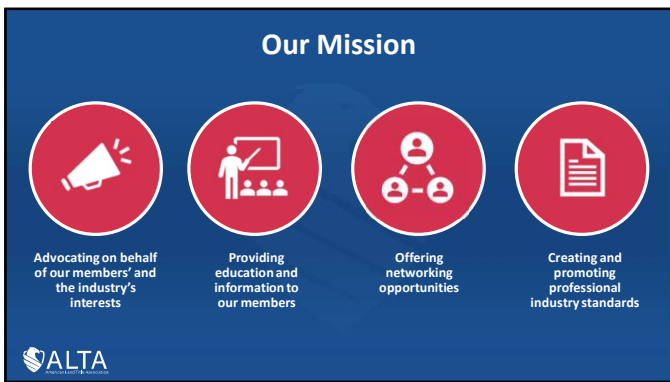




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ALTA's Strategic Priorities



Champion the title insurance industry and combat regulatory threats



Promote title insurance as the strongest protection for property rights



Succeed through adaptation and innovation



4

Champion the Title Insurance Industry





5

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



6

ALTA FINCEN BOOTCAMP

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American Land Title Association

U.S. TREASURY
FINANCIAL CRIMES ENFORCEMENT NETWORK

June 2-3, 2025 | Virtual | CE/CLE
MEETINGS.ALTA.ORG/BOOTCAMP

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7

FinCEN BOI Reporting

- **FinCEN Eliminates BOI Reporting Requirements for U.S. Companies**
 - The Financial Crimes Enforcement Network (FinCEN) issued an interim final rule that removes the requirement for U.S. companies and persons to report beneficial ownership information to the agency under the Corporate Transparency Act.
 - FinCEN revised the definition of "reporting company"
 - Most title companies were already exempt from this reporting requirement due to the rule's exemption for state licensed insurance producers.
 - Treasury likely to face legal challenges
 - What's the impact on Treasury's AML rule for residential real estate?

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8

FHFA Title Acceptance Pilot

- **Concern Over Fannie Mae's Pilot Grows**
 - Senate Banking Committee Chairman Tim Scott and House Financial Services Committee Chairman French Hill letters criticize FHFA actions
 - Bipartisan support against pilot at federal and state level
 - Trump executive order calls for emergency relief for housing, particularly focused on increasing supply and reducing regulatory barriers to development
 - ALTA urges Trump administration to hit brakes on pilot
 - Bipartisan Protecting America's Property Rights Act
 - Bill Pulte confirmed as FHFA Director
 - It's a Different World: Pulte named chair of boards for both Fannie Mae and Freddie Mac
 - Freddie Mac CEO removed, other FHFA execs and employees put on leave

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9

FHFA Title Acceptance Pilot

- **‘More Big Government Programs Won’t Solve Housing Affordability Crisis’**
 - Article written by John Burnett, adjunct assistant professor at New York University
 - Urges Trump administration to dial back federal overreach
 - Calls pilot an “ineffective policy”

“More broadly, the pilot program is an example of Washington ignoring state sovereignty with misguided policy that does nothing to fix the problem.”

- **Fannie Mae plans for 2025 and 2026**



10

Unregulated Title Insurance Alternatives

- **Fannie Mae Expands Use of AOLs**
 - Can now be used in limited circumstances for loans on condo properties and those subject to restrictive agreements or covenants
 - U.S. Census: 82% of new homes sold in 2021, the most recent year for which data are available, were in an HOA
 - 30% of U.S. population lives in a community association
 - 365,000 community associations
 - Condos account for roughly 9% of mortgages sold to Fannie Mae each year
 - Significantly increases risk to consumers and lenders



11

Key Takeaways

- **Continue efforts to educate policymakers:** Tell them about the importance of the role that title insurance plays in protecting property rights and reducing risk in real estate and mortgage transactions.
- **Talk to Your Customers:** This is an opportunity to connect with your customers and explain to them the benefits of title insurance and the protection it provides for their investment. ALTA has a host of material, including multilingual handouts, to help in these education efforts.
- **Title Action Network:** To help join the fight against the title waiver pilot and title insurance alternatives, please make sure you are member of the Title Action Network.

ALTA.ORG/TAN



12

Fannie/Freddie Multifamily Disbursements

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



13

Potential GSE Reform

- **Speculation of Releasing Fannie Mae and Freddie Mac**
 - Treasury and FHFA in January announced an agreement to amend the Preferred Stock Purchase Agreements (PSPAs) with Fannie Mae and Freddie Mac
 - As talks progress, ALTA will continue to advocate for the interests of our industry to be clearly accommodated in any new system



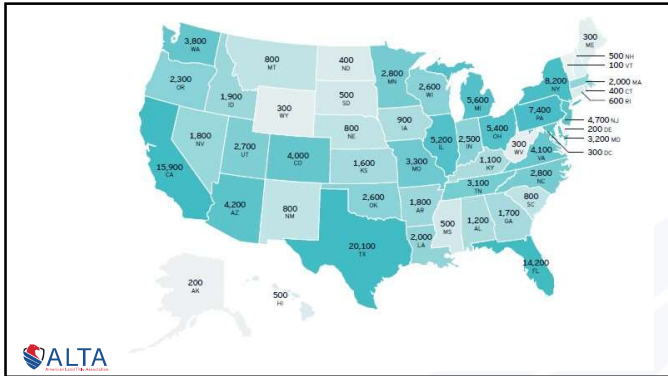
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Research and Data

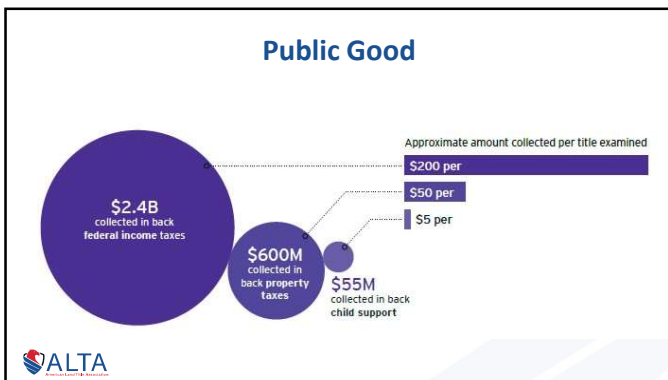
- **Title Insurance Curative Work Study**
- **Analysis of Claims and Claims-Related Losses in the Land Title Insurance Industry**
- **Economic Contributions of Title & Settlement Services Industries**
- **All available at ALTA.ORG**



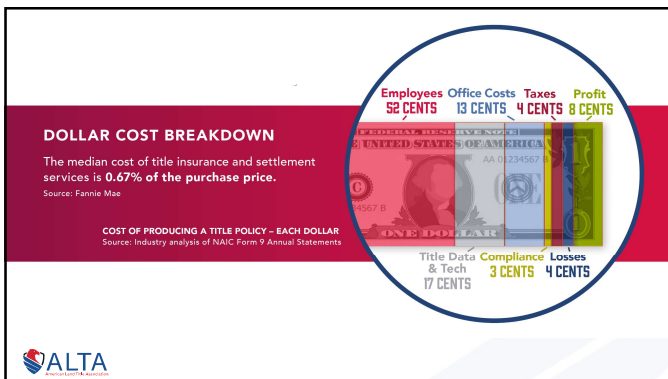
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19



20



21

Promote Title Insurance




22

ALTA Policy Forms Update

- **New or Revised Forms**
 - ALTA CPL – Single Transaction - Dual Issuing Agents or Approved Attorneys
 - ALTA 28 Endorsement - Damage or Enforced Removal


ALTA.ORG/POLICY-FORMS



23

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
 - 30 states have passed versions addressing NTRAPS



24

Heirs Property

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

HEIRS' PROPERTY ALTA

What is Heirs' Property?
 When a person dies, their heirs, but not their estate, inherit real property if they passed away without a will. If the deceased person didn't leave a will, the state's intestacy laws determine who inherits the property. If the deceased person didn't leave a will, the state's intestacy laws determine who inherits the property. If the deceased person didn't leave a will, the state's intestacy laws determine who inherits the property.

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25

Consumer Education

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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

ALTA
American Land Title Association

26

ALTA Good Deeds Foundation

AMERICAN LAND TITLE ASSOCIATION

GOOD DEEDS
FOUNDATION

- Over \$1.2M awarded to 211 groups
- Text GOODDEEDS to 44321 or scan the QR code to donate

DONATE A GOOD DEED TODAY

ALTA
American Land Title Association

27

ALTA Good Deeds Foundation



28

Adaption & Innovation



29

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
- **How Does Your Operation Use AI?**
- **Data Privacy and Ethical Concerns**



30

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



31

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

- Fraudsters prefer to use email and text messages to communicate, allowing them to mask their location and control their activities.
- Due to the types of property being targeted, it can take months or years for the actual property owner to discover the fraud. Property ownership records affected by identity theft can be highly identifiable if the fraud is discovered prior to the transfer of money.
- Where approved by state regulators, consumers can purchase the American Land Title Association's quality management policy of title insurance for additional fraud protection.

WATCH FOR RED FLAGS

• Ask about a new service company, such as investment services, custom property or mail-away signing.	• Ask for a notary signature or title certificate.
• Ask for a different address than the owner's address or for a mailing address.	• Ask for a cash or cashless transfer other than a wire transfer.
• Where a quick sale, generally in less than three weeks, or time is of the essence.	• Financial records are used.
• Where a cash buyer.	• Address is unable to be verified or is unable to be verified by a third party.
• Ask where the signing and closing is to take place.	• Where the use of a mobile notary.
• Ask about the fees and only seek to understand the fee or email, or otherwise request a contract.	• Where the use of a mobile notary.




32

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 take notizations 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 & Updown 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.




33

Fraud



ALTA.ORG/TOPICS/WIRE-FRAUD




34

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



35

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



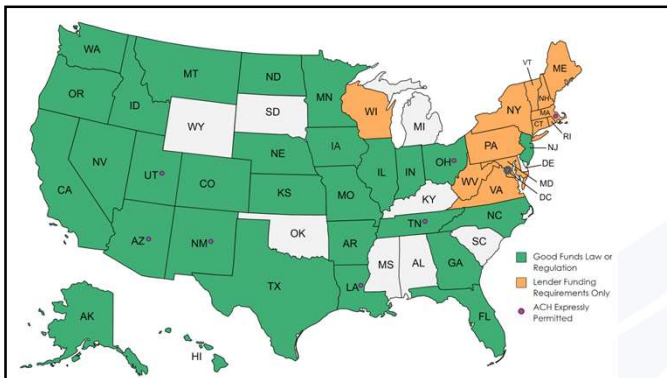
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Digital Payment Methods/Good Funds

- **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



37



38

Get Involved in Advocacy



TITLE ACTION NETWORK

ALTA.ORG/TAN | Text TAN to 52886

Scan Me!



39

Importance of Montana in Congress


2 House Members, 2 Senators

Senate

- Sen. Steve Daines (R-MT)
- Sen. Tim Sheehy (R-MT)

House


- Rep. Troy Downing (MT-02)
 - Member of the House Financial Services Committee



40

Montana Political Engagement

- There are **75** Montana Title Action Network (TAN) members, out of 7,362
- **2** Montana ALTA Members have donated to TIPAC in 2025
- TIPAC has contributed **\$198,500** to **43** candidates & committees during the 2025-2026 election cycle



41

Upcoming ALTA Events



ALTA ONE

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

ALTA.ORG/EVENTS



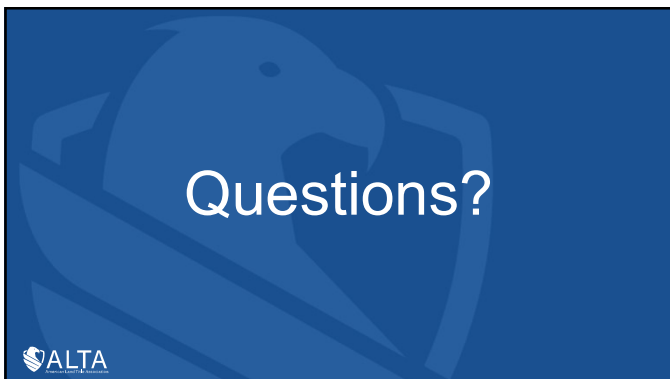
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43



44



45

