insurance underwriters, making it complicated to confirm their company name and location(s).

Lenders want this type of service from the industry in order to confirm the identity of the service providers that they, or their customers, have engaged to provide settlement services. Having a registry also helps lenders ensure their risk-management procedures are met and will provide further depth to their third party supplier oversight activities.

Jack Rattikin, the other co-chair of the ALTA Registry Committee and president of Rattikin Title Company,

What You Need to Do

- **Go to www.alta.org/registry and log in with your ALTA user name and password.**
- **Title and Settlement Agents:** On-boarding begins in October. Title agents will be able to review their existing ALTA records and add any missing records. Once records are reviewed and updated, a company contact person may request an ALTA Registry listing via the ALTA Registry Management System (RMS) section of the ALTA website. Underwriters will review and confirm title agent requests before listings are published in the ALTA Registry. It’s important to note that only agents that have been confirmed by at least one underwriter will be listed in the ALTA Registry.
- **Real Estate Attorney: On-boarding will begin in January 2018. Attorneys will be able to request a listing by submitting attorney licensing information as confirmation. Attorneys who are title agents should be confirmed by their underwriter(s) and listed as title agents.**
- **Underwriters:** On-boarding began in July 2017. Underwriters who want to confirm agent listings participate in an on-boarding process so they will be ready to confirm agent listings.

said that mortgage lenders need confirmation earlier in the real estate transaction that they are doing business with the correct title and settlement company or real estate attorney.

“The ALTA Registry is a tool for your company to show your mortgage lender you are a part of the solution to provide more clarification and transparency in the real estate transaction,” he said. “In addition, the registry helps mortgage lenders add an extra layer of confirmation that they are working with the appropriate title and settlement company or real estate attorney and properly protecting their consumers’ non-public personal information.” ■

What the ALTA Registry Is NOT

The ALTA Registry is NOT a verification system.

- Google Earth can’t verify real-time accuracy in its maps, neither can the ALTA Registry. The ALTA Registry confirms that as of the date provide a title or settlement company or real estate attorney maintained a business at the listed address.
- The ALTA Registry is not the equivalent of a Closing Protection Letter (CPL); the ALTA Registry does not provide an authorization to proceed with a transaction.

The ALTA Registry does not confirm optimized risk management practices.

- ALTA does not certify Best Practices compliance and neither does the ALTA Registry. Participation in the ALTA Registry shows that the title or settlement company, or real estate attorney wants to be part of the solution to provide more accurate data and a more efficient real estate transaction.
- The ALTA Registry does not confirm that a business has optimized its risk management practices in accordance to individual title insurance underwriter or mortgage lender requirements.

WHO NEEDS THE ALTA REGISTRY?

TITLE INSURANCE AGENTS

Title insurance agents who are confirmed on the ALTA Registry show their clients they are part of the solution. Maintaining a listing in the ALTA Registry helps more title insurance agents work with more lenders and potentially grow their business.

REAL ESTATE ATTORNEYS

Real estate attorneys who are confirmed on the ALTA Registry show their clients they are part of the solution. Maintaining a listing in the ALTA Registry helps more real estate attorneys work with more lenders and potentially grow their business.

TITLE INSURANCE UNDERWRITERS

The ALTA Registry helps ensure the data we have for our company and industry is accurate and up-to-date which allows us to better serve mortgage lenders and homebuying consumers.

MORTGAGE LENDERS

The ALTA Registry is a needed industry tool to help mortgage lenders responsibly manage their vendors. The unique ALTA ID helps the title insurance industry better serve our needs and contains data that we can rely on for the safe and efficient transfer of consumer funds.

ALTA REGISTRY

BE PART OF THE SOLUTION:
WWW.ALTA.ORG/REGISTRY

E-mortgages:

Reshaping the Way You Do Business



THE ELECTRONIC MORTGAGE YOU KNEW HAS CHANGED.

Consumer expectations of the mortgage process are evolving. With the help of industry players, lenders are meeting increased digital demands by transitioning into new e-mortgage strategies. The new e-mortgage age has increased adoption, but not without growing pains, misconceptions and overcoming barriers.

This transition is essential to the future of the mortgage industry. In fact, surveys by Fannie Mae's Economic and Strategic Research Group find that consumers want a fully mobile retail experience in nearly all aspects of their lives, including their financial and mortgage activities.

This need will only sharpen as more young buyers enter the market. The National Association of Realtors (NAR) indicates buyers 36 years and

younger (millennials/Gen Yers) are the largest share of homebuyers at 34 percent—and have been for the past four years.

E-mortgages will be a comparison factor for these buyers—and for your existing and future business partners. To remain competitive, businesses should be well on their way to full adoption. ALTA asked Shane Hartzler, director of eMortgage strategy and operations at Fannie Mae,

to help us define this business imperative and explain how it benefits buyers and the mortgage industry.

ALTA: What's the difference between an e-closing and an e-mortgage?

Hartzler: An e-mortgage occurs when the mortgage loan documentation (specifically the promissory note, or e-note) is created, executed, transferred and stored electronically. An e-closing is broader in which some mortgage loan documents are executed electronically in a secure digital environment, while other key documents are printed to paper and wet-signed (e.g., note, security instrument).

Keep in mind, e-mortgages are produced by the e-closing process only if the promissory note is signed electronically. Therefore, not all e-closings result in e-mortgages, but all e-mortgages are the product of e-closings.

ALTA: Why are e-mortgages advantageous?

Hartzler: We think there are three main benefits of e-mortgages. First, e-mortgages save time and money by automating manual processes and reducing cycle time from origination through delivery and funding. They eliminate paper, shipping and storage fees. Second, e-mortgages speed up funding through e-note delivery, maximizing capital. Finally, e-mortgages can minimize risk by reducing operational errors, eliminating missing signatures, documents and fees, and improving data quality and validation.

ALTA: What are the typical steps of an e-mortgage delivery?

Hartzler: We look at the e-mortgage delivery process as three main steps. Keep in mind that delivering e-notes follows a similar process to closing a loan. However, there are some unique steps for "e." For instance, during closing, a lender would have the borrower and notary electronically sign the e-note and other documents through an e-closing system. The e-closing system then tamper seals the documents, which is an automated method of ensuring that the data in the note can't be changed or manipulated.

Then, after closing, the e-note gets registered on the MERS eRegistry system within one business day.

Finally, when delivering to Fannie Mae, the lender transmits the e-note and other investor documents to using MERS e-delivery. The lender initiates Transfer of Control and Location to Fannie Mae via the MERS eRegistry. Then, the lender submits delivery data to Fannie Mae, including a special feature code (508: eMortgage) that identifies that it is an e-note. The loan is then certified and funded, assuming all requirements have been met.

Most e-mortgages follow this general process and can take as little as a few minutes or up to three days based on the lender's operational procedures.

ALTA: What is the MERS eRegistry? Are lenders required to be members to deliver e-mortgages?

Hartzler: The MERS eRegistry is the system of record identifying the owner and location of the e-note. The MERS eRegistry allows e-notes to be registered and uniquely identified for tracking and verification. Fannie Mae's technology is integrated with the MERS eRegistry.

Lenders, servicers and warehouse banks must use the MERS eRegistry to deliver e-mortgages and must become MERS members to use it. Access to the MERS eRegistry requires system integration and a testing cycle.

E-mortgages are produced by the e-closing process only if the promissory note is signed electronically. Therefore, not all e-closings result in e-mortgages, but all e-mortgages are the product of e-closings.

ALTA: What should title and settlement companies be doing now to get ready?

Hartzler: Settlement providers should talk with their lender partners about changes in process and/or training they may need to make to support this transition. They should discuss:

- What technology will be required to support the e-closing process (mobile or in-office)?
- How will agents be trained?
- What are the impacts on the closing and post-closing procedures?
- Where does electronic notarization of recordable documents fit into the lender's plans and in what states/jurisdictions is it permissible?

ALTA: Is there anything else you'd like to tell our members?

Hartzler: Yes, Fannie Mae is committed to addressing barriers to e-closings and supporting all industry stakeholders during this transition. We believe that e-closings provide significant benefits to settlement agents, including better-educated borrowers, shorter closings and operational efficiencies. But we also understand that until technology solutions and standards mature, this transition remains challenging. For example, settlement providers will need to accommodate individual lender e-closing requirements and train agents to conduct e-closings on multiple platforms.

Despite these challenges, Fannie Mae believes now is the time that settlement companies should learn and prepare for e-mortgages, so title agents can hit the ground running when your partners are ready. In other words, the time for "e" is now.

For more information, visit Fannie Mae's website at www.fanniemae.com/singlefamily/emortgage. ■



By Natalie I. Lancaster

“Create a compelling vision, one that takes people to a new place, and then translate that vision into a reality.”

—Warren Bennis, *On Becoming a Leader*

The Need for **Change**

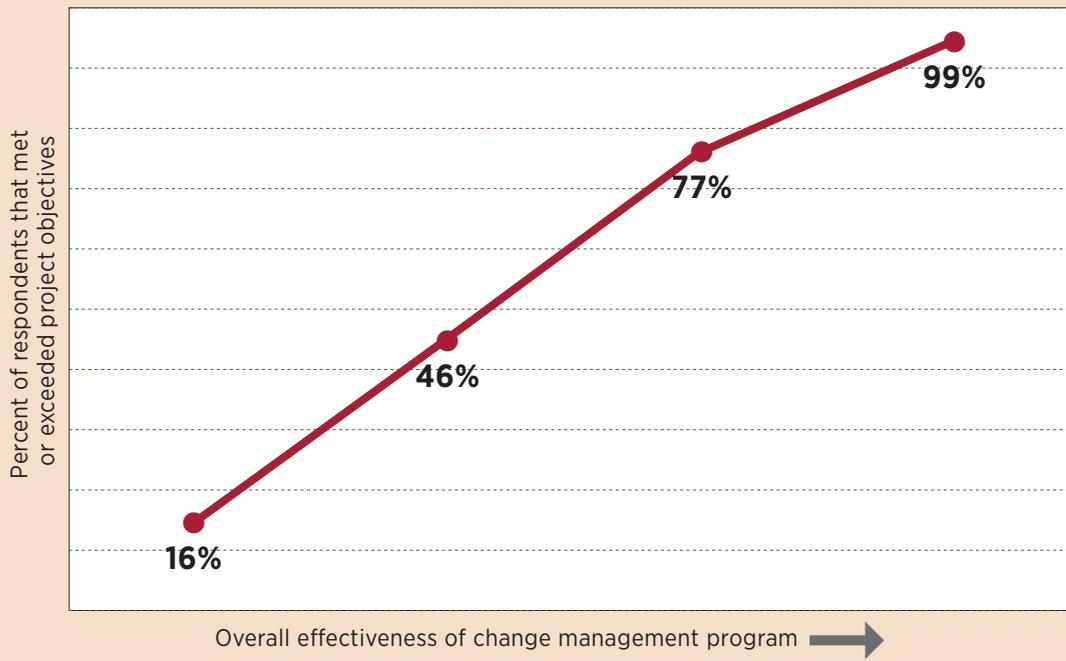
WE LIVE IN AN ERA OF CONSTANT CHANGE. Nothing stays the same. Change comes in many forms. It could be a change in legislative or regulatory compliance (CFPB), or a change in your business process or policies (ALTA’s Best Practices), and it will most likely include a change in technology. The success of any business transition depends on leaders being able to influence others, such as your staff. They do this by sharing a clear vision, building enthusiasm for the adoption of the change, making them keenly aware of how their role will be impacted, arming them with the knowledge, ability and skills needed to perform effectively, and managing any resistance that arises. It’s a big job that includes strategic planning, careful analysis, clear communications, effective training, and coaching to reinforce the new processes.

When planning a change in business process, policies or technologies, most managers do not take into consideration how the transition will impact their staff. They focus on strategic and tactical planning, but not on the people side of change and how their behaviors may be affected. Change is an individual thing

after all, so it takes some creative planning and powerful enthusiasm to engage your staff. Change management offers purposeful activities to help ensure the success of your business transition. Our industry needs to embrace change management and incorporate its principles into our business plans for successful adoption.

ISTOCK / GRUIZZA

Correlation of change management effectiveness to meeting project objectives



Management

What is Change Management?

Change management is the science that studies how individuals transition through events and what's needed to change their behavior. It's the art of working on the "people side of change." Change management is a new buzz in our industry, but it has been around for a while. Many of you shared "Who Moved my Cheese" (Spencer Johnson) with your staff or may recall the work of Elizabeth Kubler-Ross (5 Stages of Grief - the Change Curve), William Bridges (Managing Transitions), John Kotter (Leading Change) and so many more. I have studied Prosci's model of change management and find it to be very useful.

For change management to be successful, it must adhere to principles that work. Prosci offers a methodology called ADKAR which identifies what people need for sustainable change. ADKAR is an acronym for awareness, desire, knowledge, ability and reinforcement.

Jeff Hiatt—the founder of Prosci and a former engineer and program manager for Bell Labs—once noticed that two similar projects could both have excellent technical solutions and project management, yet one would successfully meet its objectives while the other would fail. Hiatt found that people were the key to this success.

"Research on thousands of initiatives shows a direct correlation between how well the people side of change is managed (change management) and how successful the effort is," Hiatt said. "Projects with improved change management had increased likelihood of meeting objectives, finishing on time and finishing on budget."

When planning a significant change in our business, we must work closely with our staff to confirm that they have:

- **Awareness** of the need for change
- **Desire** to participate in and support the change

Employees need to understand the changes taking place at their level, based on their role, to be successful and productive.

- **Knowledge** on how to change
- **Ability** to implement required skills and behaviors
- **Reinforcement** to sustain the change

Prosci uses a three-part process to help organizations transition through change. Successful change management begins with planning. Change managers work with the project team before, during and after the transition. They help identify what staff needs will be to transition effectively.

The first phase is preparing for the change. Preparations include being able to accurately define what is changing and why. Leaders must be able to paint a vision and have a clear explanation for the change to share with their staff. The management team must also be prepared for their role and involvement, understanding the real impact of the change for their offices and staff. Key sponsors are chosen to spread the word. Consistent messaging must be provided at the appropriate time to support the project plan.

The second phase of change management involves managing the change. Working closely with the project team, change management plans must be developed and carried out. It's important to monitor the implementation and deployment process and to make course corrections as needed. Business processes should be integrated into training plans and testing done to confirm the details are accurate, organized and clear.

Finally, the last phase of change management is reinforcing the change and ensuring that everything is working as planned. It is helpful to collect feedback from our staff and truly understand their questions and concerns. Do they need more training? Was everything communicated clearly? How are things going? Feedback helps us be aware if there are any issues that need to be addressed. It also serves to help manage any resistance.

Whenever people are involved, there will always be some resistance to change. Anticipating what the issues may be and planning for resistance in advance, we can work together and coach through the transition. Most resistance comes from either a lack of communication, misunderstanding or insufficient training. If employees are well informed, with detailed communications and on-point training, resistance will be minimal. Working as a team, with the help of good change management activities in place, the project goes much smoother and our business grows stronger. When the project is complete, celebrate success!

Why We Need Change Management now?

We work in an industry where change is now the new norm. Our ethics and compliance are tested daily. The challenge to move in the constant direction of process improvement, with higher standards for business practices, emphasizes the great need for successful change management in our industry.

Making sure that change management is part of our project plan helps transitions go smoothly. Thinking ahead about what communications will be needed during and after the transition is key. Careful planning, with active and encouraging leadership, helps get employees excited to move forward with the new change. If they are armed with knowledge of what is planned, what is expected of them and how it will affect their role in the organization, they will move forward with enthusiasm and appreciation of the time we take to help them transition. Gaining ability, through efficient, interactive training gives your staff the ability to be successful.

Employees need to understand the changes taking place at their level, based on their role, to be successful and productive. All too often, leaders make decisions and jump into action to deploy changes without taking the time to truly plan what is needed for their staff. Think of change management as a success enabler. Business transitions go much smoother and our business grows stronger when we integrate change management practices.

Conclusion

People are what make businesses successful. For an organization to manage change effectively, we must work with the people affected by the change. Without their buy-in, we will not be successful. Change management helps employees move through business transitions successfully. It is my personal goal to see change management become embraced as part of the real estate industry. ■



NATALIE I. LANCASTER is founder of *Lancaster Leadership*, which provides change management solutions, coaching and training to the title and settlement services industry. She can be reached at coaching@lancasterleadership.net.

Are you using the right title and closing software?



It's always great to find the right tool for the job, so you can accomplish a lot more with less effort. SoftPro has been the nation's leading provider of real estate closing and title insurance software for more than 30 years.

Whether you're a one-person shop or a large organization, our scalable, award-winning solutions can dramatically reduce your time to close – helping increase your volume, boost your revenue and grow your business. No one knows your business like SoftPro!

Why to choose SoftPro

- Fully customizable software
- Workflow automation
- Robust reporting
- Underwriter and vendor integrations
- Mobile apps for transaction management
- Leader in regulatory compliance
- Award-winning service, support and product development

[Request a demo](#)

softprocorp.com
or 800-848-0143

**SOFTPRO®**

©2017 SoftPro. All Rights Reserved. SoftPro is a trademark and the property of SoftPro, its subsidiaries, and affiliated companies. All other trademarks are the property of their respective owners.

Kentucky Law Firm Wins RESPA Case Against CFPB

Borders & Borders Says Ruling Shows Its AfBAs Were Compliant

A FEDERAL JUDGE RULED THAT Kentucky-based law firm Borders & Borders did not violate the Real Estate and Settlement Procedures Act (RESPA) and tossed out the lawsuit brought by the Consumer Financial Protection Bureau (CFPB).

U.S. District Judge Charles Simpson of the Western District of Kentucky ruled that Borders & Borders qualified for RESPA's safe harbor provision, which shelters "affiliated business arrangements (AfBA)" if the arrangements are disclosed to the consumer being referred to the partner company.

"We are very pleased that the court agreed with what we've been saying for six and a half years: our affiliated business arrangements were designed and operated to be fully compliant with RESPA," Borders & Borders said in a statement.

In October 2013, the CFPB filed a lawsuit accusing Borders & Borders of illegally paying kickbacks for real estate settlement referrals through a network of shell companies. According to the CFPB's complaint, Borders & Borders operated nine joint ventures with the owners and managers of local real estate and mortgage broker companies, and allegedly used the joint ownership to disguise illegal kickbacks as legitimate profit sharing. The complaint alleged that when a local real estate or mortgage broker company with a pre-existing arrangement referred a homebuyer to Borders & Borders for closing or other settlement services, the law firm would arrange for the title insurance to be issued by the corresponding joint venture. The profits from the joint venture would then be split between the joint venture's owners: the Borders principals and the referring real estate or mortgage broker.

According to the complaint, the nine joint ventures were not bona fide entities and did not have their own office space, email addresses or phone numbers, and all nine companies shared

a single independent contractor who was also an employee of Borders & Borders. The CFPB alleged each company only issued title insurance policies for homebuyers who had been referred to and by Borders & Borders, which did no advertising to attract other business. The companies performed no substantive title work, all of which was instead performed by the staff at Borders & Borders.

Simpson, however, said Borders & Borders "gave its customers timely disclosures when it referred title insurance work to the Title LLCs."

"Given that Borders & Borders disclosed the relationship with the [joint ventures], the customers could reject the referral, and the bureau failed to show that the [joint ventures] received anything of value beyond their ownership interests, there is no genuine dispute of material fact that the [joint ventures'] arrangement with Borders & Borders qualifies as an affiliated business relationship protected" under RESPA, Simpson wrote. The judge concluded that "Borders & Borders is entitled to summary judgment as a matter of law." ■



ISTOCK / ONBLAST

Whatever They Call Home,



Protect Their Property Rights With Old Republic Title.

For more than a century, we've been America's trusted title insurer, protecting property rights and supporting title agents. As one of the nation's largest and most respected title insurers, we have the resources and expertise to get the job done. Our title professionals are committed to providing excellent service, proven underwriting expertise and resources you can use to navigate through the complexities of the real estate regulatory environment.

Title Insurance | Real Estate and Mortgage Loan Settlement Services | National Commercial Title Services | Mortgage Servicing Solutions
Default Management Services | Real Estate Information Services | Real Estate Valuation Services | Flood Reports
Section 1031 Exchanges | Notary Services | Relocation Services | Nationwide Commercial Due Diligence Services
Nationwide Commercial Survey Services | Timeshare/Fractional Interest Services | Residential Information Services

By Gregory McDonald

Doing This Will Help Stop Fraud

Stay Ahead of Criminals by Purchasing Web Domains Similar to Your Own

Aoccdrnig to rscheearch at Cmabrigde
Uinervtisy, it deosn't mttair in waht
oredr the ltteers in a wrod are, the
olny iprmoetnt tihng is taht the
frist and lsat ltteer be at the rghit
pclae. The rset can be a toatl
msee and you can sitll raed it
wouthit porbelm. Tihis is bcuseae
the huamn mnid deos not raed
ervey lteter by istlef,
but the wrod as a wlohe.

I'm sure we've all seen the above example before. The idea is very simple. As we all go about our day, our eyes glance over the text before us and we see what we want to see. Cyber criminals and would-be wire transfer thieves know this as well. As you'll soon learn, they take advantage of this all too often.



One of the most common tricks that criminals use is to purchase a domain name very similar to yours, but with a letter or two changed. Then, they can start emailing your customers, employees or contacts back and forth without always being noticed. Here's one of the most common examples:

John@ABCtitle.com does business using the ABCtitle.com domain. Meanwhile, a wire transfer thief purchases the domain name ABCtit1e.com for \$9.99 and he is off and running. The difference? Rather than spelling the word title with the letter "L", the thief replaces the letter "L" with the number "1" (one). The word title also contains the letter "I" in title. The letter "I" also is easily substituted with the number 1. Depending on your domain name, there are many opportunities for deception.

Here is an example substituting the letter "L" with the number "1". Look closely: 111111111

Do you think that your customers could spot the difference? Remember what the opening paragraph of this article says.

How Can You Protect Yourself?

Stay ahead of the criminals. If your domain is ABCtitle.com, invest the \$9.99 and purchase ABCt1tle.com and ABCtit1e.com. If YOU own them, the thieves cannot purchase them. Maybe your name is SuperMegaOneTitle? Then you'll want to purchase SuperMega0NeTitle.com, replacing the letter "O" with a "zero". As you can imagine, there are many strategies criminals use when registering bogus domain names. Adding additional letters is another one, such as: ABCttittle.com. In this example, there is an extra letter "t" in title.

In closing, it's not possible to stop all fraud, or purchase every imaginable combination of your domain. But, with a little forethought and creativity, you can take the first step. You can make it harder for the bad guys to impersonate your business.

One Last Thing

On a personal level, we have seen these tricks used in action many times. As a service provider, we have criminals email us quite often pretending to be our customers using the very tricks mentioned above. It is worth noting that it's not just the bad guy trying to pose as you in order to write your customers. Criminals often pretend to be other industry vendors, partners or employees in an attempt to send viruses, malware or to obtain sensitive information.

Stay safe. ■



GREGORY MCDONALD is chief executive officer of Cloudstar, which is a national provider of virtual desktop hosting, hosted software and applications, custom IT infrastructure design, email encryption, managed services, IT security and consulting. McDonald can be reached at gmcDonald@mycloudstar.com.

NTP PROFILE



Cynthia Durham Blair NTP

COMPANY: Blair Cato Pickren Casterline LLC

TITLE: Attorney/Member

CITY/STATE: Columbia, SC

DATE OF DESIGNATION: 2014

INDUSTRY EXPERIENCE: 20 years

NTP Designation Reinforces Credibility, Commitment to Professional Excellence

Why did you become an NTP?

I wanted the prestige of the national designation.

Why should others get their NTPs?

I think that it is always beneficial to seek further certifications and designations in your career. It adds to credibility and demonstrates commitment to professional excellence.

Who do you think should get their NTP?

What types of professionals would benefit?

I think the NTP designation would be beneficial to many participants in the title industry, such as attorneys, title examiners, title abstractors, title company owners and title underwriters.

How did you get into the industry?

My father was a commercial real estate broker so I guess real estate is in my blood. Property law was my favorite class in law school because I had the best professor who made it so fun and interesting. Also, I clerked for a real estate attorney while in law school and enjoyed learning how to search and examine titles. After getting my MBA and then litigating for a few years, I became an associate for the same real estate attorney for whom I'd clerked years before, and eventually launched my own real estate practice.

What is your best professional trait?

I am a decisive manager. I try to be fair and look at both sides of issues, but once I make a decision, I stand behind it.

How have your ALTA connections benefited your career?

One of the primary benefits has been all of the close friendships I have made. Additionally, I'm able to bounce ideas off my professional peers all over the United States and learn from how they operate their businesses. ■

Earn Your NTP

The National Title Professional (NTP) designation recognizes land title professionals who demonstrate the knowledge, experience and dedication essential to the safe and efficient transfer of real property. Start earning your NTP designation at www.alta.org/ntp.

See Us @
ALTA ONE 2017

Trump National Doral,
Miami
Oct. 10-13

The Apex of Title Data, Technology & Production

Elevating Your Title Business to New Heights

Title Data & Solutions to Expand Your Business

545+ title plants nationwide and the most advanced database of real estate, tax and recorded property data and documents. Data Trace helps your business achieve maximum growth.

Drive Innovation with Powerful Title Technology

Data Trace and RedVision provide advanced title search production and industry expertise for unmatched quality, coverage and operational flexibility to advance your title business.

DataTraceTitle.com/Apex | 800.221.2056



RED | VISION

Debt Collection, Mortgage Issues Account for Half of Complaints Received by CFPB

ALTA Encourages Members to Make It Easy for Consumers to Contact You

DEBT COLLECTION AND MORTGAGE-RELATED COMPLAINTS account for 50 percent of the roughly 1.2 million complaints the Consumer Financial Protection Bureau (CFPB) has received over the past six years.

Though the bureau only began accepting debt collection complaints in July 2013, debt collection has been the most complained about product or service, with 316,810 complaints to date. These complaints, which represent 27 percent of the overall volume, include complaints about attempts to collect on debts not owed by consumers and repeated and harassing calls from collectors.

The CFPB began taking mortgage complaints in December 2011. To date, it has received 272,153 mortgage-

related complaints. These complaints, which

represent 23 percent of the total

volume, include complaints

about problems consumers

experience dealing

with their servicer

when they are struggling to

make payments.



Data from the Consumer Financial Protection Bureau's complaint report.

COMPLAINTS SUBMITTED BY

US consumers

1,163,156

Complaints handled since 2011

74,784

Servicemember complaints since 2011

103,052

Older consumer complaints since 2011

+7%

Complaints handled in 2016 than 2015

97%

Timely company responses since 2011

52%

Narratives published since 2015

TOP 5 PRODUCTS BY VOLUME

	Total complaints	% of total complaints	Top issue reported by consumers by product
Debt collection	316,810	27%	Continued attempts to collect debt not owed 39% (123,218)
Mortgage	272,153	23%	Problems when you are unable to pay 49% (132,701)
Credit reporting	195,826	17%	Incorrect information on credit report 76% (148,650)
Credit card	118,732	10%	Billing disputes 17% (19,744)
Bank account or service	115,055	10%	Account management 45% (51,599)

TOP 5 PRODUCTS BY QUARTERLY PERCENT CHANGE

	% change vs. last quarter	2016 Q4 complaints	2017 Q1 complaints	Quarterly complaint trend
Student loan	216%	3,121	9,852	
Prepaid	17%	563	657	
Credit reporting	13%	12,984	14,733	
Debt collection	11%	21,535	23,968	
Consumer loan	16%	4,438	4,703	

This report uses dynamic data as of April 1, 2017 and may differ slightly from other public reports. Servicemembers refers to individuals who self-identified as servicemembers, veterans, or their dependents. Older consumers refers to individuals who self-identified as age 62 and older. Visit consumerfinance.gov/complaint to learn how we handle complaints.

Source: CFPB

“The bureau’s ability to receive and process consumer complaints enables us to hear directly from people about their concerns and helps us prioritize our work to protect others against similar problems,” said CFPB Director Richard Cordray.

Some of the national takeaways from the latest monthly report include:

- **Complaint volume rose 7 percent between 2015 and 2016:** The bureau has continued to see a growth in the volume of complaints submitted by consumers. In 2015 the CFPB received 271,600 complaints; this figure grew to 291,400 in 2016.
- **Companies provided a timely response to 97 percent of complaints they received from the CFPB:** The CFPB considers a response to be timely if the company responds within 15

days. Since the bureau began accepting complaints in July 2011, companies have provided timely responses 97 percent of the time.

- **Over half of consumers submitting complaints opt to have their narrative published:** In July 2015, the bureau began publishing detailed consumer descriptions of problems they had experienced with a financial product or service. Since the CFPB began to enable consumers to share their experiences publicly, 52 percent of the consumers have opted to share their narrative descriptions of what happened. The narratives, which are scrubbed of consumer’s personal information, can help consumers learn from problems that others experience, according to the CFPB. ■

Procedures for Resolving Consumer Complaints

A written complaint handling policy is a good way to ensure that grievances are taken seriously and dealt with appropriately and consistently. A component of ALTA’s “Title Insurance and Settlement Company Best Practices” encourages members to adopt and maintain procedures for resolving consumer complaints.

Such a policy is important to ensure that any instances of poor service or noncompliance do not go undiscovered. Procedures to meet this best practice include:

- Consumer complaint intake, documentation and tracking
- Standard procedures for logging and resolving consumer complaints ensure that consumers provide the company with sufficient information to understand the nature and scope of the complaint
- Develop a standard consumer complaint form that identifies information that connects the complaint to a specific transaction
- Set a single point of contact for consumer complaints
- Establish procedures for forwarding complaints to appropriate personnel
- Maintain a log of consumer complaints that includes whether and how the complaint was resolved

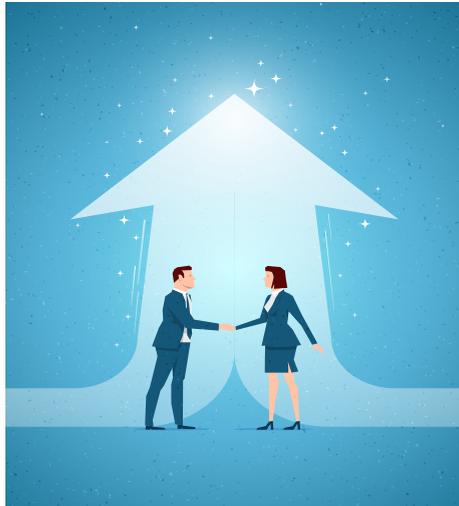
ALTA members should make it easy for customers to contact them by ensuring contact information—whether it’s a phone number or email address—can easily be found on their company websites.

Stewart Acquires California-based Title Company

STEWART INFORMATION Services announced it recently acquired the retail branch division of Title365 Company. Title365's retail division operates primarily in Southern California.

In a release, Stewart said the acquisition reinforces the company's commitment to providing innovative title solutions and focused, smart growth in key markets throughout the United States.

"We are very pleased that the Title365 retail team has joined the Stewart family," said Matthew Morris, Stewart's chief executive officer. "As a result of this acquisition, Stewart gains experienced leadership and scale in several high-



growth target markets, and the team from Title365 will benefit from our global reach, financial strength and extensive resources. This acquisition aligns with our strategic plan for targeted growth in our direct operations."

Michael Tafoya co-founded Title363 and served as chief executive officer. He joined Stewart in May as group senior vice president of direct operations. Title365 has more than 250 employees and 15 offices.

In 2014, Solutionstar Holdings LLC, an indirect wholly-owned subsidiary of Nationstar Mortgage Holdings, purchased Title365 for \$36 million.

New Communications Firm Launches to Serve Title Industry, Small Businesses

Bowe Digital LLC recently launched as a new communications firm servicing small businesses and trade associations throughout the United States.

The company offers a variety of services including a unique digital check-up, communication planning, social media management, website strategy and content, media relations and digital ad placement.

"I couldn't be more excited to offer a communications and marketing solution to small businesses," said Wayne M. Stanley, owner and chief inspiration officer at Bowe Digital. "Many years of experience has taught me that small businesses cannot afford high-priced consulting fees and often don't need the actual advice they've paid for. These businesses need someone with a vision to help their business succeed. They need and deserve a partner to help them

communicate and market their company more efficiently and to a broader audience. Bowe Digital is eager to be that partner for our clients."

Prior to starting Bowe Digital, Stanley served as director of public affairs for ALTA.

Recent Software Integrations

- **WFG National Title Insurance Company** has successfully completed an integration of multiple electronic services with the **Settlement Management Solutions (SMS)** TitleExpress platform. According to Gene Rebadow, W executive vice president of WFG's Eastern Agency Division, the integration unites a leading title production platform with WFG's e-CPL and e-Jacket services.
- **First National Title Insurance Company** (FNTI) announced a new integration with **RamQuest's** Closing Market. The integration allows agents of First National Title to generate FNTI policy jackets and closing protec-

tion letters directly through their RamQuest system.

- **RamQuest** and **ProcessFast** announced a strategic partnership to help title agents identify trends in their business. Using ProcessFast's Ops Insights, RamQuest users can decipher that they are on the right path to a better bottom line. This reporting tool can be customized to an individual RamQuest customer database so that this analytics driven platform helps ensure RamQuest users are making profitable decisions based on their company's data. Ops Insights is also beneficial for marketing and ROI tracking.
- **ShortTrack**, a cloud transaction management software for real estate professionals, announced a new integration with **dotloop**, a platform for aimed at simplifying the real estate buying and selling process. Dotloop users will now be able to automatically create an order and securely transfer documents to their preferred title agency by adding a title agency to a loop. The collaboration helps increase the security of ordering title and shorten the time to close.

**Taking risks can
be fun.**
Unless it involves
your closing.



If you could eliminate risks with the highest standard of due diligence, why wouldn't you?

**PROLOGIX IS HERE TO
MAKE DUE DILIGENCE EASY.**

- ✓ HOA Certificates
- ✓ Lien Searches
- ✓ Land Surveys
- ✓ Release Tracking

WWW.PROLOGIX.COM



Big 4 Underwriters Report Q2 Earnings

Here's a summary of financial results from the title insurance groups of Fidelity, First American, Old Republic and Stewart.

Fidelity

Fidelity National Financial reported that its title insurance business generated \$294 million in pre-tax earnings during the second quarter of 2017. This is up from \$281 million in pre-tax earnings during the same period a year ago.

"The second quarter was another strong performance for our title insurance business," said FNF Chairman William Foley II. "The residential purchase and commercial markets continued to drive our performance in the second quarter, as residential open and closed purchase orders increased 6 percent and 9 percent, respectively, in the quarter and total commercial revenue grew by 7 percent versus the second quarter of 2016."

Fidelity opened 524,000 direct orders during the second quarter versus 577,000 direct orders opened during the second quarter of 2016. Meanwhile, the company closed 370,000 direct orders during second quarter versus 401,266 direct closed orders during Q2 2016. During the latest quarter, Fidelity paid \$57 million in claims. This compares to \$73 in claims paid during the second quarter of 2016.

First American

First American Financial Corp. reported that its title insurance and services segment generated pre-tax income of \$197.3 million during the second quarter of 2017. This compared to pre-tax income of \$172.4 million during the same period a year ago.

"Our continued operating discipline is reflected in the record title margin we achieved in the second quarter," said



NEWS TO SHARE?
If you have information you'd like us to consider for TITLE News, send company announcements to communications@alta.org.

Dennis Gilmore, chief executive officer at First American Financial. "Our purchase business performed well during the spring selling season, with revenues up 12 percent, and the momentum in our commercial business continued, with revenues up 7 percent from last year. The declining refinance market stabilized in the second quarter, and we continued to adjust the cost structure in our related businesses to reflect the lower activity level."

During the latest quarter, First American's direct operations opened 32,400 orders and closed 20,700 direct orders. This compares to 32,100 direct orders opened during Q2 2016 and 19,900 direct orders closed. First American paid \$47.8 million in claims during the latest quarter. This is down from \$54.3 million in claims paid during the second quarter of 2016.

Old Republic

Old Republic International Corp. reported that its title insurance group generated pre-tax income of \$65.0 million during the second quarter of 2017. This compared to \$44.6 million in pre-tax income during the same period a year ago.

The company reported that the continuation of a generally positive mortgage rate environment and reasonably strong housing and commercial property markets were major factors in the year-over-year gain in premiums and fees for 2017. During the latest quarter, Old Republic paid \$11.2 million in title claims. This compared to \$26.8 million in claims paid during the second quarter of 2016.

"Following the favorable trends we've

been experiencing in our claims ratio over the past few years, the first half of the year provided more of the same, favorable claims provisions have certainly proven themselves not to be an aberration in the title industry or even to ourselves," Rande Yeager, CEO of Old Republic Title Insurance Company, said during the company's earnings call. "We think that tightened lender standards and better technology and improved internal auditing controls, they've all led to a more predictable and improved result."

Stewart

Stewart Information Services reported that its title segment generated \$39.5 million in pre-tax income during the second quarter of 2017. This compared to \$51.3 million in pre-tax income during the same period a year ago.

Matthew W. Morris, Stewart's chief executive officer, reported that the company is refining the deployment of its new title and escrow production technology and process, which Morris described, will "ensure that our customer-facing staff can continue delivering exceptional customer service."

During the second quarter of 2017, Stewart's direct operations opened 107,217 orders while closing 80,962. During the same period a year ago, the company opened 124,229 direct orders and closed 92,827 direct orders. Stewart paid \$24.5 million in claims during the latest quarter. This is up from \$17.2 paid in claims during the second quarter of 2016. ■

It's a people business.



Getting critical answers quickly is often what it takes to keep a transaction moving, whether it's at the beginning or just hours before closing. That's why we give you access to the people ready to help. Because in the end, we're in this together.

Skilled people, exceptional technology and streamlined processes working together to let you focus on *your* people business.

Talk with the people you can depend on.

Visit our **hospitality suite at ALTA One:**

Trump National Doral | Living Room | Adjacent to Lobby

Tuesday: Noon - Midnight

Wednesday: Noon - Midnight

Thursday: Noon - 6:00 pm and 9:00 pm - 1:00 am

Friday: Noon - 6:00 pm



First American Title™

866.701.3361 • www.firstam.com

First American Title Insurance Company makes no express or implied warranty respecting the information presented and assumes no responsibility for errors or omissions. First American, the eagle logo, First American Title, and firstam.com are registered trademarks or trademarks of First American Financial Corporation and/or its affiliates.

©2017 First American Financial Corporation and/or its affiliates. All rights reserved. NYSE:FAF



John Roy

Weichert Title Group Names President

Weichert Title Group recently named John Roy as president. In this role, Roy will be responsible for leading the business strategy, sales, operations management, financial and talent management functions for Weichert's six title agencies and two settlement

services businesses.

Roy has more than 20 years of senior management experience across the residential title industry. He held senior leadership positions with both First American and Fidelity National Title, before assuming the senior vice president role at Hightide Settlement Services in Anaheim, Calif. During his tenure with Hightide, Roy started the company's title and settlement services businesses, which service national financial institutions.

Westcor Appoints New York Commercial Counsel



Toni Carasig-Carlos

Westcor Land Title Insurance Company recently appointed Toni Carasig-Carlos as vice president and commercial counsel in New York. Carasig-Carlos, who has nearly 20 years of title and underwriting experience, started her career in 2000 as the Northeast in-house litigation manager for a large national underwriter. She later developed and managed the New York Compliance Department and most recently served as senior vice president and New York State agency operations manager and counsel for the organization.

NATIC Names State Agency Manager in Florida

North American Title Insurance Co. (NATIC) has hired industry veteran Andrew Nadal as state agency manager. Working alongside Florida State Agency Manager Geoffrey Harris, Nadal will oversee



Andrew Nadal

agency operations in Florida, while securing and servicing title agents and real estate attorneys to promote new and increased business activity. He has 12 years of experience in title insurance and real estate positions. Prior to joining NATIC, Nadal was a senior associate at One Commercial Realty.

AmTrust Title Taps New Jersey State Counsel

AmTrust Title Insurance Company recently named Daniel V. Madrid, a commercial real estate attorney with more than 14 years of experience, as New Jersey state counsel and vice president. In this role, Madrid is responsible for overseeing underwriting in New Jersey for AmTrust title agents and direct national commercial transactions. Prior to joining AmTrust Title, Madrid was a partner in the New Jersey-based firm Fox Rothschild LLP where he was involved in a wide diversity of transactions including acquisitions, dispositions, financings, development and leasing of retail, office, industrial and residential real estate.

Meridian Title Corporation Hires National Operations Manager

Meridian Title Corporation recently hired David Reilly as its national operations manager. In this role, Reilly will be responsible for leading and coaching operational staff, and increasing efficiency in facilitating real estate transactions for a growing customer base. In his professional career, Reilly has served as director of title and closing with SingleSource Property Solutions, vice president of operations with EnTitle Direct, and executive vice president of strategic business development, executive vice president of title and closing and vice president of operations with Fiserv/GAC. ■



Title Industry Assurance Company
Risk Retention Group

www.tiacrrg.com

Best in Class Title Agents/Abstracters E&O Coverage!

Title Industry Assurance Company (TIAC) has been providing **great coverage at great rates** for over **27 years!** Before you renew your coverage, be sure to consider the benefits and coverages only **TIAC** provides – E&O coverage created specifically for title professionals including:

- *Client Funds Protection Coverage*
- *Privacy Breach Mitigation Expense Coverage*
- *Attorneys' Fee Reimbursement for Regulatory Proceedings Before the CFPB*
- *First Dollar Defense and Claims Expenses Outside the Limits Options*
- *Limits Up to \$5 Million*
- *Deductibles Starting at \$1,000 Each Claim/\$3,000 Annual Aggregate*
- *50% Deductible Reduction for Claims Arising From Work Performed for Endorsing Title Underwriters*

Protecting your business in this rapidly changing risk environment requires extensive experience, unparalleled commitment, and the industry specific expertise that only TIAC can provide. Visit www.tiacrrg.com to get a premium estimate today!



TITLE INDUSTRY ASSURANCE COMPANY RRG

7501 Wisconsin Avenue
Suite 1500E
Bethesda, MD 20814-6522

800-628-5136
info@tiacrrg.com
www.tiacrrg.com

Find Your Team's Rhythm

IN AUGUST, ATLA'S BOARD AND PLANNING COMMITTEE met over two

days to start developing the association's strategic priorities for 2018. To develop these, the group discussed what we think the market place will look like in the next five years and what ALTA can do to help members improve their operations. Other topics of debate included information security, electronic mortgages and closings, industry values and educating consumers about the benefits of title insurance. Once refined, ALTA will share its priorities for the next year. ALTA and its leadership constantly think about where the industry is going to help ensure we're rowing in the right direction and in rhythm with your needs.

How can you ensure your team is working together in harmony? The first step is communication and planning. The second is attending ALTA ONE, where expert speakers will share tips and insight that you can take home and implement in your operations.

Johnny C. Taylor, president and CEO of the Society for Human Resource Management, will explain how you can attract—and hang onto—the best and the brightest talent. Erica Javellana will detail the Zappos core values system, describing the company's approach to customer service and engagement and how this culture of service can be applied to your company.

A highlight for me will be hearing Mark Schulman, who has toured, recorded and performed with some of the biggest names in the history of pop music, including PINK, Billy Idol, Cher, Foreigner, Velvet Revolver, Sheryl Crow and Stevie Nicks. Schulman share first-hand experience of how these world-class artists succeeded on the big stage. Think Tony Robbins meets Bono meets Ringo Starr. Having performed for over a billion people, Schulman will embolden us with the essence of rock stardom by incorporating his business philosophy and strategic content with engaging multimedia and drum performances to help take your team's creative cohesiveness to the next level.

A compelling element of Schulman's program is his use of stories of the failures of these musical teams, focusing on what we can learn from their broken moments. He takes these performers' moments of challenge, change and tenacity and synthesizes them into principles that will enhance communication, heighten performance and shift the mindsets of teams and individuals.

If you're looking to harness your team's rhythm and obtain unprecedented levels of creative productivity to achieve more rockin' results, register for ALTA ONE! ■



DANIEL D. MENNENOH ITP, NTP
ALTA president

You Time

...brought to you by RamQuest

Put technology to work for you with our digital closing solution. Capture both digital and wet-ink signatures for every document in your closing package while ensuring fraud reduction, time savings, increased efficiencies and more. And all of this leaves more time for...well, you!

Visit RamQuest.com/youtime to see how.



RamQuest.com | 800.542.5503



“

...it's really important to come up with core values that you can commit to. And by commit, we mean that you're willing to hire and fire based on them. If you're willing to do that, then you're well on your way to building a company culture that is in line with the brand you want to build.

”

Tony Hsieh, CEO, Zappos

