



Preparing For What's on the Horizon

Craig Haskins | CEO and President | Knight Barry Title Inc.
September 2025



Our Mission



**Advocating on behalf
of our members' and
the industry's
interests**



**Providing
education and
information to
our members**



**Offering
networking
opportunities**



**Creating and
promoting
professional
industry standards**

ALTA All Stars: Please Stand Up



ALTA Names Chris Morton as CEO



- Background
- A little about Chris
- ALTA's priorities

ALTA's Strategic Priorities



**Champion the title
insurance industry
and combat regulatory
threats**



**Promote title
insurance as the
strongest
protection for
property rights**



**Succeed through
adaptation and
innovation**

Champion the Title Insurance Industry



FinCEN Real Estate Anti-Money Laundering Rule

- **Impact on Title Industry**

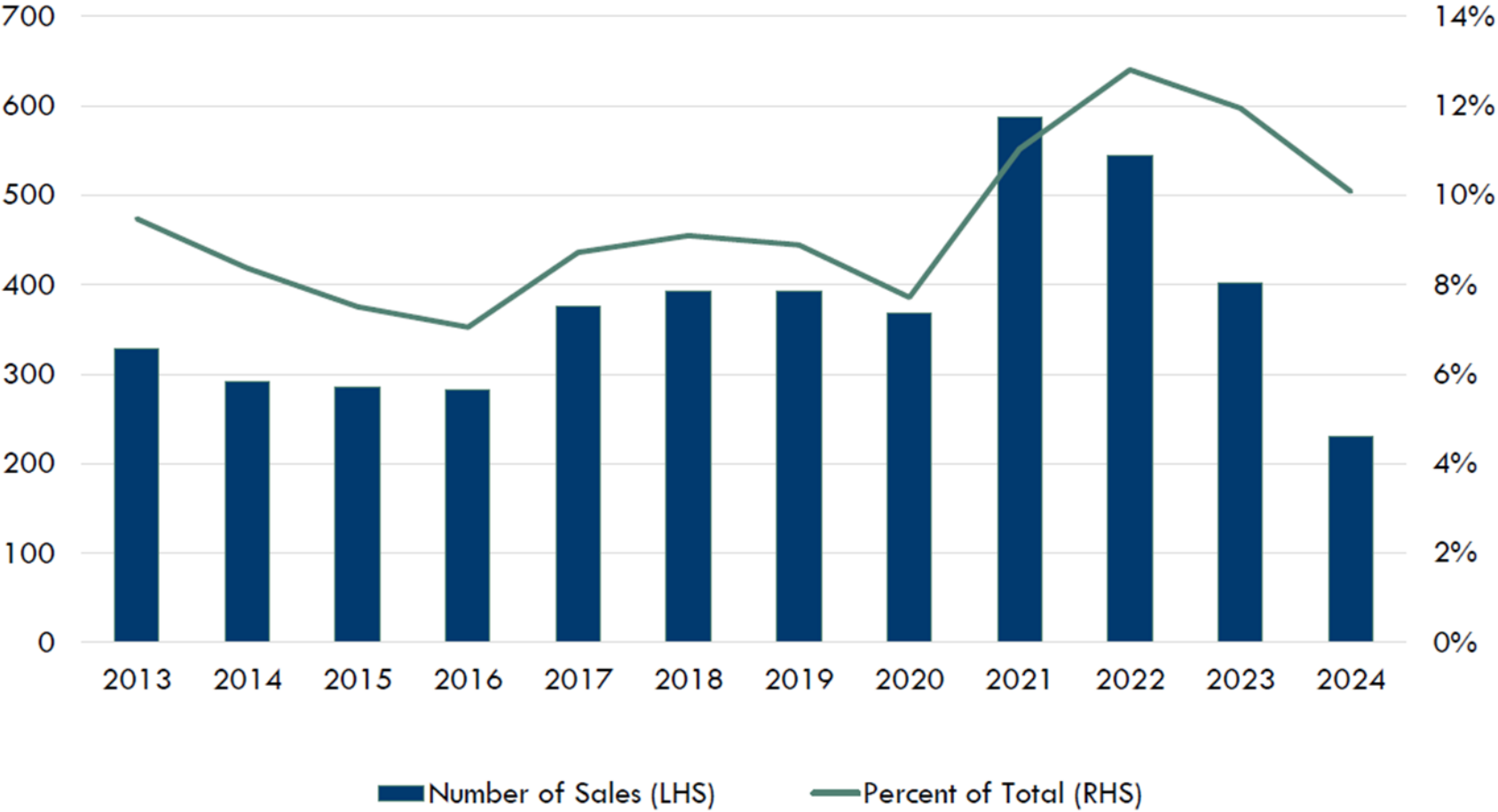
- Rule requires certain people involved in real estate closings and settlements to report information to the agency about all-cash residential transactions nationwide involving legal entities and trusts.
- Effective Dec. 1, 2025
- Expands on current Geographic Targeting Orders
- Proposed reporting form to comply with rule

ALTA.ORG/FINCEN

FinCEN AML Rule Impact on Industry

U.S. All-Cash Home Sales to Legal Entities or Trusts

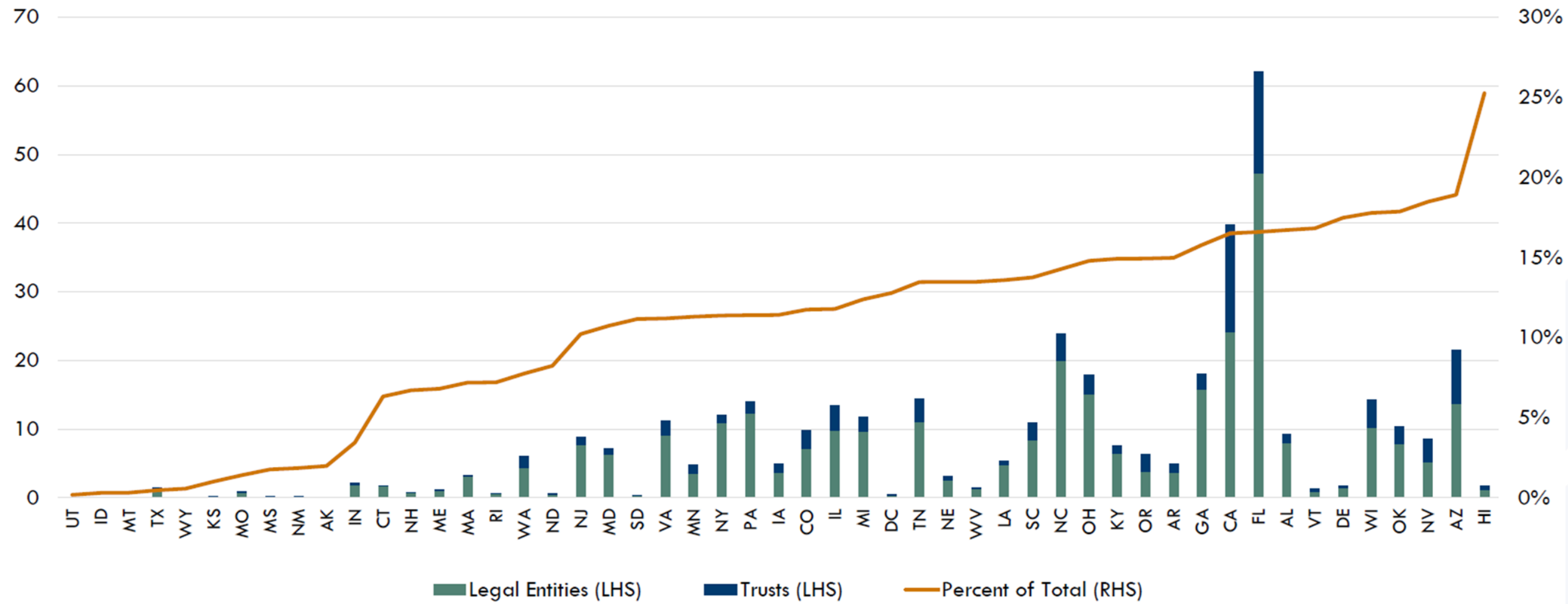
Number of Sales that Meet FinCen Criteria (LHS, 000's) and Percent of Total (RHS)



FinCEN AML Rule Impact on Industry

2023 All-Cash Home Sales to Legal Entities or Trusts by State

Sales That Meet FinCen Criteria ('000s, LHS) and Percent of Total by State (RHS)



Source: First American Data & Analytics, First American Calculations, Oct. 2024

Reporting Will Increase Costs

- **FinCEN Estimates**
 - 2.5 to 2.75 hours to file a residential real estate report.
 - 2 hours for collecting the information and
 - 30-45 minutes for filing the report.
 - 50 minutes per employee for training and technology implementation
 - 75 minutes per employee in first year
- **FinCEN Estimates Industry Cost Between \$401.2 million and \$663.2 million per year**
- **ALTA Urging FinCEN to Narrow Scope to Lessen Burden on Small Business**



Sept. 16-17, 2025 | Virtual
MEETINGS.ALTA.ORG/BOOTCAMP

FHFA Title Acceptance Pilot

- **Westcor Joins Pilot**

- According to Westcor, initiative differs from original pilot as this includes a “title insurance-backed product”
- “Retains the core benefits and legal assurances that are the hallmark of the industry”

- **Title Insurance and Role of Title Professionals Remains Paramount**

- **ALTA Continues to Collaborate With FHFA**

- **Bipartisan Protecting America’s Property Rights Act**

Unregulated Title Insurance Alternatives

- **Risks of Attorney Opinion Letters**

- They don't cover some of the biggest sources of title insurance claims
- They are unregulated
- They can be more expensive

- **Utah Leads in Understanding Value of Title Insurance**

- Regulator revokes license of title company for closing deals through the UWM Trac Loan program and accepting AOLs in lieu of a lender's policy
- After discussion with ULTA, legislator not to move forward with bill that would have authorized licensed title agents to provide escrow services when an AOL is issued instead a title policy

Fannie/Freddie Multifamily Disbursements

- **Requirements changed for the handling of escrow and settlement functions involving mortgage transactions and the acquisition of multifamily properties**
 - 16 underwriters approved
 - Revisions in response to several fraudulent transactions where actual purchase price was not reported
 - ALTA engaged in discussions with GSEs on this issue

Link to download list of approved underwriters:
mfguide.fanniemae.com/node/22581?view=recent_guide_communication

Research and Data

- **Title Insurance Curative Work Study**
- **Analysis of Claims and Claims-Related Losses in the Land Title Insurance Industry**
- **Economic Contributions of Title & Settlement Services Industries**
- **All available at [ALTA.ORG](https://www.alta.org)**

Curative Analysis

SIGNIFICANT WORK IS REQUIRED TO CLEAR TITLES & CLOSE TRANSACTIONS

Homebuyers want to know they own their homes. Since many title issues can be discovered and potentially fixed prior to closing, title insurance companies invest heavily in title research and curative work (which requires far more than an online search of the public record) to protect property rights. Approximately 70 cents of every dollar paid at closing for title insurance and settlement cover this upfront expense¹. Additionally, title insurance protects against unknown and unidentifiable risks, such as fraud and forgery.

Time required to close a transaction

Standard Files

22

Work
Hours



Difficult Files²

45

Work
Hours



✓ Ten tasks required in the closing process

1. Opening process
2. Title production
3. Clearing to close
4. Lender coordination
5. Non-curative closing requirements
6. Preparation of closing package
7. Signing process
8. Processing signed closing documents
9. Funding and disbursement
10. Final title policy issuance

36% OF CLOSING TRANSACTIONS REQUIRE SUBSTANTIAL CURATIVE WORK

Nearly all companies typically perform at least one curative action often or very often in order to produce a clean title. Of these companies, 62% address at least four curative issues per transaction, on average. Title insurance companies estimate that 36% of transactions require a substantial amount of curative work to clear the title.

Number of curative actions typically taken by companies that perform at least one action "very often" or "often"

92%



At least 2 actions

62%



At least 4 actions

34%



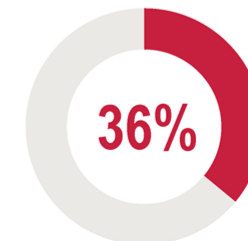
At least 6 actions

12%

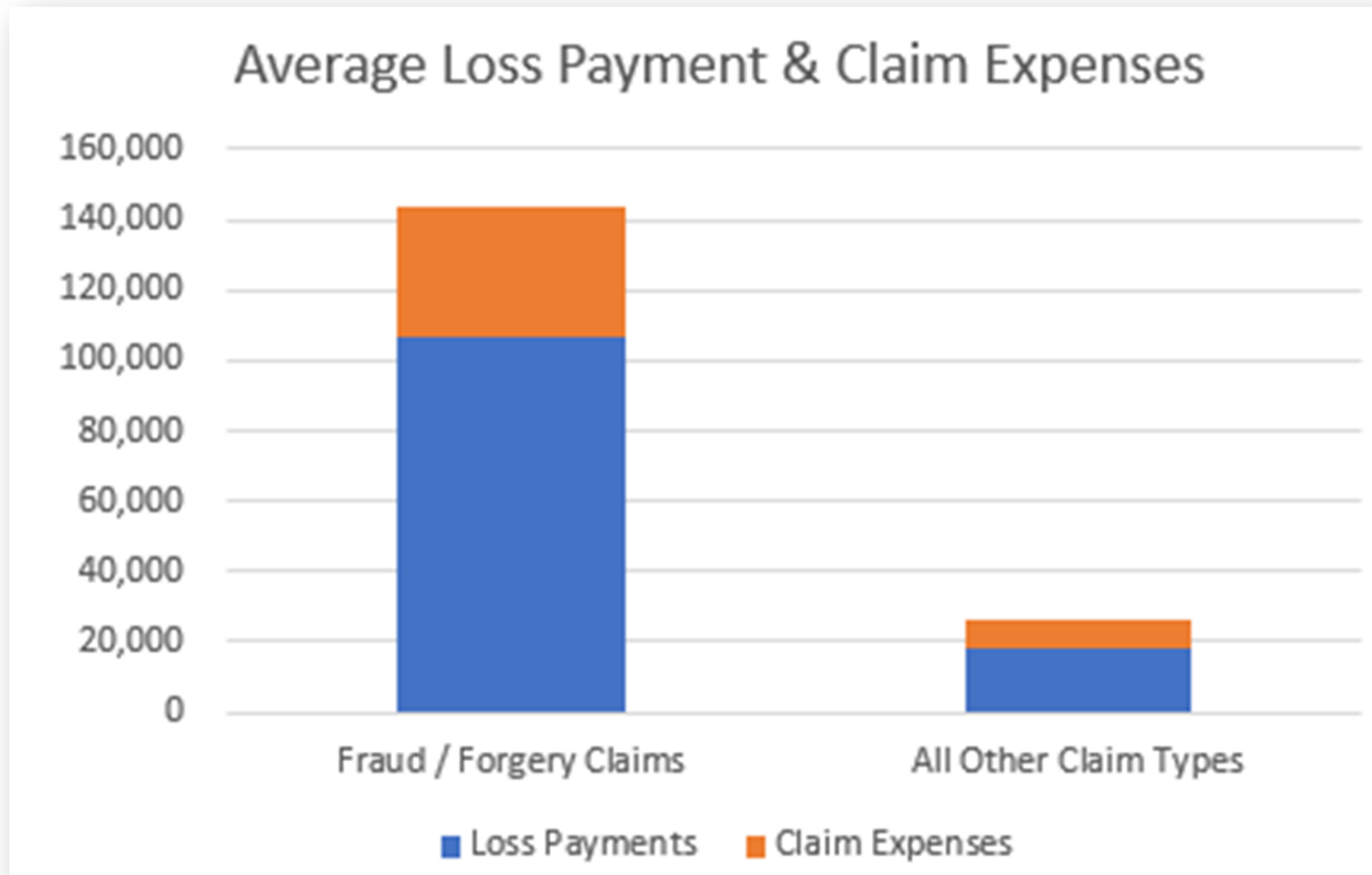


At least 8 actions

Avg. share of transactions that require substantial curative work



Claims Analysis



Economic Contributions

JOBS

155K

jobs supported at title and settlement companies


174K

jobs supported by related consumer spending

231K

jobs supported via purchases of goods and services from suppliers

560K total jobs supported



WAGES AND BENEFITS

\$13B

Wages and benefits supported at title and settlement companies

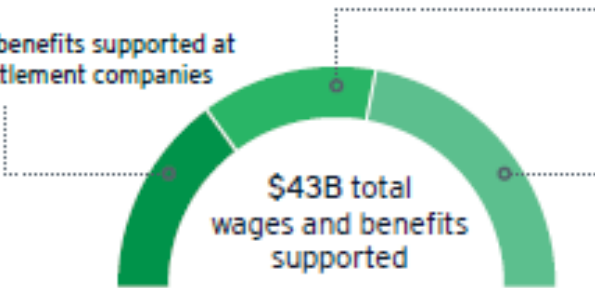
\$11B

Wages and benefits supported by related consumer spending

\$19B

Wages and benefits supported via purchases of goods and services from suppliers

\$43B total wages and benefits supported



GDP

\$30B

GDP supported at title and settlement companies

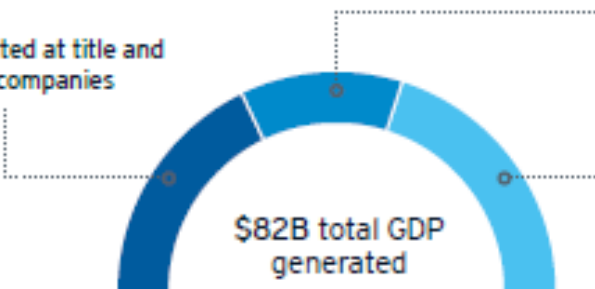
\$20B

GDP supported by related consumer spending

\$32B

GDP supported via purchases of goods and services from suppliers

\$82B total GDP generated



Public Good



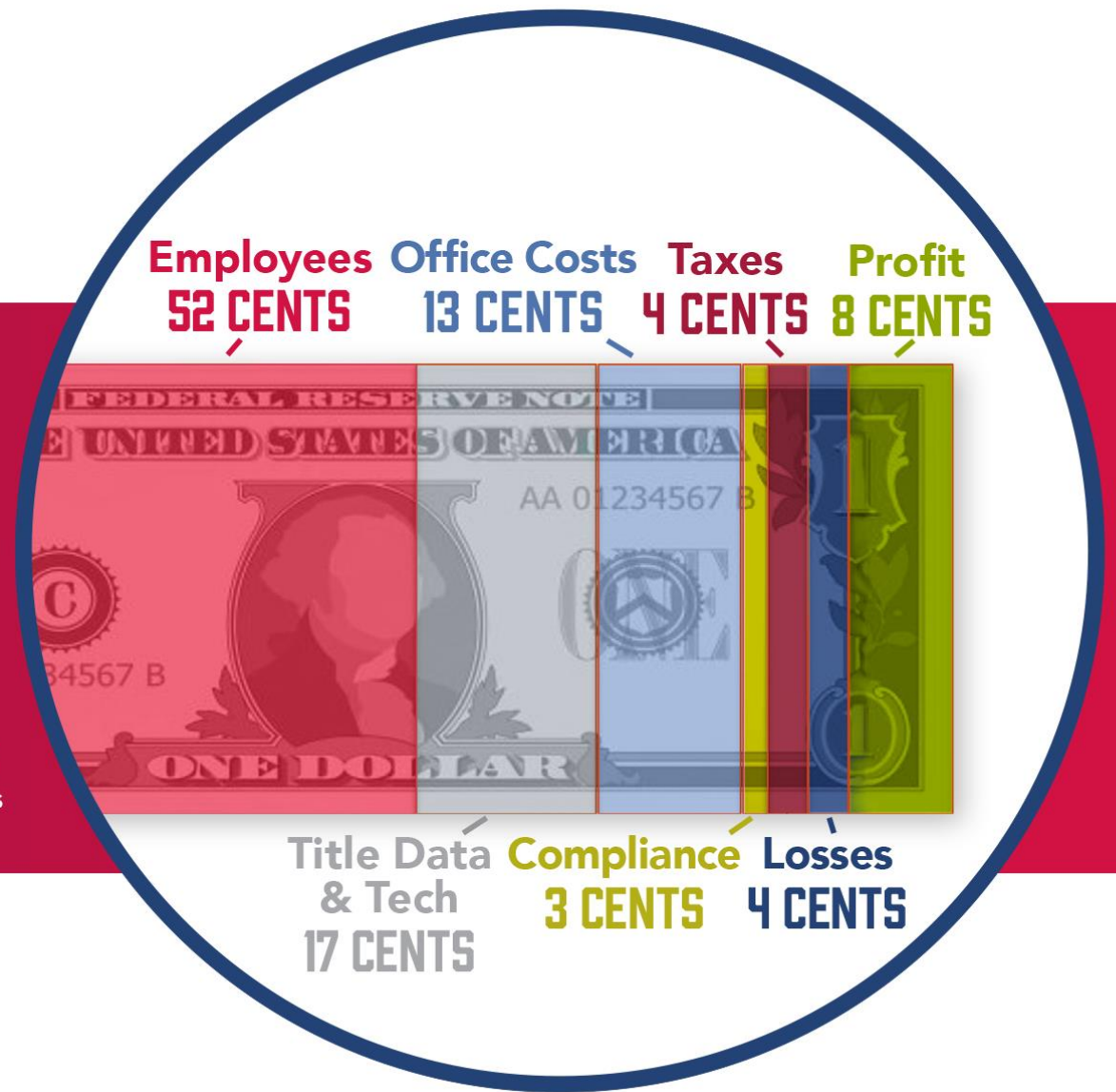
DOLLAR COST BREAKDOWN

The median cost of title insurance and settlement services is **0.67% of the purchase price.**

Source: Fannie Mae

COST OF PRODUCING A TITLE POLICY – EACH DOLLAR

Source: Industry analysis of NAIC Form 9 Annual Statements



Promote Title Insurance



ALTA Policy Forms Update

- **New Forms**

- ALTA 49 Endorsement – Forgery – New Owner’s Policy – Residential
- ALTA 49.1 Endorsement – Forgery – Existing Residential Owner’s Title Policy
- ALTA 50 Endorsement – Residential Solar – Loan Policy

- **Revised Forms**

- ALTA 9 Endorsement – Restrictions, Encroachments, and Minerals – Loan Policy
- ALTA 9.7 Endorsement – Restrictions, Encroachments, and Minerals – Land Under Development – Loan Policy
- ALTA 9.10 Endorsement – Restrictions, Encroachments, and Minerals – Current Violations – Loan Policy
- ALTA 36.6 Endorsement – Energy Project – Encroachments

ALTA.ORG/POLICY-FORMS

Redaction/Information Shielding in Public Records

- **Renewed Focus on Redaction Laws Following Shootings of Elected Officials in Minnesota**
- **Draft Proposal at Federal Level**
- **Arizona and Minnesota Two Good Examples**
- **Best Practices for Information Shielding**

Foreign Ownership of Land

- **Principals Supported by ALTA**

- Impose Obligations Directly and Only on Buyers
- State Laws Must Not Void Transactions
- Designate an Appropriate State Enforcement Authority
- Follow Existing State Divestment Procedures Like Forfeiture or Foreclosure Laws
- Safeguard the Reliability of U.S. Property Records
- Protect the Neutral Role of Title Insurance and Real Estate Settlement Professionals

- **Federal and State Action**

- **Materials Available State LTAs Can Share With Lawmakers**

NTRAPS

- **Non-Title Recorded Agreements for Personal Services (NTRAPS)**

- These agreements obligate the current owner to use the other party's services in the future, and further attempt to bind successor owners by purporting to create a real property interest.
- Failure to comply with these agreements may give rise to a lien against the property to secure liquidated damages.
- ALTA model bill
 - 34 states have passed versions addressing NTRAPS

Heirs Property

- What is heirs' property?
- Challenges to heirs' property
- What can be done?
- Legislative steps

What Is Heirs' Property?

When a person dies, their home, land or other real estate is treated differently than their personal effects and financial assets. If new ownership of a deceased person's property isn't determined through a will or court proceeding, and the deceased person didn't use alternative estate planning that doesn't require a probate proceeding, that property becomes heirs' property. Heirs' property is real estate that official government records indicate is owned by someone who is deceased, and maybe has been for multiple generations.

Estate planning such as a trust or transfer on death deed may help heirs avoid a probate process.



Consumer Education



7 MOTIVOS POR LOS QUE
CADA COMPRADOR
DE VIVIENDA NECESITA
UN SEGURO DE TÍTULO
DE PROPIETARIO

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:**

[ALTA.ORG/HOMEOWNER](https://alta.org/homeowner)

ALTA Good Deeds Foundation

AMERICAN LAND TITLE ASSOCIATION



- Over \$1.25M awarded to 213 groups
- Text GOODDEEDS to 44321 or scan the QR code to donate



Adaptation & Innovation



Best Practices

- **Revisions Focus on Identity Verification**
 - Company will create and implement an identity fraud prevention program designed to verify the identity of the parties who are signing documents for a Settlement.
 - Train staff on fraud
 - Control the selection of signing professionals
 - Training and tools required for signing professionals employed by company and for third-party signers
 - Treat documents as if there's a risk for fraud
 - Create protocols and processes to identify and respond to suspected fraud or impersonation attempts.
- **ALTA.ORG/BEST PRACTICES**

Artificial Intelligence

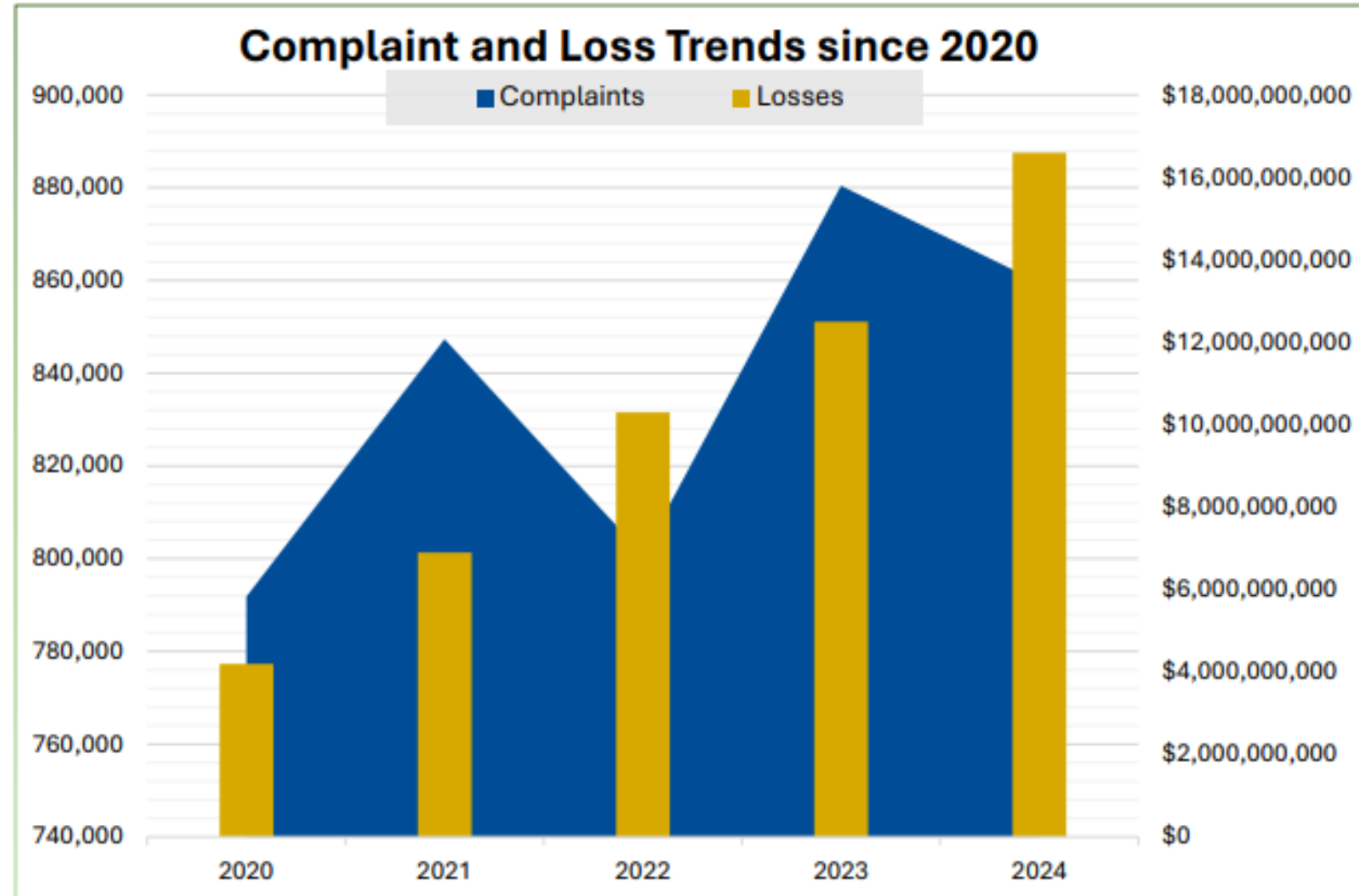
- **Transformative Force in Title Industry**
 - Drive efficiency and allows companies to scale operations
 - Not replacing human workers but acts as augmentation
 - AI can handle time-consuming, repetitive tasks
 - Allows staff to focus on generating revenue
 - Think of AI as having an intern
- **Artificial Intelligence Insights for the Title & Settlement Services Industry**
 - ALTA's Artificial Intelligence (AI) Report provides members with a brief history of AI, various member perspectives on the technology, and guidance for evaluating AI policies, resources, and applications to ensure safe and effective implementation.
- **How Does Your Operation Use AI?**
- **Data Privacy and Ethical Concerns**

Cybersecurity

- **ALTA Information Security Work Group**
 - Focused on identifying trends
 - Developed industry advisory with guidance
- **Need to evolve and adapt**
 - Important to use caution
 - Email, phone calls, text messages should all be considered suspect
 - Must change behaviors and practices
 - Embrace new technology and update security protocols

Cybersecurity

- **FBI: Cybercrime losses hit \$16.6 billion in 2024**
 - 14,996 complaints resulting in losses of \$239 million in Maryland



Fraud

- **Seller Impersonation**
 - Fraudsters impersonating owners to illegally sell property
 - Typically target vacant lots or unencumbered properties
 - ALTA Infographic
 - Highlights red flags and provides precautions to take to help prevent these scams

SELLER IMPERSONATION FRAUD IN REAL ESTATE



FRAUDSTERS are impersonating property owners to illegally sell commercial or residential property. Sophisticated fraudsters are using the real property owner's Social Security and driver's license numbers in the transaction, as well as legitimate notary credentials, which may be applied without the notary's knowledge.



Fraudsters prefer to use email and text messages to communicate, allowing them to mask themselves and commit crime from anywhere.

Due to the types of property being targeted, it can take months or years for the actual property owner to discover the fraud. Property monitoring services offered by county recorder's offices are helpful, especially if the fraud is discovered prior to the transfer of money.

Where approved by state regulators, consumers can purchase the American Land Title Association (ALTA) Homeowner's Policy of Title Insurance for additional fraud protection.

WATCH FOR RED FLAGS

CONSIDER HEIGHTENED SCRUTINY OR HALT A TRANSACTION WHEN A PROPERTY

- Is vacant or non-owner occupied, such as investment property, vacation property, or rental property
- Has no outstanding mortgage or liens
- Has a different address than the owner's address or tax mailing address
- Is for sale or sold below market value

CONSIDER HEIGHTENED SCRUTINY OR HALT A TRANSACTION WHEN A SELLER

- Wants a quick sale, generally in less than three weeks, and may not negotiate fees
- Demands proceeds be wired
- Wants a cash buyer
- Refuses or is unable to complete multifactor authentication or identity verification
- Is refusing to attend the signing and claims to be out of state or country
- Wants to use their own notary
- Is difficult to reach via phone and only wants to communicate by text or email, or refuses to meet via video call



Fraud



ALTA.ORG/BUSINESS-OPERATIONS/OPERATIONS/SELLER-IMPERSONATION-FRAUD

Fraud

COMMON CHARACTERISTICS OF SIF HELP COMPANIES DETECT FRAUD

Fraudsters tend to favor properties that are not owner-occupied, like vacant properties, as well as all cash transactions and mail away-signings with use of their own notary. They also fake notarizations or use real credentials without permission.

*Common SIF characteristics and red flags that signal heightened risk of SIF in 2023 (Share of companies indicating the action was at least somewhat common)**



Red Flag:
Request for All Cash
Transaction
88%



Red Flag:
Request for Mail-Away
Signing & Unknown Notary
86%



Property Type
Targeted:
Vacant Land
85%



Notarization Issue:
Use of Fake
Credentials
43%



Notarization Issue:
Illegal Use of Real
Credentials
31%

- **Identifying & Combatting Seller Impersonation Fraud**
 - 28% of title companies experienced at least one of these incidents in 2023
 - Common characteristics of SIF included notarization issues and use of the property owner's legitimate non-public personal information
 - The vast majority of title insurance companies have adopted tools and resources to fight SIF.

Digital Closings

- **SECURE Notarization Act**
 - H.R. 1777 was reintroduced in the House this Congress by Reps. Cliff Bentz (R-OR), Julie Fedorchak (R-ND) and Madeleine Dean (D-PA)
 - Bipartisan federal legislation that permits immediate nationwide use of remote online notarization (RON) with minimum standards and provides certainty for the interstate recognition of RON.
 - ALTA leads coalition in letter to House Energy and Commerce Committee Chair and Ranking Member

Digital Payment Methods/Good Funds

- **Payment Rail**
 - Wire transfers, RTP, Fed Now, ACH
- **State Law Research**
 - Analysis of existing good funds laws
- **ALTA Model Law**
 - Enable modern payment rails and protect consumers
- **Title Agents Impacted by New Message Format for Fedwire Funds Service**
 - Impacts good funds
 - Title companies and homebuyers to gather more information before funds can be transferred via wire
- **IRS to Eliminate Paper Checks for Payments, Refunds**
 - Impacts title agents and closing attorneys handling closings in the United States involving foreign sellers and facilitating payments for Foreign Investment in Real Property Tax Act (FIRPTA) transactions

Digital Payment Methods/Good Funds

- **Resources**

- Good Funds Laws Chart
- Payment Rails - ALTA Use Cases
- Comparison Chart of Different Funds Transfer Systems
- ALTA Model Good Funds Legislation
- ALTA Model Good Funds Law FAQs
- Good Funds Industry FAQs

ALTA.ORG/ADVOCACY/TECHNOLOGY/GOOD-FUNDS

Get Involved in Advocacy



TITLE ACTION NETWORK

Scan Me!



ALTA.ORG/TAN

Importance of Maryland in Congress

8 House Members, 2 Senators

Senate

- Sen. Angela Alsobrooks (D-MD)
- Sen. Chris Van Hollen (D-MD)

House

- Rep. Steny Hoyer (MD-05)
 - Member of the Appropriations Committee
- Rep. Johnny Olszewski (MD-02)
 - New member
- Rep. Sarah Elfreth (MD-03)
 - New member
- Rep. April McLain Delaney (MD-06)
 - New member

Maryland Political Engagement

- There are **157** Maryland Title Action Network (TAN) members, out of 6,369
- **8** Maryland ALTA Members have donated to TIPAC in 2025
- TIPAC has contributed **\$336,500** to **102** candidates & committees during the 2025-2026 election cycle

Upcoming ALTA Events



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

ALTA.ORG/EVENTS

ALTA Store



ALTA Membership



ALTA.ORG/MEMBERSHIP

Questions?

Thank You!

