

ALTA'S DESPERATE RHETORIC: UNTRUE and IRRATIONAL



Face-Based Opinion by Theodore Sprink, Founder *iTitleTransfer, LLC*
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THE STORYLINE:

Title insurance is illegal in the state of Iowa, for good reason: *There are consumer-based, low-cost alternatives to closing a loan transaction...commonly known as “Torrens”*. In most other states the title industry is a monopoly of an annual \$28 Billion revenue stream, controlled by four corporate conglomerates. *There are no alternative products, services, or processes. Until now.*

Title insurance, which lenders require the seller/borrower to purchase the lender as a condition of funding a home loan, has infiltrated the real estate industry through a series of “relationships” with industry leading lenders and Realtors, much to the chagrin of the borrower and seller. RESPA Legislation was enacted to stop the title industry’s habitual abuse and obviously illegal practice of bribery, illegal kickbacks and sham partnerships that funneled money to the real estate “partners” as a method of buying control over the real estate market.

It is widely known that SEC required filings that title insurance companies pay less than 3 % of their \$28 Billion revenue in consumer claims. In fact, the American Land Title Association (ALTA), the monopoly’s trade group and Washington D.C. Beltway Lobbyist, has published, that in searching and examination real property for chain-of-title and land ownership, 75% reveal “clean title”, rendering title insurance overpriced and often unnecessary.

These facts confirm there is no correlation between, cost and risk, and scream for an alternative method to buy and sell real estate.

ALTA's IRRATIONAL AND UNTRUE RHETORIC:

So, to “insure” that no alternatives see the light of day, ALTA has unleashed a campaign of lies, falsehoods and disinformation; intended to denigrate alternatives to title insurance, distributed to their membership of lenders, Realtors industry service providers and title insurance agencies, politicians, the public and trade associations. Here is ALTA's multi-pronged strategy to destroy competition and deny safe, reliable, low-cost alternatives to consumer:

1. Fake-letter writing campaign misrepresenting the facts and strength of alternatives to title insurance, referencing AOLS, loan closing platforms their underlying insurance protection.
2. Total failure by ALTA and the title insurance to learn the facts of what a contemporary AOL or AOL-based fully insured Loan Closing Platform is...or what and how it covers lenders, borrowers, and successors-of-interest for loan amount and life-of-loan. ALTA has never seen a contemporary Loan Closing Platform, or its underlying insurance coverages.
3. Incredible that ALTA and the title insurance monopoly do not understand or are purposely withholding the difference in of a “contemporary AOL, and in particular an AOL-based fully insured Loan Closing Platform from” and old-school stand-alone AOL. An old stand-alone AOL was never designed to compete with a multitude of title insurance policies and the overwhelming endorsements.
4. Disgraceful ALTA claim that the exclusive use of title insurance is legally required to prevent an overwhelming of the country in judicial foreclosures, leading to a federal bailout. In fact, title insurance provided zero benefits to the nation during the great recession of 2008.
5. Absurd speeches, podcasts, webinars, conventions, conference breakout sessions, interviews, sponsored advertising, and proxies slandering the concept of consumer choice with lies, fake analysis, misrepresentations, disinformation.
6. Unconscionable purchase of law firm "sales" articles masquerading as a side-by-side comparisons that are comparing apples and oranges...not alternative loan closing platforms to title insurance. The legal "material" appears little more than sales pieces promoting the monopoly.
7. Outrageous intent to influence “pocket politicians” to pressure multiple federal agencies, to title insurance policies in every transaction in the nation, barring consumer choice in any and all mortgage loan closing processes; and prohibiting consumer alternatives.
8. Incredibly, assert congressional pressure on FHFA and FHA to change the Fannie Mae and Freddie Mac charters, which provide liquidity to the mortgage lenders, and alternatives to minority and first-time home buyers, thereby eliminating safe, reliable low-cost consumer choice, at a time where unstable market conditions and high interest rates cause particular problems in qualifying for a loan, and making timely payments.
9. Ludicrous propaganda that loans closed by any other product than title insurance, will invite a real estate catastrophe, that will require a federal bailout.
10. Stomach-churning sadness that the lender and title insurance industry, as a “diversification strategy” require the borrower buy title insurance to purchase a home, and use the title-insurance lien priority, to evict the homeowner for a generous “trustee” fee...ignoring that the former customer, is likely temporarily suffering a loss-of-job, health issues or perhaps divorce. The title insurance monopoly's nasty little secret: Heads I Win; Tails You Lose...Get ‘em Coming; and Get ‘em Going.
11. Royalties earned by ALTA on every title policy and endorsement issued by the monopoly certainly appear to raise questions on the purpose of a goal of mandating the exclusive use of title insurance.

THE TRUTH OF CONTEMPORARY ALTERNATIVES TO TITLE INSURANCE

Scottsdale, Arizona based real estate technology firm *iTitleTransfer, LLC* provides lenders, borrowers, and successors-of interest the benefit of safe, reliable, low-cost, fully insured loan

closings. *iTitleTransfer's* Fully Insured Loan Closing Platform reduces closing cost by up to 65% for lender and Realtor borrower clients, and by outsourcing the closing function to *iTitleTransfer*, reduces lender internal costs up to 50%.

Lenders and Realtors can now advocate to borrowers, buyers and sellers consumer choice of settlement services, in a manner fully consistent with Fannie Mae's and Freddie Mac's "Equitable Housing Finance Program". *TitleTransfer's* Platform, protects the full loan amount for life of loan, for a one-time modest fee, providing the following transactional coverages:

• <i>Lender</i>	<i>Covered</i>
• <i>Borrower</i>	<i>Covered</i>
• <i>Successor-of-Interest</i>	<i>Covered</i>
• <i>Seller Warranty</i>	<i>Covered</i>
• <i>Loan Amount</i>	<i>Covered</i>
• <i>Life of Loan</i>	<i>Covered</i>
• <i>One-Time Flat Fee</i>	<i>Covered</i>
• <i>National Service</i>	<i>Covered</i>
• <i>Fraud</i>	<i>Covered</i>
• <i>Forgery</i>	<i>Covered</i>
• <i>Lien Priority</i>	<i>Covered</i>
• <i>Gap</i>	<i>Covered</i>
• <i>Duty to Defend</i>	<i>Covered</i>
• <i>Escrow/CPL</i>	<i>Covered</i>
• <i>Cyber</i>	<i>Covered</i>
• <i>Excess/Umbrella</i>	<i>Covered</i>

iTitleTransfer is not title insurance. We are the next generation of consumer-chosen, low-cost mortgage loan closings. "*iTitleTransfer's* Fully Insured Loan Closing Platform includes:

1. *Insured Search*
2. *Insured Examination*
3. *Insured Proprietary Risk Scoring*
4. *Insured Curative Services*
5. *Insured Attorney Opinion Letter*
6. *Insured Document Preparation*
7. *Insured Traditional Escrow*
8. *Insured Date Down,*
9. *Insured eNotary*
10. *Insured eSign*
11. *Insured eRecording*
12. *Insured Loan Closing and*
13. *Insured Deed Monitoring.*

WHY IT MATTERS:

The truth matters...not ALTA's desperate, self-indulged, and false rhetoric intended only to protect their client, the title insurance monopoly. Buyers should engage a licensed real estate attorney, affiliated with a loan closing platform, to prepare a title opinion on their behalf, and for the benefit of the lender, borrower, and successor of-interest, to clear any issues identified in the chain of title and title opinion regarding the safe marketability of the property.

CALL TO ACTION:

Do not mindlessly read and accept anything the ALTA says or does with respect to AOLs of AOL-based Loan Closing Platforms. They have not evaluated any operational closing facts, or underlying insurance coverages, and are simply obsessed with denying any form of competition...and in the process...denying consumer choice.

Consumers deserve choice...and lower pricing...and they rely on skilled real estate lawyers, lenders and Realtors for truthful information, not a Washington DC. based lobbyist serving the title insurance monopoly.

Information concerning the benefits to lenders, borrowers and successors is readily available. Simply call me or write to me. *iTitleTransfer's* national AOL template, underlying insurance coverages, cost comparisons, partnerships, and private label opportunities and agency relationships can be obtained by contacting Ted Sprink, Founder of *iTitleTransfer LLC* at 866-494-3727 or tsprink@ititletransfer.com.



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