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COVER STORY

10 5 Commercial Real Estate Hot Topics

Navigating the New Normal for Title Agents

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

The digital edition of **TITLENews** includes a webinar recording that addresses the top issues impacting commercial transactions, including foreign ownership of U.S. real estate, alternative lending scenarios, FinCEN's AML rule, wire fraud and cyber incidents in the commercial space, and distressed property transactions.

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TITLENEWS

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PUBLISHER'S Desk

Connection, Complexity and Commercial Growth

IN TODAY'S REAL ESTATE MARKET, THE TITLE INDUSTRY IS

JEREMY YOHEVice President of Communications

CONFRONTING A PERIOD OF COMPLEX CHANGE— AND ENORMOUS OPPORTUNITY. Whether it's a sharper focus on commercial transactions, increased investment in technology or the growing importance of CRM systems, one thing is clear: Title professionals must be more than accurate—they must also be adaptive.

This month's *TitleNews* highlights the convergence of the need for deeper relationships, smarter tools and sharper underwriting. It's not enough to keep up. Leaders in our industry are those who get ahead—and bring their clients with them.

This edition's cover article highlights five key trends redefining commercial deals. It's a must-read for anyone handling commercial closings or underwriting policies. Some of the key trends the article discusses include the impact of foreign ownership restrictions, layered capital stack, FinCEN's new AML rule, distressed assets and UCC foreclosures and evolving fraud threats.

These trends require more than just technical knowledge—they demand proactive education, both for staff and clients.

If you're wondering whether commercial title work is worth the investment, just follow the numbers. In Q1 2025, the Big Four underwriting families reported strong growth in their commercial business. Each underwriter credited this strong performance to investments in technology, integrated platforms and smarter processes.

While many title companies digitize everything from escrow funding to closing verification, others still track deals with spreadsheets or sticky notes. That's where CRM (customer relationship management) systems come in. This month's edition also delves into how CRMs can help companies centralize client interactions, automate lead follow-up, track ROI on marketing efforts and integrate with email, texting and document platforms.

While there are many tools available to improve efficiency, technology and service aren't enough. Businesses need a strategy. In another article, we're reminded that while everyone claims to offer "great service," what clients really remember are "wow moments." A quick response. A personalized closing. A follow-up that's thoughtful, not transactional.

Whether you're working with a first-time homebuyer or a seasoned commercial investor, the expectation is the same: clarity, speed and confidence. In 2025, that means leveraging technology, mastering regulation and being a resource—not just a service provider.

There's no such thing as a standard transaction anymore. The companies that succeed will be those who can handle complexity without losing the human touch.



House Passes Tax Reform Bill

The U.S. House of Representatives on May 22 passed President Trump's One Big Beautiful Bill Act, including important tax provisions ALTA advocated for that will have positive implications for title and settlement companies and agents, and the broader real estate and mortgage industries.

Passed by a vote of 215-214, the bill retains the current tax rates while including a range of provisions including an increase in the qualified business income (QBI) deduction, preservation of Section 1031 like-kind exchanges and quadrupling the deduction for state and local taxes (SALT). The bill now heads to the Senate, where members have indicated there will be changes.

ALTA commended the House for passing legislation that recognizes the needs of American small businesses, including the thousands of title and settlement companies ALTA represents.

"The expanded deduction under Section 199A is a welcome step that supports the long-term health of our small business members and the communities they serve," said Chris Morton, ALTA's chief executive officer. "ALTA is especially pleased to see the preservation of Section 1031 like-kind exchanges, which play a vital role in fueling real estate investment, promoting property improvements and driving local economic growth."

The Section 199A deduction, also known as the QBI deduction, allows eligible self-employed individuals and small business owners to deduct up to 20% of their qualified business income. This deduction, established by the Tax Cuts and Jobs Act (TCJA) of 2017, is applicable for tax years 2018 through 2025. It provides a tax break for owners of pass-through businesses. The bill expands this deduction to 23% and makes it permanent.

Enacted via TCJA, there's currently a \$10,000 limit on the SALT deduction. The bill would raise the SALT cap to \$40,000 for households earning under \$500,000. The SALT limit and income phaseout would increase annually by 1% from 2026 through 2033.

Tomb said provisions supporting homeownership, including those related to mortgage interest and capital gains exclusions, help provide certainty for buyers, sellers and lenders alikestrengthening the entire housing ecosystem.

"We urge the Senate to build on this momentum and protect the real estate and housing incentives that help Americans build wealth, promote generational stability and drive our economy forward," Morton added.

Membership by the Numbers

ALTA is the title insurance and settlement services industry resource for advocacy, education, communications, networking and policy standards. Here's a look at some membership figures from the past month.

- New Members: 22 ■ Title Agents: 10
- New Attorney Members: 3
- State With the Newest Members: Florida with 5
- Total Members: 5,213



ALTA 2025 TIPAC Donors

The Title Industry Political Action Committee (TIPAC) is ALTA's voluntary, nonpartisan political action committee (PAC). TIPAC raises money to help elect and re-elect candidates to Congress who understand and support the issues affecting the title industry. So far in 2025, TIPAC has raised \$361,603 from 414 people. In addition, \$138,750 from 19 companies has been donated to the TIPAC Education Fund. Check out who has supported the industry at alta.org/tipac.

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For over 130 years, Stewart has withstood the ebb and flow of industry change – remaining steadfast in our commitment to helping agents and their businesses thrive. We've built a lasting foundation that ensures we're the partner agents need in any market climate. Our expert team is dedicated to navigating complexities and developing business-growing solutions, and our continued technology and integration investments keep us ahead of the curve and make sure we're always prepared for the future.

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LA COMPRA DE UNA VIVIENDA ES UN MOMENTO EMOTIVO Y SIGNIFICATIVO PARA MUCHAS PERSONAS. PROCURE OBTENER UN SEGURO DE TÍTULO DE PROPIETARIO PARA COMPRAR SU VIVIENDA CON MAYOR CONFIANZA. A CONTINUACIÓN LE EXPLICAREMOS SU IMPORTANCIA:



probablemente la inversión más importante que hará en su vida. Usted asegura todo lo demás que considera valioso como su vida, automóvil, salud, mascotas, etc., entonces ¿por qué no asegurar su inversión más importante? Con un pago único, el seguro de título de propietario protege sus derechos de propiedad en tanto que usted o sus herederos sean propietarios de

La compra de una vivienda será

Entre algunos ejemplos de demandas imprevistas se incluyen:

- · hipotecas pendientes y juicios o gravamen contra la propiedad por falta de pago
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- · heredero no divulgado de un propietario anterior quien reclama la titularidad de la propiedad.





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Multilingual Marketing Materials Available to ALTA Members

No matter what language a homebuyer speaks, information is key to a real estate transaction. To help you better communicate with all of your customers, ALTA's most popular consumer marketing materials have been translated into multiple languages.

So far, seven flyers, rack cards and blogs have been translated, and four more are in process. Languages covered include:

- Arabic
- Chinese (Cantonese and Mandarin)
- French
- German
- Haitian (Creole)

- Hindi (Urdu)
- Japanese
- Korean
- Portuguese
- Russian
- Spanish
- Vietnamese

Courtesy of the Homebuyer Outreach Program (HOP), the multilingual suite of marketing materials is available only to ALTA members. Like their English counterparts, the translated files can be branded with an ALTA member's logo and downloaded to print or shared digitally.

Click here to access the content.

CALENDAR

ALTA EVENTS

LARGE AGENTS MEETING

July 20-22 Napa, CA

ALTA ONE

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

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

STATE CONVENTIONS

Ankeny, Iowa

Michigan

Thompsonville, Mich. July 13-15

Illinois

Rockford, III. Aug. 6-7

Kansas

Hutchinson, Kan. Aug. 6-9

Minnesota

Brainerd, Minn. Aug. 11-12

Utah

Snowbird, Utah July 31-Aug. 1



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



National Strength. Local Support.

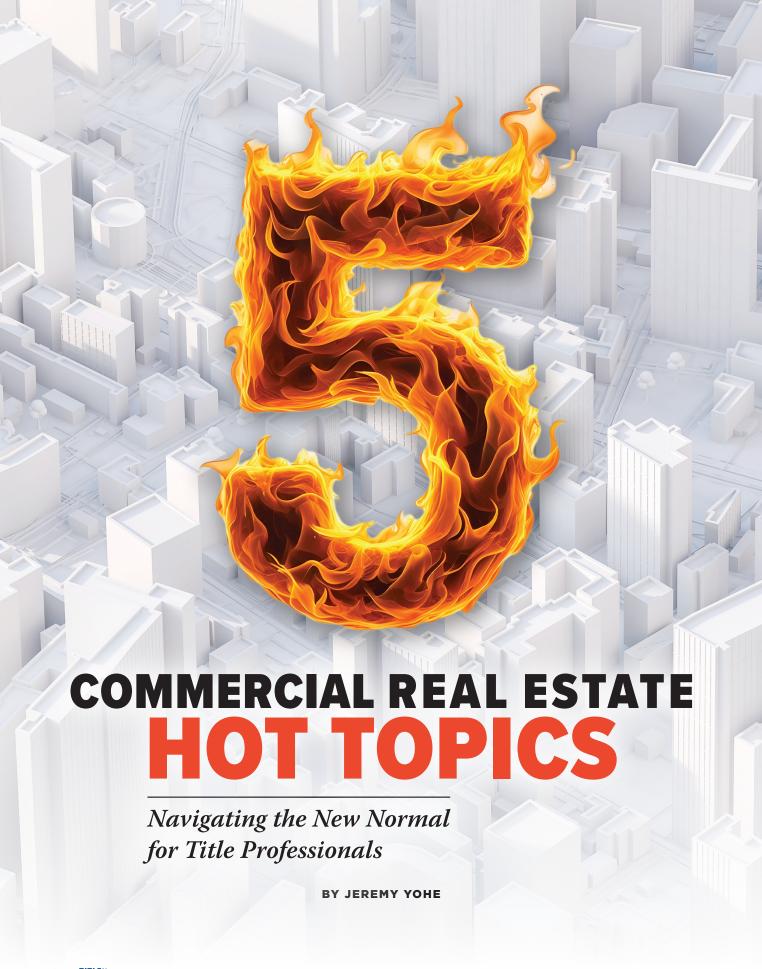
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AS COMMERCIAL REAL ESTATE (CRE) ACTIVITY RAMPS UP IN 2025, title insurance

professionals face a fast-evolving landscape. It's essential for professionals engaged in commercial transactions, whether closing or underwriting, to consider the legal and ethical issues involved, use appropriate legal concepts to complex commercial scenarios and evaluate title insurance risks for the parties involved.

Len Prescott, director of underwriting for First American Title Insurance Company's Agency Division, said title insurance professionals play a central role in these transactions, demonstrating their expertise to creatively, yet appropriately manage risk in support transactions that shape entire communities.

"It's complex—but it's also incredibly rewarding," Prescott said. "Our role brings clarity to complexity. That's what great underwriters—and great title insurance professionals—do every day."

Here's a breakdown of five critical topics and how they're influencing underwriting decisions, closing procedures and risk management across the title country.

1. Foreign Ownership Restrictions and CFIUS Compliance

Foreign ownership of U.S. real estate has drawn growing scrutiny, particularly when national security concerns intersect with investment activity. In the past two years, both federal and state governments have expanded their authority to regulate land purchases by foreign nationals and entities.

The Committee on Foreign Investment in the United States (CFIUS)—a multiagency task force that reviews foreign investments for national security risks—has broadened its geographic focus to include any transaction within 100 miles of designated military installations. And that's not just residential. Commercial properties are affected too.

"We're seeing more lenders include CFIUS clearance requirements in their closing instructions," said Nancy Landmark NTP, deputy chief underwriting counsel of commercial services for Stewart Title Guaranty Co. "That's something we didn't see even a year ago."

Additionally, state legislatures have introduced a surge of bills restricting foreign ownership of agricultural, commercial and residential land—particularly by individuals from countries considered adversarial. More than 150 bills were tracked across states in 2024, and several are now law. Approximately 26 states have specific laws limiting foreign ownership of agricultural land, while some states restrict foreign ownership of public lands as well, according to the National

Agricultural Law Center. State laws also have restrictions based on the type or classification of real estate and restrictions based on nationality or origin of the buyer.

Prescott emphasized title insurance professionals can't afford to assume these laws don't apply to commercial deals.

"This is not just about adding an exception. This affects underwriting decisions, policy liability and even whether a deal can close," he said.

When you think in terms of commercial real estate, Prescott said there are lots of "gotchas."

"Maybe it's an agricultural property that's part of the restriction, but agricultural property is not defined. So, residents with a chicken coop or a garden in the backyard, the question arises whether this is part of the agricultural property. And, if this is vacant land with the intent to build a residence or a one-to-four family apartment. Is that commercial or residential? These state laws often don't line up."

If a title agent closes a transaction that is restricted, Landmark said if there's nothing in the closing instructions imposing liability, the transaction likely won't be void. Rather, CFIUS will review and the buyer may be required to divest.

"You can close with relatively small risk," Landmark added. "Nonetheless, underwriters will want to be careful with these transactions to be clear we are not providing coverage. We probably are not under the terms of Exclusion 1, but it's

better to be safe than sorry. It's best to contact your underwriter and include an exception if needed."

If there is something in the closing instructions, remember that closing liability is on closing office, not the underwriter," Landmark added.

■ The key takeaway: Know your property's location, buyer's status and the surrounding jurisdiction's restrictions—then ask the right questions early.

2. Layered Capital Stacks and Alternative Lending Models

The CRE capital landscape is undergoing a structural shift. Traditional bank financing remains harder to access in 2025, pushing investors toward mezzanine debt, preferred equity and complex public-private partnerships to finance large developments.

"Every time you add a layer to the capital stack, you're adding complexity—and risk," Prescott said. "For us as title insurance professionals, that means more parties to the transaction, more policies and more scrutiny."

Landmark gave a detailed example from a recent deal that included 12 separate title policies: fee ownership, long-term ground leases, multiple lenders and layered equity partners—all with different coverage needs.

"It's the kind of transaction that requires coordination across multiple offices and teams. It's intense—but also rewarding when you pull it off," she said.

For projects using New Market Tax Credits (NMTC) or Low-Income Housing

Fannie Mae Publishes List of Approved Underwriters to Handle Funding for Multifamily Deals

Fannie Mae published a list of title insurance underwriters it has approved to perform funding functions—except where limited by law—for multifamily mortgages.

Approved underwriters include:

- Alamo Title Insurance
- Commonwealth Land Title Insurance Co.
- Chicago Title Insurance Co.
- Fidelity National Title Insurance Co.
- National Title Insurance Co. of New York Inc.
- First American Financial Corp.
- First American Title Guaranty Co.
- First American Title Insurance Co.
- First American Title Insurance Co. of Louisiana
- Old Republic International Corp.
- Old Republic National Title Insurance Co.
- American Guaranty Title Insurance Co.
- Stewart Information Services Corp.
- Stewart Title Guaranty Co.
- Westcor Land Title Insurance Co.

Fannie Mae, which announced the new requirement in May, said it made the change due to several fraudulent transactions accounting for losses of nearly \$300 million.

These changes are similar to escrow and settlement function requirements Freddie Mac announced last year.

ALTA has met with Fannie Mae and Freddie Mac since last year about these funding changes. ALTA will continue to engage with the agencies to share concerns members have with the new requirements.

Tax Credits (LIHTC), underwriters must often evaluate overlapping entities and assess complicated ownership structures.

Title companies are increasingly called upon to educate clients—especially first-time commercial developers—about how title insurance fits into these layered deals. That includes flagging risk exposures in mezzanine financing, explaining what title coverage does (and doesn't) include and coordinating with lenders' legal teams.

3. FinCEN's New AML Rule: Beneficial Ownership Reporting

On Dec. 1, a new anti-money laundering (AML) rule from the Financial Crimes Enforcement Network (FinCEN) takes effect—and it's poised to significantly impact title and settlement agents involved in non-financed real estate transactions.

This rule requires the reporting of beneficial ownership information when legal entities or trusts purchase property without institutional financing. Unlike the Corporate Transparency Act,

which is paused due to legal challenges, this FinCEN rule is specific to real estate and does not depend on broader CTA litigation.

"The burden is going to fall on whoever closes and records the transaction," Landmark explained. "In most cases, that's going to be the title or settlement agent."

The real challenge? There is still ambiguity around how "beneficial owner" is defined in certain contexts, especially when entities or trusts are involved. Compliance could involve collecting sensitive personal information and submitting it through a secure government portal.

FinCEN estimates the rule could cost the industry as much as \$690 million in its first year due to increased compliance and technology demands.

"We have to get ahead of this now—educate staff, communicate with underwriters and talk to clients about what this means," Prescott said. "If you're waiting until December, you're already behind."

4. Fraud Trends: From Deed Theft to Synthetic Identity

Wire fraud continues to be a serious threat to real estate transactions. But in the commercial space, identity fraud, deed impersonation and synthetic entity creation are gaining ground.

"We used to say, 'Fraud is mostly a residential issue.' That's no longer true," Prescott cautioned.

One common trend involves vacant or unencumbered land. Fraudsters impersonate owners and attempt to sell the property—often successfully—before anyone realizes the documents were forged. These schemes are particularly dangerous because:

- There's often no mortgage lender involved to provide an extra layer of due diligence.
- The parties may never meet in person.
- Scammers often target out-of-state or elderly property owners.

 Prescott advised all agents to be highly skeptical of sellers who refuse to participate on video calls or insist on remote closings without ID verification.

Wire fraud also remains a threat, but awareness and recovery are improving thanks to tools like the FBI's Recovery Asset Team (RAT) and private sector "fraud kill switch" programs.

"If you're recalling a wire, make it clear you're dealing with fraud—not just a change of instructions," he urged. "That changes how banks prioritize the issue."

5. Distressed Assets and the Rise of UCC Foreclosures

As interest rates remain elevated and nearly \$1.8 trillion in CRE loans approach maturity, distressed sales are spiking. That includes:

- Deeds-in-lieu of foreclosure
- ■Note sales
- ■UCC (Uniform Commercial Code) foreclosures
 The latter, Prescott noted, are often misunderstood.

"A UCC foreclosure isn't a real estate foreclosure—it's a sale of personal property, like a membership interest in an LLC," he said. "But it can still trigger big title questions—especially if the

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new party wants to sell or refinance."

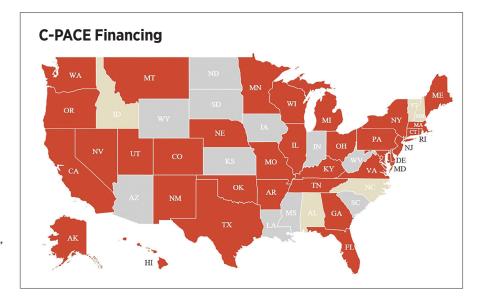
In some cases, the foreclosure leads to a change in control of the entity that holds the property, which can result in ownership confusion and policy coverage disputes. Title agents are encouraged to carefully review:

- ■Operating agreements
- ■Organizational documents
- Public filings that show the chain of control

"If you're reviewing a deed and something doesn't look right—like mismatched signature blocks—it could be a red flag that a UCC foreclosure occurred," Landmark warned.

Bonus Trends

- ■EB-5 Visa Developments: Despite scrutiny of "golden visa" programs, EB-5 remains active and often oversubscribed in 2025.
- C-PACE Loans: These Commercial Property Assessed Clean Energy loans are becoming more mainstream. They don't typically show up in title insurance but can affect financing structure and lien priority.



"C-PACE loans aren't just for green buildings anymore," Prescott said. "We're seeing them in downtown office conversions, hotels and mixed-use properties."

It's clear, title professionals must not only adapt to a changing environment—they must lead the way in understanding and communicating risks to clients.

"There's no such thing as a 'standard'

commercial deal anymore," Landmark concluded. "Every one requires careful review, coordination and a commitment to education—both for your team and your clients."



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

Commercial Outlook

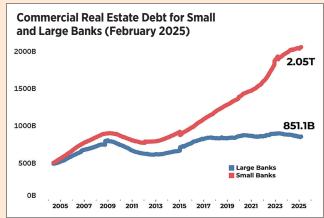
While commercial real estate is set for improvements in the coming year, the full impact of the Trump administration's policies on this sector remains uncertain.

At the beginning of 2025, the National Association of Realtors reported office demand showed signs of recovery but wasn't strong enough to push net absorption into positive territory. This left vacancy rates near record highs. The retail market stayed tight, constrained by a lack of new supply, while industrial vacancies continued to climb, contributing to a deceleration in rent growth. At the same time. the multifamily sector remained robust, with demand nearing the peak levels last seen in 2021. In February, NAR reported commercial real estate debt increased to \$3.01 trillion, despite the Fed's decision to hold rates steady for a second time this year. Meanwhile, the two anticipated rate cuts later this year are expected to further stimulate CRE investment activity.

By bank size, large domestically chartered banks saw their CRE loan balances increase to \$848.7 billion compared to January, but down from \$876.3 billion a year ago. In contrast, CRE lending by small domestically chartered banks continued to expand in February, posting a 2.7% increase year-over-year.

According to Federal Reserve data, delinquency rates for commercial real estate loans increased to 1.57% in Q4 2024, rising slightly from the previous quarter, but

remaining 0.2% below the delinquency rate for residential real estate loans. Historically, though, commercial loan delinquencies have hovered near 1% over the past decade, while



SOURCE: FEDERAL RESERVE

residential delinquencies averaged closer to 3%. So, according to NAR, the recent narrowing of this gap suggests that commercial real estate is now facing more pressure than in prior years.

Sales Strategies for 2025: Building Relationships, Boosting Referrals and Staying Ahead





In today's real estate landscape, success isn't just about great service—it's about delivering memorable experiences, building trust and finding creative ways to stand out. Cindy McGovern, founder of Orange Leaf Consulting, shared strategies to help title professionals shift from reactive selling to proactive growth in an uncertain market.

EVERYONE CLAIMS TO PROVIDE "GREAT SERVICE"—SO HOW DO YOU STAND OUT?

According to McGovern, the key is to create memorable "wow moments" within each transaction that give your customers a story to tell. Fast response times, unexpected touches or proactive updates can transform a routine transaction into something worth sharing.

"We're in the business of anxiety management," McGovern says. "If you build rapid response into your process, it becomes part of who you are—and it becomes your competitive advantage."

Serve Everyone at the Table

Many professionals focus primarily on the directing agent. But what about the buyer, seller, lender and non-directing agent? McGovern challenges teams to reframe their view: "Every person in a transaction is a customer—and a potential referral source." She suggested mapping the customer experience for each party involved to ensure everyone feels supported and valued.

If a title company owner or manager wants to find out how well their team understands this, McGovern says to ask each employee, "Who is our customer?" She said to keep pushing the question until all sides of a transaction are mentioned.

Referrals: Ask for Them— Strategically and Consistently

McGovern is passionate about referral strategy. "You already have fans," she said. "But are they silent, or are they waving foam fingers for you in the stands?" Make referrals part of the regular process—not just something you ask for when things slow down.

She recommended:

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■ Prioritizing requests from satisfied clients

- Training your entire team—not just salespeople—to make the
- Making the ask specific and easy: "Can you introduce me to someone who could use our service the same way you did?" "Treat referrals like free throws—you keep practicing them

whether you won the last game or not," she advised.

Build Trust, Not Just Rapport

There's a big difference between being liked and being trusted. Clients may enjoy working with you, but trust is what drives loyalty and advocacy. If a client calls, emails and texts multiple times a day, that could be a signal they don't trust you to follow through. Focus on proactive communication and transparency to deepen relationships and reduce anxiety.

"Trust is when I know you're going to take care of me—and I don't have to think about it," McGovern said.

Make Closings a Celebration— Not Just a Step

Closings should feel special, not routine. McGovern shared creative examples like pet-friendly invitations, personalized touches and thoughtful surprises that make customers feel celebrated.

And the celebration shouldn't begin at the closing table—it



should start before the customer walks through the door. Build anticipation with personalized communication and details that show you care.

"Everyone has a big key now," McGovern joked. "What can you do that goes one step further?"

Reconnect and Reengage Past Clients

When was the last time your team followed up with everyone involved in a past deal? Not just the referring party—but all participants? McGovern recommended dedicating a week to reconnect with every customer from the previous year, no matter their role in the transaction. A simple thank-you note or check-in can reignite relationships and bring in new business.

"It's not their job to remember you. It's your job to be remembered," McGovern said.

Know Your Competitors and Know Your Edge

If everyone's selling "great service," your message gets lost in the noise. McGovern recommends a simple competitor audit:

- Review competitors' websites and social media
- Identify what's working—and what's not
- Ask your team: "How are we different?"

"Use this intel to refine your message and ensure your brand reflects what makes you unique," McGovern said.

Know Your Clients' SONG

If a title agent wants to build lasting loyalty, McGovern encourages to learn your clients' "SONG."

- **Situation:** What's happening in their business?
- **Organization:** Are they supported by the right team or brokerage?
- Norms: What's their typical work style or business flow?
- Goals: What do they want to achieve in 2025?

If you can't answer these questions for your top five clients, it's time to dig deeper. "Business is personal," McGovern said. "You're handling their paycheck with every transaction—they need to feel known and supported."

Optimize Internally and Celebrate Wins

Lastly, McGovern emphasized the importance of internal follow-through. Once a strategy is adopted—whether it's faster communication or better follow-up—it has to become embedded in the company culture.

"Set clear expectations, review performance monthly and celebrate wins—internally and externally," she added.

Action Plan: Four Weeks to Stronger Sales

McGovern provided this four-week challenge to drive growth:

- 1. Week 1: Follow up with one past client per day and ask for a
- Week 2: Respond to all communication within one hour (or same day)
- 3. Week 3: Audit three competitors and find three ways to stand out
- 4. Week 4: Review progress internally—and celebrate wins! "Whether you're a seasoned sales pro or leading a growing team, these strategies are a roadmap for building deeper connections, attracting more referrals, and standing out in 2025's uncertain market." McGovern said.



Harnessing CRMs: The Key to Efficiency and Growth in the Title Industry

ustomer relationship management (CRM) systems have become an essential tool for businesses looking to streamline operations, enhance communication and increase revenue.

At its core, a CRM is a tool designed to centralize customer interactions, manage relationships, and track leads. Rather than relying on spreadsheets, sticky notes, or outdated filing systems, a CRM

provides a centralized system for businesses to store critical customer data, track engagement history, and automate follow-ups.

"If we have a single source of where we can keep our truth, you want to do that predominantly in the CRM because it's a great way to track what is going on—not only in current customer relationships but any prospects as well," said Dean Collura, general manager and executive vice president of client engagement solutions at ProfitSolv.



WHAT IS A CRM?

Customer relationship management systems are software platforms that help businesses manage interactions with customers. A CRM can streamline processes, improve customer service, and increase sales.

Why CRMs Matter in the Title Industry

Title professionals can benefit from using a CRM to effectively manage their complex network of clients and track crucial details leading up to and after the closing. These platforms can help title professionals optimize processes, improve relationships and increase

The title industry is highly relationship-driven, making CRMs particularly valuable. Here's why:

■ Centralized Customer Data: Store all client interactions, preferences and transaction history in one place.

- Enhanced Communication: Track email, text and call interactions to ensure seamless follow-ups.
- Increased Sales Efficiency: Manage leads and automate tasks, reducing manual data entry.
- Better Pipeline Management: Know exactly where each prospect or client stands in the closing process. Matthew Defrain, senior account executive for

CRM solutions at ProfitSolv, emphasized the impact of organization on business success.

"We can only thrive when we're organized," he said. "A CRM allows title companies and law firms to organize their businesses in a way that makes it as efficient as possible, no matter what part of the business an employee is a part of."

Addressing Common CRM Concerns

Many title professionals hesitate to implement a CRM due to concerns about complexity and adoption. According to Defrain, the biggest fear is using something new and getting team buy-in.

"The biggest fear is using it," he added. "Adoption rates are low when you don't get help setting it up. You need a company that provides training and implementation support. The difference between companies that thrive versus those that stay stagnant is innovation and adapting to new technology."

How CRMs Can Streamline Business Operations

CRMs provide powerful automation and integration that help title professionals stay organized and proactive. Key features include:

- Business Card Scanning: Instantly digitize contact details from physical business cards.
- Custom Intake Forms: Gather key client details with online forms linked to your CRM.
- Task Automation: Set reminders for follow-ups, meetings and marketing campaigns.
- Text and Email Integration: Communicate directly from the CRM and track all interactions.
- Lead and ROI Tracking: Monitor marketing effectiveness and identify high-value clients.

According to Collura, CRMs make it easier and more efficient to stay on top of customer relationships.

"I've been on demos where people are literally opening up a cabinet and pulling out a manila folder with sticky notes everywhere," he said. "What happens if you're out that day? Who follows up? A CRM makes sure no information is lost."

Choosing the Right CRM

When selecting a CRM, ease of use, scalability and integrations are crucial. According to Collura, a good CRM should:

- Be Easy to Adopt: The team should see it as a timesaver, not a burden.
- Scale With Your Business: As the company grows, the CRM should adapt.
- Integrate With Key Tools: Seamless connectivity with transaction systems and marketing platforms.
- Offer Strong Support: Ongoing training and customer service are essential for long-term success.

While the title industry continues to evolve, one area that remains a challenge is integration of CRMs with title production systems (TPS). Title professionals are encouraged to reach out to their TPS representative to see if a CRM can be directly integrated, if an application programming interface (API) is needed to bridge the technologies together or if some other workaround can be built.

"Every title production system will be a little bit different," Collura said. "A lot of it depends on what the title company or law firm wants to accomplish."

"A CRM allows title companies and law firms to organize their business in a way that makes it as efficient as possible, no matter what part of the business an employee is a part of."

Basics of CRM Costs

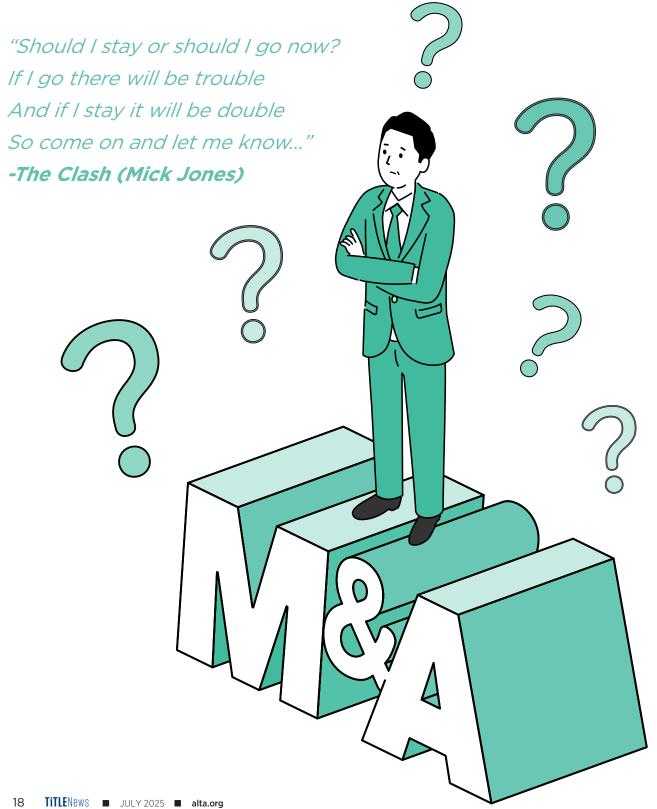
According to Technology Advisors, the majority of CRMs today are now cloud-based. These CRMs typically have monthly fees between about \$60 and \$160 per user. Most CRM companies will require customers to purchase a minimum number of CRM user licenses with their solution—ranging anywhere from seven to 20 people—and request payment annually for the renewal of these licenses. The average implementation cost will depend the size of company and number of employees that will use the CRM.

Collura said the initial setup and customization are key to successful CRM adoption.

"The more you put into it up front in how you set these systems up, the more you'll get out of it," he added. "The challenge for many businesses is getting their teams to consistently use the CRM—so it needs to feel like a benefit, not extra work."

Should I Stay or Should I Go Now?

Title Agents Looking to Sell Their Company Should Plan Ahead By Howard Turk



The decision of whether to "sell now or later" is top of mind for many title agency owners these days. It can be a life-changing decision and not one to be made lightly.

Our current activity level suggests a renewed sense of optimism within the title industry. Many owners feel there finally is light at the end of the tunnel and the worst of the recent low transaction volume environment is over. Having suffered through the last two years, they think, "Why sell now, just as things are about to start getting better?"

"What" and "why" are two of my favorite words. They promote focus, and with that clarity. What is the problem to solve, and why? What matters most to you?

Clarity on your goals is a logical first step in deciding whether to sell now or later. From that point, prudence dictates gathering information for evaluation purposes, as well as considering consequences.

Sell Now Considerations

Some title agency owners fear disintermediation due to technological advancements and scale. They worry about how long they will be able to effectively compete with larger title entities, both large independents and the directs of the underwriters. Others simply seek to monetize their life's work and ease into a semi-retirement role, while maintaining an income stream as well as career opportunities for their employees. If this is your mindset, then selling sooner rather than later is worth considering.

As is often the case, timing is everything.
We always advise owners that it is prudent to sell *before* you want to sell.

Here's why:

- Planning for Maximum Value: A business
 is generally worth more when it's operating
 at its peak, with strong financials, a good
 management team, and solid growth
 prospects. If you wait until you're ready to
 sell, you might be selling at a time when the
 business isn't at its best, reducing its market
 value.
- 2. Preparing for the Sale Process: Selling a business can take time—sometimes months. By starting the process early, owners have time to clean up financials, resolve operational issues, address any structural issues (including optimal tax planning) and make the business as attractive as possible to potential buyers. The earlier you prepare, the more control you have over the timeline and the outcome.
- **3. Avoiding Emotional Decisions:** The decision to sell can be emotional, especially if you're

- attached to the business. By considering selling before you're "ready," you might be able to approach it more rationally and strategically, instead of rushing into a decision due to personal reasons or external pressures.
- 4. Market Timing: The business market fluctuates. Right now, there are not many good title companies for sale. There are motivated buyers, flush with cash, eager to invest to be ready for the inevitable next economic expansion. Things might look very different in another market, where there could be many companies seeking to sell.
- 5. Smooth Transition: If you wait until you're ready to exit, it might be too late to ensure a seamless transition for the new owner. By planning ahead, you can put systems and leadership in place that will make the business easier to hand over and help maintain postsale value.
- 6. Optimize the opportunity. I'm enamored with the word "optimize." It feels like the buzzword of 2025. If you want to get the most out of your business's sale (optimize—I can't say it enough), then you should consider selling earlier than might be obvious. Simply put, selling a few years before you think you want to exit the business will produce a greater result. Here's why:
 - 1. Buyers usually don't pay the full purchase price on closing. Some of the purchase price may be in the form of an earnout which is paid over time, but only if the business performs as expected. That way the risk of the business's volume sustainability becomes that of the seller. Assumption of risk is accompanied by reward, so that if the seller takes that risk, the buyer doesn't, and that means more money for the seller. As a seller, you want that. Conversely, if the seller wants all the sale proceeds to be paid at once on closing, then that means the buyer is going to bear the risk of how the business performs over the first few years or so. If the buyer assumes that risk, then they will want to be paid for that-which is reflected in a lower purchase price.
 - The amount of the earnout varies but often starts at 20% of the value of the business for two years. The earnout typically only gets paid if the business produces results (usually revenue or EBITDA) at a negotiated target.







- (Beware of those who promise high enterprise values based on targets you may not achieve.)
- 3. Because title is a relationship-driven business, it's critical to allow enough time for the new owner to take over the relationships which drive existing volumes. That happens during the earnout phase.

A common concern for sellers today arises from the tough economic conditions we've just navigated. After enduring a challenging period, many sellers wonder: "If I sell now, will I miss out on the potential expansion and growth that everyone anticipates is on the horizon?" This is a valid concern, but the short answer is: not necessarily.

We understand that sellers want to be confident they're not leaving value on the table, especially after holding on through a period of uncertainty. Our approach gives sellers the best of both worlds—

Ultimately, the decision of whether to sell now or later is deeply personal and requires a careful consideration of both your personal goals and broader economic goals.

> allowing them to cash out in the present while still positioning themselves to capitalize on future growth. It's a win-win scenario that doesn't require a seller to wait out the expansion cycle or gamble on timing.

I've seen this structure used in various transactions, and it has consistently delivered favorable outcomes for all parties involved. So, while the growth cycle may be just around the corner, with the right structure in place, a seller can sell today and still share in the future success.

Sell Later Considerations

"Nothing is certain except death and taxes." -Benjamin Franklin

A common refrain I hear is that it might be better to wait for the business to grow first and then sell. The thinking is that the sale price will be higher because the business is earning more money down the line. In order to evaluate this line of thought properly, it is important to be crystal clear on how a title agency is appraised.

Value is based on three elements as follows:

- 1. EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization)
- 2. Multiple of EBITDA? (How far back do you go?)
- 3. Terms

There are many ways the base EBITDA could be calculated. The goal is to determine what the business' volumes are likely to be on a sustainable basis. Let's be real here, 2021 is over and it's not likely 2021 numbers will matter much going forward. What is likely is that the base EBITDA against which a multiple is applied to will be on a Trailing 12 Months (TTM) basis. Projections can be a factor in setting the earn out targets. In other words, if you want to maximize value based on a growing economy, you need to be able to demonstrate consistent higher numbers and that means you would need to wait several years. One to three quarters of growth does not equal a trend we can use to justify as the base EBITDA to apply the multiple against that would make a meaningful difference versus current TTM. Give that a think and ask yourself, "Am I ready, willing and able to withstand the uncertainly of another economic cycle?"

The bottom is that waiting can absolutely be the right play, but you need to be realistic as to how long you will need to wait to achieve your goals and assess whether you are up to waiting for the next economic cycle to unfold. You also should consider your tolerance for volatility, since unexpected events can still occur.

Also, a broader base of firms available for sale tends to diminish price. Instead of being "exclusive" now, you may well be one of many trying to sell in a few years. The "sell later" camp also includes title agencies in growth mode. Some of these are backed by private equity and seek inorganic growth either geographically or by product. The last thing they want to do is sell now.

Choose Wisely

Ultimately, the decision of whether to sell now or later is deeply personal and requires careful consideration of both your business goals and the broader market dynamics.

There is a way to de-risk and sell now while keeping the potential to benefit from the business' growth and upside over the next few years. The key is to stay informed, understand your goals and be proactive in preparing your business for the future whether that means selling now or positioning it for long-term growth. In any case, making the right decision starts with having a clear vision and a strategy to achieve it. As with any major life decision, it's better to act with foresight rather than regret.



HOWARD TURK is founder of Turk & Co., a mergers and acquisitions firm focused on the title insurance industry. He can be reached at howard.turk@turkandco.com.



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Get peace of mind that you and your client's data is secure on a unified digital closing platform. Qualia maintains industry-recognized security achievements - resources can be found on the Trust Center. Qualia is SOC 2® secure, ISO 27001 certified, and ALTA Best Practice Pillar 3 compliant.



Help stay protected against security threats with Multi-Factor Authentication via authenticator app or SMS. Ensure each user only has the permissions necessary to complete their job with Role-Based Access Controls.

Provide an additional layer of security to protect your client's and companies data by setting up Allowed IPs.



Big 4 Report 2024 Earnings

AS MORTGAGE ORIGINATIONS INCREASED IN 2024, so did title insurance premium volume. According to ALTA's Market Share Analysis, the title insurance industry generated \$16.2 billion in title insurance premiums during 2024, a 7% increase compared to 2023.

Here's a look at how each of the top four underwriting families fared in 2024:

Fidelity

22

Fidelity National Financial <u>reported</u> its title insurance segment generated \$171 million in pretax income during the first quarter of 2025. This compared to \$218 million in pretax income during the same period a year ago.

"We are pleased with our first quarter title results, which are a testament to our employees as well as the operational efficiencies that we have achieved over the last few decades through investments in technology," said Mike Nolan, Fidelity's chief executive officer. "Our investments are enabling our team to deliver margins above prior market troughs, and we believe will likewise deliver higher margins at the peak of the next cycle."

During the latest quarter, Fidelity's direct operations opened 343,000 orders and closed 201,000 orders. This compared to 315,000 direct title orders opened and 186,000 direct title orders

closed during the first quarter of 2024.

Nolan attributed Fidelity's investment in technology as the engine that's driving strong financial results.

"This includes our integrated SoftPro operating platform that is deployed across our full footprint, our automated title efforts in both refinance and purchase that are powered by patented and pioneering technology and our InHere digital transaction platform that is deployed nationwide and in its fourth year of providing an enhanced and reinvented customer experience," he said. "This powerful foundation together with our robust curated data gives us an advantage when it comes to integrating and leveraging AI capabilities over time. We are focused on making investments in AI and particularly excited about the potential benefits that AI can provide to increase efficiency and productivity in our operations."

On the commercial side of the business, Fidelity reported revenue of \$293 million during first-quarter 2025. This is up from \$238 million in revenue during the same period a year ago.

"This was our second best commercial first quarter in history

from a revenue perspective, driven by national and local revenues, which were both up over 20% versus the prior year quarter," Nolan said. "In particular, national daily orders opened were up 19% over the first quarter of 2024 and up 33% for the month of March over March 2024."

Through Q1 of 2025, Fidelity had 10,200 field operations employees. This is up from 10,000 employees during Q1 2024. Fidelity paid \$65 million in claims during the first quarter of 2025. This was down from \$70 million in claims paid during the same period in 2024.

First American

First American Financial Corp. <u>reported</u> its title insurance segment generated \$107 million in pretax income during the first quarter of 2025. This was up from \$73 million in pretax income during the same period in 2024.

"The year's financial performance is off to a better start than we expected, driven by 29% growth in commercial revenues," said Mark Seaton, First American's chief executive officer. "Despite the economic uncertainty, we expect our earnings to grow as we believe the mortgage origination market is in the early stages of recovery."

During Q1 2025, First American opened 163,900 direct title orders and closed 105,400 direct orders. This compared to 155,500 direct title orders opened and 102,700 orders closed during the first quarter of 2025.

On the commercial side of the business, First American reported revenue of \$183.8 million during Q1 2025. This is up from \$142.8 million in commercial revenue during the first quarter of 2024.

First American reported it paid \$38 million in title claims during the first quarter of 2025. This is down from \$48 million in claims paid during the same period a year ago.

Stewart

Stewart Information Services Corp. <u>reported</u> its title insurance segment generated \$11.8 million in pretax income during the first quarter of 2025. This is up from \$10.2 million in pretax income during the first quarter of 2024.

"I'm proud of our first quarter 2025 performance as we delivered strong revenue results across all our segments, growing our total revenues compared to the first quarter of last year," said Fred Eppinger, Stewart's chief executive officer. "We are pleased with our performance as we were able to deliver these results while navigating a historically challenging macro environment. We remain focused on managing our operations well, growing the company thoughtfully and relentlessly serving our customers."

Stewart's direct operations opened 78,943 title orders and closed 45,673 orders during Q1 2025. This compared to 79,335 orders opened and 50,459 orders closed during Q1 2024.

Stewart reported title loss expense in the first quarter 2025 was \$17.7 million compared to \$17.4 million in the first quarter of 2024.

On the commercial side, Stewart reported \$75 million in revenue during the first quarter of 2025. This was up from \$56 million in commercial revenue during Q1 2024.

Top Individual Underwriters by Market Share in 2024

- First American Title Insurance Co., 22.2%
- Fidelity National Title Insurance Co., 14.3%
- Old Republic Title Insurance Co., 14.3%
- Chicago Title Insurance Co., 13.4%
- Stewart Title Insurance Co., 9.2%
- Westcor Land Title Insurance Co., 3.8%
- Commonwealth Land Title Insurance Co., 3.5%
- Title Resources Guaranty Co., 2.9%
- WFG National Title Insurance Co., 2.6%
- Doma Title Insurance Co., 1.8%

Old Republic

Old Republic International Corp. <u>reported</u> its title insurance segment generated \$4.3 million in pretax income during the first quarter of 2025. This is up from \$2.3 million in pretax earnings reported in the first quarter of 2024.

"While we are pleased with our performance, conditions in the real estate and mortgage industries continued to be less than favorable in the seasonally weak first quarter," said Carolyn Monroe, president and CEO of Old Republic National Title Holding Co.

Old Republic reported its title insurance net premiums and fees earned increased by 10.9% for the quarter, with growth in agency-produced revenues of 12% and direct-produced revenues of 6%. Commercial premiums were up 27%, while residential premiums increased 11%. Commercial premiums represented nearly 24% of net premiums earned compared to 21% in the first quarter of last year. Fee revenues in direct operations decreased as a result of the previously announced sale of RamQuest and E-Closing to Qualia.

"Technology continues to be paramount to ensuring smooth and secure real estate transactions," Monroe said. "By leveraging Qualia's expertise in advanced infrastructure, providing a modern digital transaction, we will be able to equip our direct offices and title agents with cutting-edge tools and solutions. This partnership also allows our internal tech teams to reallocate our focus and resources toward developing other crucial technologies that will help us thrive in a competitive market. It is necessary for our internal systems, such as remittance, policy issuance, CPLs and rate engines to work seamlessly with all closing and production platforms."

During the latest quarter, Old Republic paid \$16 million in title claims. This is up from \$12 million in claims paid during the first quarter of 2024.

Should Coverage Determinations Be Based on State Pleading Requirements?

Citation: Fernandez v. Old Republic Nat'l Title Ins. Co., No. 3D23-1088, 2025 WL 465857 (Fla. Dist. Ct. App. Feb. 12, 2025)

By Ron Damashek

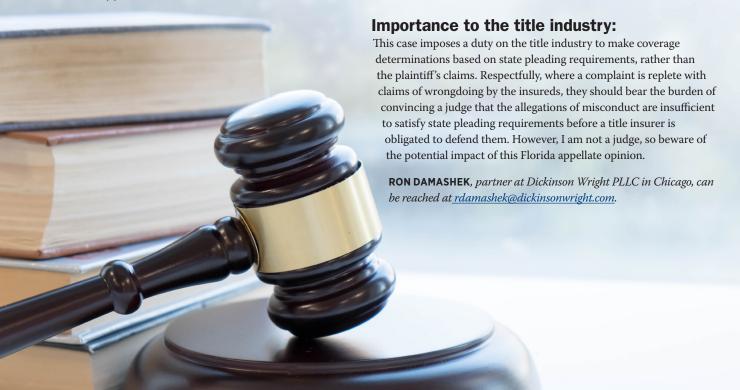
Facts

The insureds unsuccessfully attempted to obtain an assignment of a purchase contract from the buyer of real property (Buyer). The insureds then entered into a backup contract with the seller pursuant to which they purchased the property after the Buyer failed to close on his contract. The Buyer sued the insureds for conspiracy to commit fraud and tortious interference with his contract, and to rescind the backup contract and cancel the insureds' deed. The insureds tendered the complaint to Old Republic, which denied coverage for the tortious interference and conspiracy claims because they were not covered risks under the owner's policy and denied coverage for the rescission claim under Exclusion 3(a) as a matter created, suffered, assumed or agreed to by the insureds.

Holding

The trial court awarded Old Republic summary judgment on both grounds by the trial court. The appellate court affirmed the ruling on the conspiracy and tortious interference claims, finding that neither was a covered risk under the policy. However, the appellate court reversed the rescission ruling on the ground that the complaint's conclusory allegations were insufficient to support the denial of coverage under Exclusion 3(a).

The appellate ruling is somewhat surprising, as the complaint contained general allegations that the insured engaged in secret, surreptitious, conspiring, fraudulent and sabotaging conduct. Yet, according to the appellate court, these conclusory terms "lacked any description of specific conduct by Insureds that could be considered fraudulent." Because Florida's Rules of Civil Procedure require that allegations of fraud be stated with particularity, the appellate court found that the complaint "alleged nothing more than that Insureds, after [Buyer] refused their offer to buy the [Buyer's] contract, entered into, and ultimately closed on, a backup contract with the seller on terms, more favorable to the seller." In short, relying on the principle that any doubts concerning the duty to defend must be resolved against the insurer, the court held that "buzz words" in a complaint unsupported by specific factual allegations are insufficient to trigger Exclusion 3(a).



IndustryUpdate

Fannie Mae Requires Underwriters to Handle Funding Functions for Multifamily

Fannie Mae issued an <u>update</u> to its Multifamily Selling and Servicing Guide that modified title and closing requirements for multifamily mortgages.

The changes went into effect for loan applications received on or after May 8.

The published changes to <u>Form 4650</u> include requirements for:

- Acceptable title insurers
- Ordering title commitments
- Due diligence for the borrower's organizational documents and the property's title condition
- Closing and funding multifamily mortgages with the title company
- The issued title policy

The major change impacting title agents is that Fannie Mae now requires title insurance underwriters to perform all funding functions—except where limited by law. This would be in jurisdictions where holding of escrows or funding loan proceeds is considered the practice of law. In these instances, Fannie Mae says a title agent may be perform the funding functions as long as it is reviewed and approved by an underwriter.

Following this announcement, Fannie Mae <u>published a list</u> of title insurance underwriters it has approved to perform funding functions

These changes are similar to escrow and settlement function requirements Freddie Mac <u>announced last year.</u>

ALTA has met with Fannie Mae and Freddie Mac in the interim about these funding changes. ALTA will continue to engage with the agencies to share concerns members have with the new requirements.

After Fannie Mae announced some minor changes last year, it was expected the agency would make additional changes after it identified gaps in its processes for managing multifamily loan origination fraud risk and for overseeing its multifamily seller/servicer counterparties. In its quarterly SEC filing, Fannie Mae reported it had "discovered instances of multifamily lending transactions in which one or more of the parties involved engaged in mortgage fraud or possible mortgage fraud, and we continue to investigate additional multifamily lending transactions in which we suspect fraud may have occurred."

IRS to Eliminate Paper Refund Checks

The Internal Revenue Service will discontinue the issuance of <u>paper refund</u> <u>checks</u> effective Sept. 30, 2025.

This policy change will directly impact non-U.S. persons receiving tax refunds related to the disposition of U.S. real property interests, according to Kat Rodgers of Foreign Tax CPA.

All tax refunds will be issued electronically and directly deposited only to U.S. bank accounts.

This change applies to:

- Refunds from Form 8288-A & Withholding Certificates
- Refunds from Form 1040NR and Form

1120-F tax returns

- Paper checks will no longer be available, even upon request
- The IRS will not deposit refunds into foreign accounts, nor will it remit funds by internationa

As an international CPA firm representing non-U.S. sellers, Rodgers said her firm advises stakeholders—including legal counsel, title companies and foreign clients—to prepare for this transition now:

- Establish a U.S. bank account early in the transaction process
- Where that is not feasible, explore the use of a qualified intermediary or escrow agent with refund disbursement capabilities

 Communicate this update clearly to foreign sellers closing in late 2025 or thereafter to avoid refund delays

This change underscores the IRS's shift toward full electronic payment systems and heightened fraud prevention protocols.

New Jersey County to Move Property Deeds to Blockchain

Bergen County Clerk's Office in New Jersey has partnered with Balcony in a five-year deal to digitize and move 370,000 property deeds worth about \$240 billion to a blockchain-based deed

INDUSTRYUpdate

tokenization platform.

Balcony claims the digital platform will cut deed processing time by over 90%, while dramatically reducing the risk of fraud, title disputes and administrative errors. In 2024, reports showed 72% of ransomware attacks targeting state and local governments demanded payouts exceeding \$1 million.

Knight Barry Title Expands Wisconsin Footprint

Knight Barry Title increased its presence in Wisconsin with the acquisition of Monroe County Title.

Led by Becky and Jared Oswald Monroe County Title was founded in the mid-1800s and has a long history in Wisconsin. Monroe County Title is the only title company in the region to maintain a complete set of real estate records, preserving the area's property history through more than 160 years of change.

Knight Barry Title now has over 430 employees and 83 offices nationwide.

"We're excited to join forces with Knight Barry Title, a company that shares our dedication to customer service and community values," said Becky Oswald. "Their vast resources and technology will greatly benefit our clients, and we're confident this transition will create even more opportunities for our staff and the Monroe County real estate market."

Becky Oswald will remain as branch manager to oversee operations and ensure continuity in service and relationships during and after the transition.

"I've been chasing Becky Oswald for years and I'm happy she finally agreed to join forces with Knight Barry," said Craig Haskins, CEO of Knight Barry Title. "This is our first acquisition in nearly three years, and while it's felt like the industry has been skipping along the bottom of

a tough market cycle, we've continued some great momentum from a robust 2024 into a solid 2025. Monroe County Title is a perfect fit, deeply rooted in the community, built on trust, and full of great people who care about what they do."

Absolute Title Grows Presence in New Hampshire

Absolute Title and the Law Office of Matthew W. Neuman have acquired Alpine Title Services of Conway in New Hampshire.

Absolute Title has offices in New Hampshire. Maine and Massachusetts. Alpine Title Services has provided closing and title services for the Mount Washington Valley for more than 20 years. While Alpine Title founders Matt and Vicki Weegar are retiring, the rest of the team will continue to provide service under the Absolute Title name.

"Matt and Vicki have set the bar for consistent, high-quality client experiences and a strong community presence," said Matthew Neuman, owner of Absolute Title. "I'm particularly impressed by the Alpine team, who've earned an excellent reputation, and we are all looking forward to welcoming them into the Absolute family."

Upward Title & Closing Expands Into Washington

New Jersey-based Upward Title & Closing, in partnership with Anywhere Real Estate Inc., announced it is expanding into Washington.

To lead the growth, Upward Title has hired Bill Bergschneider as regional director. Under Bergschneider's leadership, Upward Title plans to expand office locations in the state

from the greater Seattle area to Central Washington.

Beginning as a title officer, Bergschneider has established himself as a prominent figure in the industry, serving in several leadership roles throughout his 40-plus-year career. Most recently, he served as chief executive officer of Rainier Title.

"Bill's unparalleled expertise, deep local knowledge, and proven leadership capabilities will be instrumental in enhancing our service offering in the Pacific Northwest," said Morgan Salama, senior vice president of marketing and franchisee services for Anywhere Integrated Services. "Throughout his career, he has consistently demonstrated a relationship-based approach and fostered a tech-forward mindset. two characteristics that make him an exceptional fit for Upward."

Alanna.ai, Viking Sasquatch Deliver Cost Estimates Via Intelligent AI Assistant

Alanna.ai and Viking Sasquatch have partnered to offer a comprehensive cost estimate solution.

Powered by Viking Sasquatch's 24|SevenFees solution, data for settlement fees, title insurance rates, and real time recording fees and transfer taxes, can be delivered to clients through Alanna's Al assistant.

"It's an incredible and ongoing challenge to maintain closing fee data," said Hoyt Mann, president and cofounder of Alanna. "Ordinances and regulations are constantly changing from one region to the next, yet the title agency is on the hook to provide current, accurate information from state to state, county to county. There's also absolutely no uniformity whatsoever as to what title and closing costs will be from one

location to the next. Nonetheless, offering cost estimates based on old or inaccurate data can be very costly to the title agent. By teaming up with one of the industry's top technology providers in Viking Sasquatch, Alanna can now help users of this service rest assured that they are delivering accurate cost estimates to their clients."

SoftPro Releases New Integration with MaestroX

SoftPro released a new integration with MaestroX that expedites title search services.

Free to SoftPro customers, the SoftPro 360 vendor portal provides a direct link to third-party vendors enabling the secure, accurate transfer of data for ordering title services. MaestroX supports full automation and provides real-time updates to centralize title search services. Additionally, MaestroX employs AI and data integration to accelerate the process of conducting title searches.

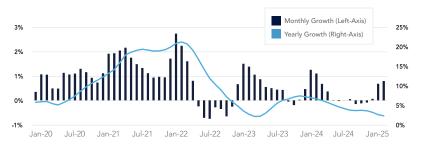
"We are pleased to offer our customers this new integration with MaestroX to further enhance their accessibility and productivity in placing and receiving title search data," said SoftPro Chief Customer Officer Patrick Hempen.

Recent Integrations

■ AccuTitle and Real Res have partnered in an effort to simplify the municipal lien and estoppel search. The integration provides discounted pricing and allows title professionals to request, track orders and access the Real Res Portal directly within Closers' Choice.

House Price and Buying Power Snapshot

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



Source: First American Data & Analytics, March 2025

+0.8%

Monthly Growth

+2.8%
Yearly Growth

+57.9%
Change from Pre-Pandemic (Feb. 2020)

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

National Consumer House-Buying Power

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

March 2025

\$387,355

House-Buying Power

+5.6%

Year-Over-Year

Where House-Buying Power is Strongest

Top States and Markets

- New Jersey \$532,101
- 2 Massachusetts **\$508,514**
- 3 Hawaii \$507,112
- 4 Colorado \$484,608
- Maryland \$479,579

- 1 San Jose, CA \$772,937
- 2 San Francisco, CA **\$675,382**
- Boston, MA \$565,353
- Washington, DC **\$539,881**
- 5 Seattle, WA \$539,266

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

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Movers & Shakers

Advocus Bolsters Underwriting Team

Chicago-based title insurance underwriter Advocus National Title Insurance Co. recently added Nathan Smith to its underwriting department.

In his new role, Smith will be responsible for providing underwriting assistance by working with Advocus' attorney agents. His duties will consist of answering questions and providing approval for title matters concerning residential and commercial real estate transactions in the context of Advocus' ongoing national expansion.

With over a decade of legal experience, Smith brings a wealth of expertise in claims and underwriting. Most recently, he served as claims counsel at Stewart Title Guaranty Co. He also served as underwriting counsel at Fidelity National Title.

National Investors Promotes Vice President

Texas-based National Investors Title Insurance Co. has promoted Summer Swope to vice president of marketing and real estate education.

In this role, she oversees the strategic direction and execution of Texas-based agency marketing initiatives and real estate education programs with a focus on promoting technology solutions to support partner business goals.

Prior to joining National Investors, which is a subsidiary of Investors Title Co., Swope served as a personal development trainer for a national title company, where she consulted Realtors and title agents on relationship management and strategies to elevate their business. She has also served as a sales executive for national and regional title companies where she delivered educational programs and grew market share.

Westcor Adds Virginia Agency Rep

Westcor Land Title Insurance Co. announced Liz Dunlap joined its Virginia team as a new agency representative. Dunlap will work with title agents in central and southern Virginia to grow their market footprint, increase their wallet share and stay compliant and up-to-date on the latest technology.

Dunlap has been in the industry since 2001. For more than a decade, she worked as a sales representative for title agents, including tenures with Doma Title Insurance and WFG National Title Insurance Co. Prior to that, she spent 13 years working for an engineering and surveying company, assisting title and escrow companies, attorneys, lenders and developers.

Florida Agency Network Hires Director of Marketing

The Florida Agency Network (FAN) recently appointed Jennifer McAlpine as its fractional director of marketing.

McAlpine will be charged with driving FAN's

continued growth. She will oversee the development and execution of its marketing and messaging strategy, positioning FAN's multiple businesses to expand in a number of markets.



Jennifer McAlpine

McAlpine joins the company with over 15 years of marketing and development experience, previously serving as director

of marketing technology with MyHome, a Williston Financial Group Co. Before that, she was head of marketing for Compass, spearheading brand strategy in the California marketplace while managing a portfolio of over 3,000 agents across over 60 offices.

First National Title Adds to Texas Underwriting Counsel

First National Title Insurance Co. (FNTI) recently added Leyna Williams to its Texas underwriting counsel team.

After law school, she accepted an associate attorney position at a global law firm, with a practice focused on corporate defense, labor and employment and real estate. A family-focused move to Houston led to a career shift, allowing her to represent small businesses and individuals in a variety of real estate, employment and family law matters.

Like many in the industry, her introduction to the title world was a bit random and a fortuitous stroke of luck. Williams has served as an escrow officer, CE instructor and in-house counsel for a title agency for several years.



Summer Swope

CLOSING Comment

Fighting Fraud

I'VE WRITTEN A LOT ABOUT FRAUD LATELY, but unfortunately this topic continues to be a headline grabber. In May, you may have seen Fannie Mae



RICHARD H. WELSHONS MTP, NTP ALTA president

announced a partnership with tech firm Palantir to help detect fraud in the U.S. housing market.

Priscilla Almodovar, Fannie Mae's president and CEO, said the technology will analyze millions of data points to detect patterns that were previously undetectable. The goal, she added, is to "safeguard the U.S. mortgage market for lenders, homebuyers and taxpayers."

During a press event, Almodovar said the technology will be first deployed on Fannie Mae's multifamily book of business. Earlier this year, Fannie Mae started requiring underwriters to handle funding functions on these transactions. The decision stemmed from several fraudulent transactions accounting for losses of nearly \$300 million. In March, the Federal Trade Commission reported consumers lost \$12.5 billion to fraud in 2024, a 25% increase over 2023.

Federal Housing Finance Agency Director Bill Pulte, who also is chair of Fannie Mae, said the technology will help "find criminals who try to defraud our system." According to CNBC, Pulte said the Palantir program could be expanded to Freddie Mac in the future.

With the needed focus on fraud, we must continue to remind legislators, regulators and lenders the importance of title insurance and how it helps reduce risk for all parties involved in mortgage transactions.

As we've shared before, fraud and forgery claims represent 21% of the total dollars spent by title insurers on claims expense and losses, with an average claim cost of over \$143,000.

With the cost of fraud and forgery claims averaging more than twice the national average salary in the U.S., the risk of not purchasing a title insurance policy is far too high. The claims study highlights the significant risk exposure from fraud the government sponsored enterprises would face when they purchase loans not backed by title insurance and the comprehensive coverage the product provides.

Additional key findings from the study include:

- · Fraud and forgery claims are going up due to cybercrime, rising from 19% of total reported claims in the category of basic risks between 2013 and 2020 to 44% of claims within that category alone in 2022.
- · For claims on owner's policies only, the average cost of fraud and forgery claims is more than \$100,000, while the average claim cost for all other claims is more than \$27,000.
- For claims on loan policies only, the average cost of fraud and forgery claims is more than \$194,000, while the average claim cost for all other claims is more than \$23,000.

This is important data to share with your customers to underscore the point that title insurance is the best option to reduce their risk. Your lender clients need to truly understand that title professionals and title insurance are vital partners in helping avoid devastating fraud losses.



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