
The Title Report Leadership *edition*

When we started selecting participants for *The Title Report's* 2007 Leadership edition, we quickly realized the wealth of knowledgeable and passionate professionals that fill the settlement services industry.

The process to whittle the list was challenging, but in the end, we were able to produce a well-rounded group that offer a personal glimpse into the state of the industry and the road it is on.

For every news story about a title agency president, broker, real estate agent or appraiser involved in fraudulent activities, there are countless professionals dedicated to helping every person achieve the American dream in the most seamless, efficient way.

This industry is continuously changing. The way you do business today won't be the road traveled in the next couple of years. Our group of leaders offer analysis from the underwriters' and independent agents' point of view on how they expect the market to evolve over the next decade, how title agents can remain relevant in the industry and concerns of the impending GAO report.

We've also included technology experts that discuss some important tech changes that have impacted the industry and a few tech mistakes those in the industry are making; presidents of associations who discuss their roles in the changing landscape and how they can help companies survive during a down market; a sales expert who shares his thoughts on what title agents can do to recruit Generation X and Y employees and marketing tips to generate sales; and a CEO of a real estate company who discusses ways title agencies can garner business from real estate companies and the impact of the Internet.

While the goal of this special edition is to bring together several voices leading the charge in the industry, it also is a chance to honor the greatness of it as well. While the settlement services industry takes hits from the mainstream media and regulators, we must always remember that the vast, silent majority of workers in this industry are going to work everyday to help make homeownership possible for millions of Americans. No other country in the world can boast the high standards of efficiency and land ownership security that our industry helps to foster and protect. Enjoy these responses and remember to celebrate your value in protecting the American Dream.

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For expanded responses from our participants, including up to the minute news coverage of the settlement services industry, go to our Web site at www.thetitlereport.com.

What are the top technological issues you are dealing with now?

The ability to adapt to changing market conditions is vital for title and settlement companies. We are seeing more traditionally change-resistant companies interested in going beyond open-to-close transaction processing and leverage their technology to gain an understanding of overall business performance. Companies are interested in systems that enable total transaction management, systems with built in workflow, collaboration, and vendor management that better enable them to track and hone core competencies, reduce errors, improve efficiencies and better manage outsourcing. This in turn enables them to improve customer service, increase revenue, and be well positioned to adapt to changing market conditions both now and in the future.

Some have said this industry is slow to adopt new technologies compared to other businesses. Is that true, and if so, why?

The title and settlement industry has traditionally been slower than other industries to adopt new technologies. That is beginning to change. We are seeing more companies investing in a title and settlement system that enables total transaction management capabilities. This enables them to ease into the advanced capabilities, one feature and function at a time, by department, branch, or even by client or geography, and scale as their business grows.

What's it going to take to get eMortgages, eClosings and eRecordings to be implemented across the country?

It begins with willingness and a readiness of the stakeholders involved moving toward the next level of processing – electronic processing. Only then can an end-to-end paperless process, through an electronic closing (eClosing), an electronically recorded document (eRecording) and an electronic Mortgage (eMortgage), be handled efficiently and consistently. Based on our previous experience as a pioneer in eMortgage processing and observation of the industry over time, the key is establishing solid relationships with the stakeholders of the real estate transaction. These bonds will help ensure the processing is as close to flawless as possible in the shortest amount of time. A total transaction management system enables title companies to build stronger relationships, deliver a higher quality of product and services, accelerate processing speed and measure performance to take advantage of opportunities.

What's the biggest tech-related mistake you are seeing the industry making?

Systems fragmentation. Making good decisions about business performance is difficult when information is fragmented across more than one system and department. Companies can benefit by having a single view of business performance and utilizing this information to support decision-making, process orders faster, forecast future needs and adapt their operations. Title and

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Jon is responsible for sales, marketing and day-to-day operations within Hall Settlement Systems, and its product offerings, including eTitleAxis and eMortgageAxis. He has more than 20 years of leadership and technical development experience. He specializes in change management centered on implementing new technology into traditionally change-resistant environments. Prior to Hall Settlement Systems, Jon was vice president of operations for BridgeSpan Inc., where he was responsible for nationwide customer and partner relationships, and customer-facing title and settlement processing to support a \$34 million revenue title and escrow company.

settlement companies may be able to scale and grow by acquiring other companies, but they should not use the same methodology when scaling and growing their technology. Adding more systems and work-around processes does not make an organization more effective. It often makes it ineffective, reduces production capacity and proves to be a real demotivator for employees. Some companies continue to piecemeal hardware and software to try to improve their operation. The more they bolt on different systems from different providers or even the same system provider, the more they add to their inefficiencies. Duplicate data entry, missing information that does not flow between the connected systems, limited visibility and reporting of the process due to status and data stored in different systems – all of these lead to losses in productivity, profitability and increase stakeholder frustration.

How are you advising title agents to prepare for an increasingly technological process?

First, choose technology that enables your company to maximize business performance. We recommend using a title and settlement system that addresses all core processing needs with built-in workflow and collaboration, and also is underwriter agnostic. This is more cost efficient and effective than integrating multiple systems and/or modules. Second, build stronger relationships with the types of clients and suppliers that are willing to step out and try new ways to improve the consumer experience, lower overall processing cost, and reduce processing time. Third, look for “change agents” – those employees and/or new hires who have a good attitude, show an aptitude to learn new things, and can motivate others to do the same. If you have employees that are not willing to make the change or suspect will take the “victim of change” position, give them a chance to become change agents or show them the door. If they aren’t willing to change, then they are going to impede company progress moving forward.

What are the most important tech changes you have experienced in your career?

XML (eXtensible Markup Language) gets my vote for machine-to-machine communication. XML is extraordinary in terms of flexibility, and the ease and speed that it can be implemented. As long as you have a good specification for programming, the possibilities for this type of connectivity are endless.

What's the most profitable tech-related idea a company could implement?

Companies should deploy a total transaction management system for title and settlement process – one that is underwriter agnostic with built in workflow, collaboration, and vendor management so they are well positioned to track and hone core competencies, reduce errors, improve efficiencies and better manage outsourcing. The end result is accelerated order processing, enhanced customer service, the ability to scale and adapt based on market demand and opportunities – and ultimately more profitability due to reduced costs and increased revenues.

What are the top technological issues you are dealing with now?

Getting people to change from a paper-based to paperless process. Believe it or not, it's not technical issues I am dealing with but educational and environmental. In an industry where we say we've invested a lot in technology, it's still very much a people- and paper-based process. Paper is not intelligent so most of the systems have been built around "automating" ways to extract data from the documents to make the process more intelligent. Most of the systems that have been deployed are still based on the receipt of paper-generated documents and keying information from them after the fact.

Some have said this industry is slow to adopt new technologies compared to other businesses. Is that true, and if so, why?

Unequivocally this is true. Because there are so many constituents, you need to engage in the manufacturing of a loan and so much legal compliance around providing it. From a loan application generated by a broker, to lender's integration to order third party services to process the loan, to underwriters either internal or outsourced to an MI company – and that's just in the origination of the loan. Then you have the closing agents and post closing QC, prefunding and secondary marketing people, companies and processes to deal with. Not to mention the state and federal requirements on what and how you can do business as a lender depending upon what type of financial institution you are.

What's it going to take to get e-mortgages, e-closings and e-recordings to be implemented across the country?

When just one investor steps up and truly makes it beneficial to accept them. Investors drive the packaging requirements of selling loans to them and create the incentives to originate loan product. If just one investor put some real incentives behind accepting e-mortgages, then you will see sellers clamoring to support it. The technology is in place and there have been quite a few successful pilots with investors putting their toe in the water, so it's not a question of technology. It is a question on what creates adoption.

What's the biggest tech-related mistake you are seeing the industry making?

Outsourcing. Despite investment in technology, the best we can do to lower costs is to replace expensive seats for cheaper seats by outsourcing overseas? To me this is telling because it's an acknowledgement that even though we say we have made major strides and investments in technology, we obviously haven't been that successful in radically changing the underlying process to reduce operational costs or you would not see this happening. Another point here is that you are not only outsourcing jobs but intellectual property as well. The mortgage industry is no different from automating any other manufacturing process, and now you are seeing many Indian companies coming back with systems to better automate the process that will reduce costs just like the other industry examples that initially relied heavily on labor to get the job done rather than better tools and automation, which came later as margins shrank.

Tim Anderson

vice president
Stewart
eMortgage Services

Tim brings more than 28 years of mortgage banking technology experience to Stewart Transaction Solutions. His knowledge and expertise are invaluable in leading the business development initiatives for e-mortgages and Stewart's overall vision of the paperless real estate transaction. Previous employers include Dexma, DocuTech, Ignition Mortgage Technology Solutions (a wholly owned subsidiary of Freddie Mac at the time), Tigor Realty Tax Services and ALLTEL (now Fidelity Services). He also ran the eCommerce Division for HomeSide Lending (now WaMu). Tim also founded the eMortgage Alliance, which supports MISMO standard for delivering legal paperless processes.



A recent report in the *Wall Street Journal* detailed the struggles HSBC is having because inappropriate loans were granted to subprime borrowers who either are now unable to pay because of adjusting rates, or were granted loans on poorly substantiated credit. It seems like there was a lot of push-button lending going on without much investigation of the borrower's ability to pay. Is there ultimately a limit to what technology can do in terms of valuing property, searching out title and granting loans?

The limit is the size of the database you are accessing and degree of accuracy of the data you trust. Under the assumption that data is gold, he who owns more of it determines the rules and has the power and control over what to do with it. If you have to go to fewer sources to "mine" the gold then he who owns and controls that gold mine will be in a key position to determine who has the

rights to mine it and add value to extracting it. Companies like Google are aware of this and are collecting and aggregating as much as they can to create value in those data relationships and services. The counter or trade-off to this trend, however, will be more legislation that is intended to protect consumer confidentiality. We're already seeing this with wide sweeping legislation such as GLB, SOX, FIRREA and others.

What are the most important tech changes you have experienced?

Internet, e-mail, cellular devices and iPods. But, hands down it has been the power and adoption of the Internet and Web-services technology that had virtually changed the way we share and communicate vast amounts of information with a vast amount of people and Web services are redefining how we connect and communicate to them. E-mail is right there as well. We virtually run companies by e-mail and conduct business exchange/services via the Web. The problem now is that once a system becomes so ubiquitous, sometimes you don't who you are dealing with. We're also seeing the merging of multiple media and content into nano-technology devices like iPods and iPod phones that can just about do it all in terms of communication and entertainment.

What's the most profitable tech-related idea a title company could implement?

Now if I told and shared this with you, I'd be giving away some of the company's competitive advantage, wouldn't I? But I will share with you something we are currently implementing that will differentiate companies that can support a paperless versus paper-based process. It validates and supports everything that I have said to this point. The ability to host a paperless platform and invite all parties in the process will deliver a huge competitive advantage to companies that support this. It's not imaging and archiving, it's the ability to allow people involved in the various stages of a loan process to collaborate, view, update, electronically sign and never have to paper out. It's all about making it easier to do business and eliminating old, archaic, inefficient and costly paper-based processes. The ability to support a collaborative platform for all participants will greatly improve the process, allow for transparency into the process and virtually eliminate any issues or surprises at closing. The ability to ensure a clear and clean closing in 15 minutes is something we can and do support today.

How has the sales process for title agents changed over the past few years?

For some title companies the sales process has changed a great deal; for others, not much at all. While the industry continues to have, and reward, skilled sales practitioners, one can still find salespeople who attempt to rely more on style than on substance. The market is becoming increasingly competitive as savvy customers expect to establish and maintain a business relationship with salespeople. Most sales professionals today recognize that "the natural salesperson" is largely a myth, and that consistent success comes from hard work and careful execution of a proven methodology.

What will title agents have to do to adapt to changing market realities?

It seems the market will eventually require agents to do the following:

1. Simplify the pricing of their products and services to be more easily understood and reflect appropriate costs.
2. Reorient their distribution model to reduce costs while improving market coverage to improve their efficiency in a more competitive marketplace with potentially lower revenue per transaction.
3. Be more effective in articulating their value proposition.
4. Promote regulatory compliance.

Are there adequate avenues of training for title agents?

Yes, we believe there are, and we see these avenues becoming increasingly diverse with technical enhancements that facilitate their delivery over the Web. The real challenge is not in the training avenues, but in the audience's willingness to embrace new channels of education.

Will training become less important as more data goes online?

Training will continue to be extremely important. The emphasis may shift a little as access to data increases by virtue of improved technology, but the focus will remain on honing selling skills that move the needle through increased profitability and market share.

What can title companies be doing to recruit Generation X and Y employees?

Generation Xers (people born between 1965-1980) tend to focus more on the individual, or themselves, rather than institutions. To successfully recruit them:

1. Use e-mail and technology: Gen Xers place a high value on their own time, and speed in decision-making.
2. Stress the value of a professional and personal balance: Allow for flexible hours, working from home, generous personal and family-related time off and benefits;
3. Stress freedom of choice: Promote Gen Xers freedom to manage their own day, set their own goals, etc.. Do not micro-manage this group.
4. Stress performance-based pay: Gen Xers want to create and be responsible for their own destiny.

Gen Y individuals (people born between 1981-1999) are typically realistic, confident and pragmatic. They were raised by optimistic Baby Boomers (1946-1964) and feel empowered to take positive action when things go wrong. Effective recruiting techniques include:

1. Offer significant work that matters: Gen Yers like making a difference.
2. Gen Yers like collaboration: Stress the team environment.

Paul Bedell

chief operations
resources officer,
LandAmerica

Paul leads the LandAmerica sales process that identifies new customers, markets, and services to assure volume growth. He also provides advice on a broad range of sales strategies and processes, and develops sales leadership in regional operations and service units. Paul joined LandAmerica in 2003, bringing a diverse background in financial services during which he has worked in the United States, Europe and Asia. He holds both master's of business administration and bachelor's degrees from the University of Michigan.



3. Make their job challenges significant.
4. Offer a great deal of feedback.
5. Gen Yers respect their elders, so provide mentors.
6. Stress community involvement and place value on corporate citizenship.
7. Stress the quality of the physical work environment: Good space and amenities.

What are the biggest challenges on the horizon in 2008? How will you address them?

The biggest challenges revolve around successfully and consistently creating value for customers. There are many facets to the value proposition challenge; that is, to understanding what really motivates customers to entrust their business to

you and then keep them coming back regardless of the competition. I believe empathy is the first step. Consider the incredible success of Google. Everyone wants to use the Internet, and Google makes it easier for them to do so through an elegant, simple interface that saves time while producing high-quality results. This reflects a trend and that individuals will increasingly place a premium on simplification; on making their lives easier. Providing customers with the opportunity to interact with us when and how they want to, with technology as an enabler, is a point of differentiation in our industry. Rather than dictating the tools and processes customers must use, we should allow them to play a greater role in articulating and developing tools and processes they really want. By making it easier for customers to do business with us, delivering the value they demand in the manner that best meets their needs, the sales process is transformed from "selling something" to "providing solutions" customers will actively seek.

What is the best marketing tool a title company can employ to generate sales?

A referral from a satisfied customer, especially from someone your prospective customer respects, goes a long way toward opening the door for a successful business relationship and growing sales. Once that door is open, it's the responsibility of a professional salesperson to deliver value to the customer and help grow their business. It's both that simple and that challenging.

What markets do you see emerging or having strong business potential for title companies?

Most title companies are working to develop and provide multi-lingual service capabilities to target various customer segments. This is another example of the imperative to simplify its services. People want to do business in a way that makes it easier for them; speaking the same language they do is an obvious starting point. I suspect the opportunities with the strongest business potential for title companies are less likely to come from identifying some new, untapped, underserved customer niche, and more likely to result from focusing upon current customers, understanding their needs and consistently delivering exceptional service.

What advice would you give someone wanting to get into the title industry today?

I would advise them to conduct a thoughtful assessment of their abilities with respect to the competencies required for success in our industry. If someone is truly customer-focused, willing to work hard and thrives on constant change, the title industry can provide a fulfilling career.

What is it going to take for your company to remain competitive in a soft market?

Our company is very strong in our market area. To remain competitive in a soft market we just need to stay focused on our mission, which is to do what we do well. I believe strong companies get stronger in down times because smaller companies cannot compete. We will not cut in any marketing areas or staffing. It will enable us to pick up the business the smaller companies will not be able to continue to service. We will be ready to handle the ARMS that are ready to reset and we are able to handle the growing Hispanic market.

Where does your company see its greatest potential for growth?

We believe we will continue to grow in the AfBA arena as well as the marketing agreements. We intend to build trusted partnerships one client at a time.

Is your underwriter a direct competitor to your operations? How has this affected your business?

Yes and no. We were with an underwriter that was in direct competition with us and we chose to make a change. One of our better clients was approached by our underwriter and offered a partnership. Lucky for us, they chose to stay with us, but it definitely made us change the way we operate with our underwriter. Although the underwriter we are with now does offer JVs and the like, they don't operate in our market area. Our underwriter will call and deliver a client before they will compete with us. It is a comfort level that is working. In a perfect world, the underwriters would not compete with us, but it is not a perfect world and business is business after all in America. But on an ending note, our underwriter is very supportive and we enjoy working with them.

How concerned are you about the upcoming GAO report and RESPA reform?

We are a bit concerned with the GAO report. Although ALTA did a wonderful job testifying before Congress and protecting the industry, I believe that there are a number of people that do not understand the validity of title insurance. One of the issues they are studying is the impact of AfBAs in the marketplace. We are members of ALTA and we are also members and hold a board of directors seat at RESPRO, who have done a wonderful job supporting legitimate AfBAs. I participated in two roundtables, one of which was in front of members of HUD, and I think knowledge is power. The more they understand and the more the associations do to educate, the better it will be. Since it has taken so much time, it may be that HUD is going to come out with a completely different take on RESPA reform, or they are just going to settle on revamping the Good Faith Estimate and have it mirror the HUD and allow for some average cost pricing to take place.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

We are definitely keeping our eye on the NAIC. The insurance

Ginger Bigelow

vice president
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Beltway Title



Ginger joined the Beltway Title team in September 1995. She has more than 35 years experience in the title industry.

She is very active in Realtor associations, the Mortgage Broker Association, the Mortgage Banker Association, Homebuilder Association, RESPRO, the Maryland LTA and ALTA. She holds a seat on the board of directors for RESPRO. She is a member of the State Issues Task Force Committee for Respro. She has been appointed to the closing committee for ALTA and the legislative committee for the MLTA. Ginger also holds the Certified Land Title Professional designation which is awarded through the MLTA.

commissions have admitted they don't know enough about the title industry to regulate it. It all started with the captive reinsurance issue and then moved into sham AfBAs. We are concerned with percentage caps. I am a member of the State Tasks Force at RESPRO and we are keeping a very close eye on all the states. We all support regulatory scrutiny of sham AfBAs and other illegalities in the market place. The industry also is a bit concerned with class action suits.

To what extent have affiliated business arrangements and other real estate, homebuilder and lender captives changed the scope of the marketplace?

The joint ventures in our market have dramatically altered how people in our area market and handle sales calls. They have been good for the larger companies, but

not for the Mom and Pop shops. Without the ability to partner with large clients, you have just about lost the ability to compete in the market place. Ancillary services or core services have been adopted by most franchises. Let's face it, most companies have been bought or merged with a decent-sized franchise.

How do you see the delivery of services changing in the next decade?

Technology is going to be paramount. The way orders are received and processed will totally change. Integration will be king. Once again, those that have these services or can offer them will survive. E-recordings and e-signatures are very much on the horizon and will change how we conduct business.

What can title agents do to stay relevant to the future of real estate and mortgage transactions?

We all believe that the settlement services industry, or settlements in general, are and probably will continue to be a relationship business. People like to deal with people that they like. A real estate transaction is one of the biggest deals in a person's life and they want to meet a face to close on a house. I really believe this will change, but not overnight. Title agents need to have the ability to handle closings face-to-face, but also need to invest in the technology to receive and process orders from different sources. Integration is going to be the ticket. Moving into the guaranteed closing cost and on-time closings will become a wave of the future with penalties being paid directly to the consumer.

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be on the industry?

This technology will continue to evolve. Coming from an abstracting background and having it still in my family, I know this sort of searching is not accurate. They are not checking courts or judgments in some jurisdictions. I know abstractors will eventually become obsolete and everything will be done by the computer, but they are not there yet, although they are offering it and I think the claims will be ridiculous. Let's face it, receiving a commitment in 60 seconds is awesome, but what really is on that commitment is the key to who is insuring it.

Where does LandAmerica see its greatest potential for growth?

Our current financial flexibility affords us the opportunity to expand our expertise and take advantage of opportunities in the residential, commercial and international markets. We see significant potential in the international marketplace as more countries seek to facilitate the unlocking of the equity tied up in their real estate.

How important is the commercial market to provide growth for LandAmerica over the next decade?

Our commercial channel continues to be a market leader, up in FY2006 about 14 percent from FY2005. We attribute this growth to the strength of our commercial operations and improved market share. It's unrealistic to expect that kind of growth to continue indefinitely. Historically, the margins in commercial are greater than those in residential.

How concerned are you about the upcoming GAO report and RESPA reform?

The GAO has a reputation for being fair and impartial, and we expect its anticipated report on the title insurance industry will demonstrate this. We expect that the GAO report will recognize the value that title insurance brings to American homeowners by making housing more accessible and affordable, and by protecting their rights with respect to what for many is their single biggest asset. In the report, the industry will likely find important statements of value confirmation that we can use to contradict our detractors in the media. We acknowledge that the GAO is looking at important marketplace issues, and we will carefully review its findings and recommendations to see if there are best practices contained in the report which we can adopt for the benefit of our customers, employees and shareholders.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

The GAO and various states are studying the title insurance product, market, pricing, business practices, and potential regulatory and legislative changes. States including California, Florida, Nevada, New Mexico, New York, Texas and Washington are examining pricing levels and/or title insurance regulation and legislation. It is critical that we articulate the unique aspects of the title insurance "risk elimination" model and our value proposition. We support an actuarially sound approach to title insurance ratemaking. Given the recent decline in mortgage originations, regulators should carefully consider the impact of any rate cuts on providers of title and closing products and services.

How do you see the title insurance industry changing in the next decade?

The industry will feel continued pressure to provide products faster, cheaper and better. We expect there to be more consolidation and enhanced automation. There will be opportunities for title and closing rates to be simplified and more transparent. Major competitors in the industry will become more global during the

Ted Chandler

chairman and CEO,
LandAmerica

Ted joined LandAmerica full time in 2000, serving as chief operating officer from 2002 to 2004, before adding the responsibilities of president on Jan. 1, 2004. He became CEO on Jan. 1, 2005, and chairman of the board on Jan. 1. Ted is involved in board leadership in a number of other organizations including the American Land Title Association, Richmond Region 2007; Greater Richmond Chamber of Commerce (vice chairman); The Mariners' Museum; Richmond Art-Fund (post chairman); the Maymont Foundation (post chairman) and the Virginia Foundation for Independent Colleges. Ted, his wife and daughter, climbed Mount Kilimanjaro (19,341 feet) in June 2006. *Golf Digest* named Ted one of the top five golfers among Fortune 1000 CEOs in its October 2006 issue.



next 10 years as other countries accelerate activities to unlock the capital in residential real estate.

How do you see the delivery of services changing in the next decade?

In the next decade, we expect service delivery will continue to evolve, reflecting feedback from increasingly well-informed customers. Successful service providers will become more adept at incorporating the "voice of the customer" into their processes, and then delivering on commitments that bring value to those customers. Customers today are better educated and more comfortable with technology than ever, and we expect this trend to continue. We believe customers will increasingly demand services to be available when they want it, delivered how they want it.

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition?

Our industry is being defined by our detractors. The industry as a whole must be more proactive in spreading the good news of how our industry helps protect consumers. LandAmerica is focusing significant resources on this effort with state and federal regulators and legislators. ALTA is also stepping up its proactive efforts on behalf of the industry. This is critical work that must be expanded and accelerated. We encourage all members of the real estate transaction community to come together to articulate our value proposition.

What can title agents do to stay relevant to the future of real estate and mortgage transactions?

The key value proposition of our industry is found in risk mitigation, fraud detection and closing services as well as the "insurance" component. Agents provide all of these key elements, except for the insurance wrapper. In that context, I believe accuracy, expertise and responsiveness will continue to be the key components of relevance and success for agents. Staying current with available technology will help agents meet these customer expectations.

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be on the industry?

Two things are needed to develop a title report automatically: the data, and a standard model or set of rules which can be applied to that data. Given that requirement, technology will likely continue to evolve on three fronts: 1. Companies that own information in non-electronic formats will continue to convert that information to electronic formats, and will work to build or refine electronic models to cover an increasing number of variables. 2. Third-party companies with the technological knowledge and data manipulation capabilities will market their models to those who own the data (underwriters, agents). 3. Counties will continue to automate and provide improved levels of access to their data. Underwriters that are aggressively investing in automating their data will need to capture revenue in the window of time between now and when the public records catch up to their level of automation. This dynamic will spur further and more aggressive automation strategies.

What is it going to take for your company to remain competitive in a soft market?

We were the fastest growing title insurance company in 2006, and that trend will continue in '07 and 08 irrespective of market conditions. There is always 100 percent market share.

Where does UGTIC see its greatest potential for growth?

We will grow our footprint (we are in all 50 states) by enabling our agents to grow their footprint. We have a national agency network that allows our agents to work together to expand each others' coverage as demographics, realty brokerages or lenders' expansions dictate, and we offer them the ability to sell our other products to drive more fee generated revenue to them.

How concerned are you about the upcoming GAO report and RESPA reform?

I've co-authored three books on RESPA since 1992, one after each revision to the Act or Regs, GAO or RESPA reform are headwinds; one can sail toward one's destination using headwinds.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

DOI's warrant scrutiny, and lobbying. Our title agents provide the US economy with liquidity, credit enhancement which lowers mortgage risks, risk management and a 70 percent national homeownership rate that is the envy of all the world. It takes two years to buy a home in Europe. We need to promote our value proposition to the unenlightened.

How do you see the title insurance industry changing in the next decade?

We will go from title insurance products to more data assurance products as analytics allow and/or DOI rates compel us to cut back on coverage.

How do you see the delivery of services changing in the next decade?

Closing faster and cheaper, e-signings, title insurance closing models tend to migrate to the trail of the HELOC process, so this answers the immediately prior question also.

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition?

There has always been that need and UGTIC has planted the seed for an industry wide coalition, go to one of our Web sites, www.caboconference.com to learn more about our interdisciplinary approach. "We all have a bias for survival." At our Web site, you will see we have begun an industry-wide

Joe Drum

**chief operating officer,
United General Title
Insurance Company**



Joe is a co-author of three books: Understanding RESPA (Library of Congress No. 94-78352), Understanding Reg X, and Mortgage Financing. He has more than 32 years experience in the title insurance industry. He was EVP of two other national title insurance companies where he was in charge of all agency operations and strategic initiatives for several brands. Prior to that, he served in the Jesuit Volunteer Corps with the Peace Corp in the West Indies, taught English and mathematics in New Jersey, was a quarter finalist in the Nebraska Golden Gloves 1968 and 1969, and fared less well in the 1970 New Jersey Golden Gloves. Joe was a comedy writer for political impressionist, Jim Morris, and was a contributing writer to Comic Relief in 1990 and 1991

coalition and we will continue the interdisciplinary approach to finding profitable alliances which are, of course, compliant, and foster the efficiencies and economies necessary to do business five years from now.

What can title agents do to stay relevant to the future of real estate and mortgage transactions?

What they always do! Manage the transaction. One thing they and we have never done well is explaining our value proposition to the public. Our industry performs curative work on 25 to 30 percent of all title reports in the U.S., yet the DOI or newspapers aren't aware, nor care, on the liquidity, credit enhancement and security we bring to the U.S. economy. This is still a personal relationship

business. The refi mania belied that reality. Agents will always have a role, Darwin said survival of the fittest doesn't mean survival of the strongest, it means those best able to adapt!

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be on the industry?

Data integration will continue to evolve swiftly and state laws will lag behind. Passive opposition from parochial interests will attempt to impede progress, but market dynamics will push us all into the 21st Century. Agents will e-close, have power of attorney from the sellers and/or buyers where necessary to reduce the costs of funds and reduce the trailing document morass.

When do you think the industry will make a strong commitment to paperless transactions? How well-positioned is your company to make the e-mortgage transition?

The title industry's commitment to paperless transactions is here. The marketplace, not our commitment, will drive adoption. We are ready today. The automated teller machines were available in the 70's, which were years before they were used; windshield wipers with intermittent settings were available 10 years before the public bought in. After all conventional methods of expense control (cutting people and bricks and mortar) have been exhausted by the GSE's, Realtors, loan originators and us, will all then look to push paperless. I used the ATM analogy because for years banks knew it cost them \$2.05 each time a customer used a teller versus 4 percent of one cent per ATM use, yet they ran redundant lest fear of losing customers.

What facet of your job is the most rewarding?

After 33 years of working almost every job in this industry, I am now building a title insurance company, offering good jobs to good people throughout the U.S., working with good people and am very grateful and proud to be in this industry.

Where do you see First American focusing its efforts in the coming two or three years?

In the coming two to three years, First American Title Insurance Co. will be focusing on market leadership in compliance and regulatory areas, process enhancement and margin performance.

Where does First American see its greatest potential for growth?

We see our greatest potential for growth in the areas of process improvement, which will lead to greater market differentiation. We also see continuing opportunities for growth in the area of emerging/strategic markets, or the delivery of multicultural homeownership solutions to traditionally under-served communities.

How important is obtaining data to provide growth for First American over the next decade?

First American is a leader in the area of data and business information and we will continue to pursue opportunities which expand our database capabilities and geographic coverage in both domestic and international markets.

How concerned are you about the upcoming GAO report and RESPA reform?

We are actively engaged with federal and local authorities and are monitoring activities related to RESPA and other areas of reform. We will work with these parties and are committed to serving as the industry leader.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

Again, we are actively working with regulators and in certain cases, legislative parties on a variety of matters.

How do you see the title insurance industry changing in the next decade?

The title insurance industry will continue to create product and service standards which support more complex transactions, with more parties in certain areas of specialization. The requirements for timely and accurate

Curt Johnson

president,
First American Title Co.



Curt began his career with First American in 1996, when he was hired as vice president Builder/Commercial Services for the company's Phoenix branch office. Two years later, he transferred to the home office in Santa Ana, Calif., to accept the position of vice president-California Subdivision. In 2000, he was named senior vice president-National Subdivision director; and, in 2001, he assumed the position of senior vice president and director for the company's National Commercial Services group. Curt was promoted to the position of president in December 2006. Prior to joining First American, Curt served for six years as senior associate for Prudential Arizona Realty Commercial Services Group in Phoenix. Prior to that, he served as executive vice president-designated broker for the Phoenix office of Merrill Lynch Commercial Real Estate. Curt started his real estate career with Westcor Inc. In addition to holding a bachelor's degree in business administration from Arizona State University in Tempe, and the Certified Commercial Investment Member (CCIM) designation awarded by the Commercial Investment Real Estate Institute, Curt is currently involved with various professional organizations, including the National Association of Home Builders, the California Building Industry Association, the Urban Land Institute and the International Council of Shopping Centers.

information, with an emphasis on value, will continue to be the standard. Our company and others will continue to expand globally in the next decade.

How do you see the delivery of services changing in the next decade?

First American has invested aggressively in our technology and electronic delivery systems. More and more consumers and customers will accept and require electronic delivery of our products.

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition?

The national, regional and local land title associations address industry-wide issues currently.

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be

on the industry?

Our customers will continue to emphasize timely and accurate delivery of information. Industry participants will need to invest in technology and commit to processes which allow for continual process improvement.

One of the concerns title agents and appraisers have is that AVMs and instant title policies will replace human beings in the process. Knowing that companies such as HSBC are struggling with bad loan portfolios in the wake of similar "push-button" lending products in the mortgage industry, how important going forward do you think the human touch and human judgment is going to be in the appraisal and title industries?

While technology continues to improve on the timing and delivery of valuation and title products, human judgment is and will continue to be the key element of our industry.

What has been the biggest personal challenge for you as president of First American Title?

It is difficult to find time to see all of the great people in our organization.

What is it going to take for title companies to remain competitive in a soft market?

I have spoken with title companies of all sizes from across the country and I have heard the same thing: Opportunities for business can be found but one has to seek them out and be aggressive. In some cases, adjustments in staff and expenses have been made to get through the sluggish market. Those companies that adjust to the new market realities will survive.

Where do you think is the greatest potential for growth for title companies?

I am a firm believer in diversification: diversification in geographical locations, diversification of the product line, along with product line extension and ancillary services that fit the demand of a particular market. Our customers are demanding more from their title service providers, and we must provide to them those products and services that fulfill their needs and solve their problems.

How concerned are you about the upcoming GAO report and RESPA reform? What advice do you have for title companies about the pending report and reform?

We have been working with the GAO since they began their study of the industry. We believe the GAO has done a thorough job and are confident that their report will be fair. We realize there are issues in the industry and believe that the GAO study has already had an impact on those issues. RESPA reform remains stalled. The real estate finance industry made it clear that the original proposal was detrimental to consumers, small businesses, and the real estate industry in general. If the revised proposal is one to tweak the good faith estimate and HUD-1, we can probably support it. I believe that the GAO report will validate our industry's value proposition and that the industry will continue to work hard to restore confidence in the products and services that it provides.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

We are interested in assisting Congress as they look at methods to increase affordable housing for all Americans. We support legislation to create a new regulator for Fannie Mae and Freddie Mac that will ensure continued confidence in the government sponsored enterprise mission. We support legislative efforts that would carefully balance the need to prevent predatory lending, while we oppose legislation that would create an optional federal insurance charter since it would be very detrimental to small insurers, agents and consumers.

How do you see the title insurance industry changing in the next decade and in what way will the role of ALTA have to change in light of the changing landscape?

The title industry has been at the forefront of innovation in the real estate sector. Title agents and underwriters were some of the first users of electronic communications, data storage and the Internet.

Greg Kosin

president,
American Land
Title Association



Greg, who helped found Greater Illinois Title Company in 1985 and has been president since its inception, has been involved in the title insurance industry for over 30 years. He received his BA degree from the University of Illinois. He is a former director of the Illinois Association of Mortgage Brokers, the Illinois Mortgage Bankers Association and the Society of Mortgage Professionals. He served as president of the Illinois Land Title Association for two terms and is a former member of its board of directors. He served as chair of the Government Affairs Committee of the American Land Title Association for nine years and was appointed to its RESPA Advisory Committee, which evaluated new Federal regulatory proposals.

We continue to provide innovative ways to make transactions smoother, more transparent, and more valuable to consumers. ALTA's role will be to continue to provide a forum for title professionals to exchange ideas and to participate in the formation of the future of the industry.

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition and how do you see ALTA intersecting with such a coalition?

ALTA and its members work continuously with other trade associations, consumer groups and various agencies and departments of federal, state and local governments to promote homeownership, to take the lead in preserving our property records system and to increase the efficiency of real estate transactions.

ALTA has always taken the position that members of the industry comply with all applicable laws and regulations and conduct their business in a fair and ethical manner. These have always been the goals of our association and we welcome the opportunity to sit down with all parties that have similar goals.

What can title agents do to stay relevant to the future of real estate and mortgage transactions?

Title agents are an essential component of the real estate and mortgage transaction. Without the title search and correctional function performed by title agents, there would be no marketable title. Without marketable title, there is no mortgage financing. Without financing, there is no sale. That has been and will remain our value proposition. The functions performed by title agents in over 3,000 counties across the country are the backbone of the real estate transfer process, which is the best in the world.

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be on the industry?

The technology to speed the delivery of title reports will continue to evolve and improve. This will provide a more consistent product with enhanced quality and more reliable data. The challenge will be providing a product that fulfills search and insuring requirements, as well as the assurances that are demanded by lenders and the secondary mortgage market.

What is your outlook for the industry for the remainder of 2007 and 2008?

As a life-long Chicago Cubs fan, I am always optimistic. I believe that after a sluggish first quarter in 2007, mortgage interest rates will remain stable and we will return to a more normal market. Refinances are expected to track along the same level as last year. There appears to be a certain amount of pent-up demand in the resale and new construction markets in some areas which, along with stable prices, will lead to a good year in the industry. As Mr. Cub, Ernie Banks, might say, "The market will be great in 2008!"

How has the abstractor's role changed over the past decade? How will it continue to evolve?

Abstractors, I feel, used to be considered professionals in their field. Over the past 10 years or so, for reasons I find difficult to explain, that perception has eroded immensely. Hopefully, with the help of associations such as the National Association of Land Title Examiners & Abstractors (NALTEA), we can bridge the gap that exists between the perception and what is the reality of our profession. We can only hope that there is a positive evolution in the future.

How has the increased importance of data affected abstractors? What has been the affect of outsourcing on abstractors?

I don't believe that the importance of data, at least from an abstractor's perspective, has changed at all. Abstractors have always relied on public data to perform their research. What has changed, in my opinion, is the manner in which the data is indexed, stored and managed. The outsourcing of data has affected not only abstractors, but it affects anyone/everyone that may rely on the same. That runs the gamut between the individual consumer and the national lenders alike. I don't recall a time where I have seen so many documents that have been indexed improperly.

What can abstractors do to stay relevant to the future of the title insurance industry?

My obvious answer is to join associations like NALTEA to bring our concerns and experiences to the forefront. Our entire industry depends upon abstractors and examiners. We are the foundation on which this industry was built. Nothing can replace a human being in the county courthouses and registries.

Companies continue to develop technology that provides title reports more quickly. How do you think this technology will evolve and what will its impact be on the industry?

This is obviously a hot topic with title companies. Technology is a wonderful thing, if used properly. Many counties offer various levels of online access to their records. This can be a valuable tool for preparing one's file for research, however, it should not replace the trip to the county. The impact this has on abstractors is the pressure that is placed on us to get everything done more quickly. Unfortunately, the downside of that is equally obvious. Research, at least that which is done correctly, takes time. Rushing can cause unnecessary errors, which ultimately can be extremely costly and detrimental. From a product delivery standpoint, for those abstractors who are able to embrace it, technology can save a lot of time. Many clients

Mary Mitchel

president,
National Association
Land Title Examiners
and Abstractors

Mary currently serves as the regional director of operations for AccuSearch Co., which provides statewide searching/recording services in Florida, Illinois, Indiana, Michigan, New York, Ohio and Wisconsin. She began her title career in the early 1980s during the first major refinance boom. Working for several companies ranging in size from very small abstracting companies to large national title insurance companies, she has experienced just about everything relating to title. She is an active member of the National Association of Land Title Examiners and Abstractors (NALTEA) Education Committee and currently serves as president of NALTEA.

prefer to receive their reports back via some electronic delivery method.

How do you see the title insurance industry changing in the next decade?

I am hoping to see the title industry take a step backward. History has a way of repeating itself. I believe that, if the title industry continues to try to speed up the process, reduce policy requirements, etc., we will see an escalation of title claims and foreclosures.

How do you see the delivery of services changing in the next decade?

I really do not foresee the product delivery changing that much from where we are today. I think there will continue to be a mix of technology and the old manner of using the facsimile machine. Given the number of counties throughout the country, and the diversity of their level of technology, we will always have

the smaller independents that prefer to do things the "old fashioned way."

According to a recent report in the *Wall Street Journal* it appears there was a lot of "pushbutton" lending going on over the past few years without much investigation of the borrower's ability to pay, resulting now in high foreclosure rates. Should the title industry be concerned that without proper human oversight, instant title searches and instant title products may erode property records in the same slipshod way?

I absolutely agree with the recent report that appeared in the *Wall Street Journal*. The title industry should be concerned. It has been a hair-raising experience, over the past few years, to see what some lenders have been using to determine loan approval for perspective borrowers. In their rush to be competitive, they have eliminated the very standards that allowed them to evolve over the years. I have always held the utmost respect for the more conservative lender that has maintained their standard for title requirements, as it pertains to abstracting. Anyone can pull data, however, it takes a professional to interpret that data, report an accurate chain of title and/or, more importantly, to be able to alert them to possible breaks in the chain.

What advice can you give abstractors to help them succeed in the current market?

My advice to abstractors to help them succeed is simple. Stick to your guns. Rely on the tried and true foundation for abstracting. Take your time. Don't take shortcuts. Be thorough. More information is always better. If something looks amiss, make a note of it for your clients. We are their eyes. Earn the respect that we have all been fighting to regain in this industry.

What is it going to take for your company to remain competitive in a soft market?

Get more business. We are actually rolling out new technology about as fast as we can to enable our folks to give a greater level of service to the customer. We believe that's what it will take to get more business in the door. We are focused on technology that can be integrated with our customers' own systems in order to streamline the business delivery. We are beefing up our sales and focused on our customers. As the attention gets down to the bottom line, it's about treating people like you want to be treated. If you go in the store and people don't like you, they won't come back.

How important is the international market to provide growth for Stewart over the next decade?

It takes a long time on the front end to learn how to deal with the international marketplace and then being able to understand the culture that you are in. We now have reached that plateau. Once you do that, the market tends to unfold. We've been an active player for years and we finally have a handle on the business. We are a company that can work with a country and its land title situation. We have tech and expertise far beyond the title business of researching what records they have. We can create all the records the country needs and a whole infrastructure. We don't believe any of our competitors have that expertise.

How concerned are you about the upcoming GAO report and RESPA reform?

I'm actually looking forward to the GAO report. We've got the entire U.S. government consulting for us. That's the way I look at it. The report may come out with some errors where maybe they don't understand the issues. Even if they come out with a report that has some misperceptions, I just think it's a good opportunity to have a new set of eyes look at the real estate process and it gives an opportunity to see where we need to focus education of our customer base. It will give us an outline for that. Who knows, maybe they may come up with some new ideas that will create new opportunities for us to embrace. We hope it's not just a *Forbes* ignorant hatchet job, but I don't think that's what they will do. We will look at what kind of positive things we can learn from the GAO study. As to RESPA, there are ideas that HUD has explored to help the consumer understand our business. Those will be welcomed. We always want to make the consumer experience more friendly. We are working on ways for the consumer to have a better vision into pricing, better opportunity to know what's going to happen to them in the process.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

I think the states are taking an issue in how title insurance is priced. You need a long-term strategy for pricing that's fair to the public and returns a reasonable return to the companies that are serving them. You can't be saying our prices are \$1,000 this month and next year they are \$300 and then \$3,000. You have to look at a long-term strategy. The industry did well and had three of its best years in '03, '04 and '05, while 2006 was a different story. We need

Malcolm Morris

co-CEO,
Stewart Information Services

Malcolm received a bachelor's degree in business administration from Southern Methodist University, a master's degree in business administration and his doctor of jurisprudence from the University of Texas. Involved in many organizations, Malcolm is a member of Houston Bar Association, the State Bar of Texas, the American Bar Association, and is a fellow of the Houston and American Bar Foundations. He served as president of both the Texas Land Title Association and the American Land Title Association. Through his involvement in Living Water International he founded and serves as chairman of the "Millennium Water Alliance" of American non-profit organizations with a common goal to bring clean water to 500 million people by the year 2015.



to respond to the states that are looking at all the good years and thinking "we need to crutch somebody."

How do you see the title insurance industry changing in the next decade?

You might see the number of large underwriters shrink slightly. Who knows, there may be another merger in the offering. I think small regional underwriters will be there who can differentiate themselves in some niche markets. Large agencies will still be there that can take advantage of technology. We see a growing trend of agencies expanding into other areas. So they are doing a growth path, sometimes across state lines. Even the smallest agents who plan to serve in the sector must obtain the ability to deliver and connect to electronic services. You won't be able to do

business without it. They have to be able to connect to the rest of the world. E-sigs are coming up, e-recording, all kinds of things are changing. I think it will almost be a sharp change. It won't evolve a little bit over the next decade, I think there's going to be some changes made and it will be, "Hey your capable, do it, if not, we'll find somebody else who is."

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition?

The U.S. system is one of the finest and most efficient in the world. There's no place in the world where you can obtain the efficiency and volume of services as delivered in America. We closed in 2003, \$3 trillion plus in mortgages. There isn't anyplace else that could handle that volume. We love to critique ourselves to make improvements, but let's not forget how good we are. We aren't a pile of junk. There's some opportunities to collaborate and coordinate to eliminate some of the duplicate processes and we need to speak with different member of the industry. ALTA does a good job of meeting with their counterparts to see what issues are going on.

What facet of your job is the most rewarding?

What's not rewarding is the criticism of what we do, and I don't mean company wide, I mean of an industry that does so much. We are collecting record taxes for government that they pay us nothing to do. We are collecting for the attorneys general, often collecting child collection liens. Our industry does so much that we don't get credited for. To me, it's uplifting to see people purchasing their first house and being the entity that brings that sense of pride to the new homeowner. We had a closing for a veteran of the Iraq War, who came in with an eye and leg blown off. The house was built especially for him to get around. I wanted to thank him for what he had done for our country, and he was thanking us. It's an awesome feeling. People leave here knowing they have peace of mind, knowing they can go home, turn the key and not worry about the title blowing up. We had a widow, 72 years old, had bought five homes in her life. Never before had she experienced a paperless closing using e-sigs. She completed her closing in 13 minutes flat and she was very happy. She said, "I wonder why it used to take so long."

What is it going to take for your company to remain competitive in a soft market?

A lot of what we've done to get 2007 where we want it was done last year. 2006 ended up being worse than anyone anticipated. What we've shared with our network and agents is the idea that economists originally predicted both 2006 and 2007 would be a little off and that the market would bounce back in late '07 and early 2008. We're of the opinion the pain was greater in a shorter period of time really hitting the second half of 2006. The worst is behind us.

Where does your company see its greatest potential for growth?

Our growth opportunity sits in our franchises and office expansion across the U.S. We are going gangbusters in those areas. We are in 18 states from coast to coast and the plan is to grow through franchises and mergers and acquisitions as we fill in throughout the United States. There are sales opportunities to drive core services, specifically mortgage and title.

How concerned are you about the upcoming GAO report and RESPA reform?

We're very supportive of the government agencies taking a closer look at what's going on in the title industry and related industries. There are some shenanigans going on out there. We believe scrutiny, coupled more importantly with accountability, is just what we need. Those that are running scam operations hopefully won't be able to fly under the radar.

What other legislative or regulatory concerns are you keeping an eye on either regionally or nationally?

There's always some state stuff going on here and there. But I think everybody in the real estate industry is watching closely the case with the Department of Justice regarding NAR's policies governing the display of listings on broker Web sites, saying the association's Internet Listing Display rules put Internet-based brokerages at a competitive disadvantage against traditional brokers. Originally, the DOJ had taken exception with the rules NAR had in place. The DOJ didn't drop their suit. Some of it is driven more by politics rather than logic.

In light of recent activity in the real estate industry, is there a need for an industry-wide coalition?

I think there is somewhat of a coalition out there in RESPRO. It brings title companies, mortgage companies, real estate brokers and other affiliated services under one umbrella. What I do think we need is a greater emphasis by that coalition, either through RESPRO or some other venue, to work with the GAO and other government agencies so that not only do we have the right legislation in place, but we are being held accountable to that regulation. I can't emphasize accountability enough. What we see in the newspaper seems to be much more prevalent out there, as far as the fraud and shams, but the enforcement of the existing regulations doesn't seem to be as strict as it should be. Do we need more laws, or do we need the existing laws better enforced?

Harley Rouda Jr.

CEO,
Real Living

Harley spearheaded the creation of Real Living in February 2002 by acquiring several regional real estate firms to create a new kind of residential real estate company focused on family, innovation and results – an agent-focused company that would lead the industry in marketing technology, professional development and measurable results. Before entering the real estate industry, Harley was an attorney with the national law firm of Porter, Wright, Morris and Arthur, specializing in capital information, securities work, and intellectual property. His participation in community organizations includes, among others, the American Cancer Society, Columbus Theatrical Association, March of Dimes, Prevent Blindness, Mid-Ohio FoodBank, the Columbus Area Leadership Program and World of Children.



How will the Internet continue to change the real estate industry as more consumers use the Internet to search for homes?

The more the online experience duplicates the offline experience, coupled with vast amounts of information available to the agent and their client simultaneously will really dictate how the Internet will play going forward for consumers in our industry. The number of consumers using the Internet to gather information is already high. We see that trend is almost at the end. It won't go up much more, but how that info is delivered and how the interaction of the parties, specifically the agents and consumer, occurs is going to change. We've gone from a picture of the house, to pictures of the house, to videos of the house, virtual tours, community videos and valuation tools. How that gets

delivered will change; not just through notebook or desktop computer, but pod casts and hand-held PDAs also receive that info. You could get information while you stand next to a house you are interested in.

What should title companies be doing to get business from real estate companies?

The best way title companies can work on getting business from brokers and agents is figuring out how they can bring value to them in developing their book of business of serving buyers and sellers. That can take place in a lot of ways. A lot of it is low tech and simply helping them on the listing appointment, understanding more about the house they are visiting. Through what liens are on the property, what are the current payoffs, what's the history of the property, anything that would help the agent or broker understand the seller and the property they have. On the high-tech end, if I was a title company and wanted to solicit business from a larger brokerage, I would want to figure out how I could offer an integrated tech solution where the information I have available on these properties can be accessible via the brokers Intranet and secondly, if not more importantly, from a closing process, how can I work with that broker to create a partial if not a paperless transaction.

How do you see the real estate industry changing in the next decade?

Consolidation will continue so that there are more predominately national branches and strong regional brands and fewer brands that are niche players or operating in one metropolitan area. Then also, equally important, is that the consumer experience will continue to change. The consumer's relationship with the agency will grow into a greater partnership than it has several years with an online experience that is very similar to the offline experience as far as the sharing of information.

What facet of your job is the most rewarding?

Why do I do what I do? I think what I enjoy most about our business is that no two days are the same. It's a very evolving and changing business with a lot of fun people to work with on a daily basis. I love our agents, title reps, mortgage folks. It's a great business.