



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

AGENDA
Iowa Title Guaranty Board Meeting
December 1, 2020

Telephonic Meeting

Dial [+1 515-348-6300](tel:+15153486300)

Conference ID: 623 317 854#

10:30 a.m.

I. Roll Call

II. Action Items

- a. ITG Board Meeting Minutes September 1, 2020
- b. New Business
 - i. Transfer of Funds
 1. Resolution ITG 20-07
 - ii. Provisional Title Plant Waiver Application
 1. W20-1 Boone Real Estate Services, L.L.C., d/b/a Abstract and Title Services of Boone County
 - a. Written Ruling

III. Discussion & Informational Items

- | | |
|---|------------------|
| a. Financial Report | David Morrison |
| b. Business Relationship Report | Deb Franklin |
| c. Claims Report | Dillon Malone |
| d. Mortgage Release Report | Kevin Blackman |
| e. Commercial Update | Matt Veldey |
| f. ITG Director's Update | Lindsey Guerrero |
| g. IEDA/IFA Executive Director's Update | Debi Durham |

IV. Public Comment: The public is invited to provide comments at this time. Each speaker is asked to limit comments to 5 minutes.

V. Adjournment: Next Board meeting is Tuesday, March 2, 2020.
Iowa Finance Authority, Helmick Room (tentatively)
Des Moines, Iowa 50315
10:30 a.m.



BOARD MEETING MINUTES

**Iowa Title Guaranty
Des Moines, Iowa
September 1, 2020**

TELEPHONIC MEETING

Board Members Present

Chuck Winkleblack, Chair
Daniel Seufferlein

Judy Hilgenberg
Jason Froehlich
Sarah Pesek

Board Members Absent

None.

Staff Members Present

Lindsey Guerrero, Director, Iowa Title Guaranty
Debi Durham, IEDA/IFA Executive Director
Rita Grimm, Chief Legal Counsel
Doug Mizer, Legal Counsel
Rachel Pettit, Operations Manager
Matt Veldey, Senior Commercial Attorney
Kevin Blackman, Senior Residential Attorney
Ethan Murray, Commercial Attorney
Katherine Smith, Residential Attorney

Dillon Malone, Claims Attorney
Deb Franklin, Business Relationship Manager
Emily Stokes, Compliance Officer
Mary Brucker, Training Specialist
David Morrison, Accounting Manager
Heidi Koll, Participant Program Administrator
Kim Praska, Commercial Services Specialist
Rachel Buckingham, Production Specialist

Others Present

Jan Gemar, ILTA
Zach Ruroden, ILTA

Dean Hoag, Midwest Community Title
Sandy Guy, Midwest Community Title

Call to Order

Due to COVID-19, the September 1, 2020 meeting of the Iowa Title Guaranty Board of Directors was held via telephone. Chairman Winkleblack called the meeting to order at 10:32 a.m. Roll call was taken, and a quorum was established with the following Board Members present: Chairman Winkleblack, Judy Hilgenberg, Dan Seufferlein, Jason Froehlich and Sarah Pesek.

Action Items

Review and Approval of June 2, 2020 Board Meeting Minutes

MOTION: On a motion by Ms. Pesek and a second by Mr. Froehlich, the Board unanimously accepted the June 2, 2020 Board Meeting Minutes.

Move June 1, 2021 ITG Board Meeting to May 25, 2021

MOTION: On a motion by Mr. Froehlich and a second by Ms. Pesek, the Board unanimously approved moving the June 1, 2021 ITG Board Meeting to May 25, 2021.

New Business

ITG 20-05 – Transfer of Funds

Mr. Morrison presented the proposed transfer of ITG funds outlined in Resolution ITG 20-05. The proposed transfer would be in the amount of \$250,000.00 to Iowa Finance Authority's (IFA) housing assistance fund. Mr. Morrison requested board action on Resolution ITG 20-05.

MOTION: On a motion by Mr. Seufferlein and a second by Mr. Froehlich, the Board unanimously approved ITG Resolution 20-05.

ITG 20-06 – Proposed Premiums on the Commitment for Iowa Title Guaranty Certificate

Mr. Blackman presented ITG's proposal to include premium quotes on Schedule A of all commitments issued through the Qualia platform. Such a change will require revisions to the commitment form, specifically for the addition of a column reflecting "Proposed Premium" which itemizes both "Certificate Premium" and "Endorsement Premium". Showing the proposed premium on the commitment itself, as opposed to generating a separate Transaction Quote, will be more efficient as premiums can be determined solely by reference to the commitment. Mr. Blackman requested board action on Resolution ITG 20-06.

MOTION: On a motion by Ms. Hilgenberg and a second by Ms. Pesek, the Board unanimously approved ITG Resolution 20-06.

Election of ITG Board Chair and Vice-Chair

Chairman Winkleblack opened the floor for nominations for ITG Board Chair and Vice-Chair.

MOTION: Ms. Hilgenberg moved to nominate Chairman Winkleblack to another term as ITG Board Chair and Mr. Seufferlein seconded the motion. Chairman Winkleblack moved to nominate Ms. Hilgenberg as Vice-Chair and Ms. Pesek seconded the motion. The Board unanimously approved Chairman Winkleblack as Chair and Ms. Hilgenberg as Vice-Chair of the ITG Board.

Discussion and Informational Items

Financial Report

Mr. Morrison presented an overview of the financials July YTD:

- ITG operated favorably to the budget for the first month of FY21. Operating revenue was \$328, or 58.8% above budget and 46.2% above last year. Operating expense was \$106, or 21.4% unfavorable to budget and 32.5% unfavorable to last year.
- Employee expenses were favorable to budget \$16. Employee expenses were offset by unfavorable Professional Services (\$129) and primarily related to higher incentive payments.
- Transfers to the Housing Assistance Fund from Title Guaranty will not occur until later in Q1 (September).
- Net Operating Income After Grants (NOIAG) is \$222 favorable to budget and \$145 favorable to last year, primarily due to higher revenues.
- Commitments increased 21% (\$2.246M vs \$1.850M) compared to June, while outstanding receivables decreased 9% in July (\$219k to \$239k primarily in >30 days aging). Iowa Title Guaranty issued 11.8 commitments FYTD July compared to 7.4 in FY20 and 7.9 certificates FYTD July compared to 6.9 in FY20.

Business Relationship Update

Ms. Franklin reported that the Iowa Title Guaranty Team is working diligently and effectively to stay connected with lenders and participants during the pandemic:

- Deb Franklin, Business Relationship Manager, has conducted dozens of conference calls during the last quarter with participants and lenders in Omaha/Council Bluffs, Central Iowa, Southeastern Iowa, Northeastern, and Northwestern Iowa.
- ITG outreach in July and August was focused on educating our lenders and participants regarding the Iowa Title Guaranty electronic methods of payment. ITG's goal is to move to a paperless environment and to that end, has conducted 34 training sessions via conference call with lenders and participants across the state of Iowa.
- ITG has promoted the new "750 Bright Line" Policy, the Updated Minimum Abstract Standards, the Mixed-Use Property Policy, and implemented Iowa Title Guaranty's new title production platform and related pricing changes.
- Matt Veldey, Senior Commercial Attorney and Lindsey Guerrero presented at the ISBA CLE Webinar, providing attorneys with information on commercial services, the importance of Iowa Title Guaranty coverage, and the "750 Bright Line" Policy.
- Katherine Smith, Residential Underwriting Attorney and Matt Veldey serve as members of the ISBA Real Estate and Title Law Section Council and participated in the Council's monthly meetings during the second quarter of 2020.

Claims Update

Mr. Mizer reported that ITG has received a total of 3 claims since July 1 and 1 additional claim in the last week for total of 4; 12 claims have been resolved since that date and another claim is almost settled.

ITG claims reserves as of August 17, 2020 are now \$429,971.60. Mr. Mizer reported that ITG has paid out \$4,408.40 in claims in FY21. As of the date of the report ITG had 39 pending claims.

Mr. Mizer explained that overall claims were on an upward trajectory until March 2020 and then dipped. The top two reasons for claims involve issues with the drafting or execution of the vesting deed or guaranteed mortgage as well as a break in chain of title. We did see a decline in claims involving judgments or liens against the prior titleholder. This number is typically linked to foreclosures, so the decrease in foreclosures is the reason for this decline.

Mortgage Release Update

Mr. Blackman reported that through June 2020, 337 mortgage release requests had been received. He stated that 208 of the requests were in conjunction with the Rapid Certificate program (62%), 129 requests included the \$200 fee (38%) and 373 releases had been filed. Mr. Blackman reported that since inception, 6,764 mortgages have been released through this program.

Commercial Update

Mr. Veldey reported that the ITG Commercial Team continues their efforts to be visible and promote Iowa Title Guaranty. He spoke about the live ISBA Webinar in August in which he and Director Guerrero were panelists. ITG is also a sponsor of the CREW Iowa Luncheon in November and Director Guerrero is scheduled to speak.

ITG Commercial has also been extremely busy with commitments and closings. Mr. Veldey reported that the Commercial Team of Samantha Askland, Ethan Murray and Kim Praska have done an outstanding job executing closings in a timely manner and managing the challenges while working remotely.

Mr. Veldey is a member of the ALTA's Forms Committee. He reported that ALTA's Board of Governors proposed a new commitment and owner and lender policies, effective July 2021. ITG will review the proposed documents during the comment period to determine if ITG will use the new documents.

Samantha Askland has been working with Qualia to test that the commercial functionality of the software platform is sufficient to meet the needs of the department. Testing will continue through the fall.

ITG Director Update

Ms. Guerrero provided a staffing update and introduced the following new employees:

1. Claims Attorney: Dillon Malone
2. Compliance Officer: Emily Stokes
3. Training Specialist: Mary Brucker
4. Production Specialist: Rachel Buckingham

The Qualia launch date has been adjusted to January 1, 2021 to allow for additional time for development and testing. However, the "go live" date is November 1, 2020. This is when our participants can begin logging into the system and working with the platform. The dates are tentative because we are still in development and further testing of the platform is necessary.

Director Guerrero explained a new feature in which payment will be remitted to the field issuer and the field issuer will then be able to pay the premium with an account linked to the platform. This will allow the field issuer to retain their incentive payment immediately.

ITG has prepared a Composite Mortgage Affidavit presentation and Manual and a 750 Bright Line Policy presentation to gain awareness of the new policies effective January 1, 2021. ITG also put together an ITG Policy Updates for Abstractors presentation to educate abstractors on our new policies that will impact abstracting.

ITG has updated our residential application with formatting changes and some edits to language.

In addition, ITG has developed a Mixed-Use Property Policy because so many Iowans have property on which they have a single-family dwelling and use the land for agricultural purposes. This policy allows homeowners to obtain coverage on their residence provided that they have full abstracting completed and the coverage amount is less than \$250,000.

ITG has developed Title Plant Corrective Action Plans for three title plants that were delinquent. ITG has granted them an extension to December 1, 2020 due to COVID-19 and the August derecho, which have caused significant delays in their efforts. Two title plants are about 6 months behind and the third company is a couple of years behind. One company has applied for a Provisional Title Plant Waiver to allow for additional time to become compliant.

ITG has approved one intent to build title plant application for Johnson County Title & Settlement. The company has three years in which to build their title plant in Johnson County.

In response to Chairman Winkleblack's question, Director Guerrero informed the Board that the meetings with Qualia stakeholders went well. We received excellent input, particularly from abstractors. Many of the features currently in development were a direct result of stakeholder feedback. Director Guerrero is confident that stakeholders were given the opportunity to address their concerns and ask questions.

Executive Director Durham responded to Chairman Winkleblack's inquiry regarding legislative efforts on behalf of title insurance by confirming that there has been no legislative activity involving title insurance.

IEDA/IFA Executive Director's Update

Executive Director Durham informed that Board that the IEDA/IFA leadership team has been restructured and that Director Guerrero now reports directly to Executive Director Durham. She then commended Director Guerrero on talent displayed by recent hires and overall composition of the ITG Team as well as Director Guerrero's leadership skills.

Executive Director Durham then went on to summarize the programs that have been developed in IEDA and IFA in response to COVID-19 and the August derecho:

- Iowa Small Business Relief Grant
- Non-Profit Assistance Program
- The Utility Disruption Plan (for residential and large and small businesses).
- Eviction and Foreclosure Program

Executive Director Durham then reported on the potential for a Housing Omnibus Bill designed to protect and expand housing opportunities for all Iowans, transform older buildings into housing as well as to right-size the funding of current housing programs and ultimately stimulate economic recovery in the housing sector.

Public Comment

There was no comment from the public.

Adjournment

MOTION: On a motion by Ms. Hilgenberg and a second by Mr. Froehlich, the September 1, 2020 Meeting of the ITG Board of Directors adjourned at 11:55 a.m.

Dated this 1st day of December, 2020.

Respectfully submitted:

Approved as to form:

Lindsey A. Guerrero
Director, Iowa Title Guaranty

Charles Winkleblack
Board Chair, Iowa Title Guaranty

RESOLUTION ITG 20-07

WHEREAS, Iowa Title Guaranty (“ITG”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, operates a program to offer guaranties of real property titles to facilitate mortgage lenders’ participation in the secondary market and to add to the integrity of the land-title transfer system in the state of Iowa; and

WHEREAS, ITG generates revenue by the sale of ITG Certificates, the revenues of which are deposited in the ITG Fund held by the treasurer of state with all interest generated from the ITG Fund being deposited in the housing trust fund; and

WHEREAS, section 16.91(1) of the Iowa Code provides that “if the authority board in consultation with the ITG board determines that there are surplus funds in the ITG fund after providing for adequate reserves and operating expenses of ITG, the surplus funds shall be transferred to the housing assistance fund created pursuant to section 16.40.”; and

WHEREAS, the ITG Board has determined that there are surplus funds in the ITG Fund in the amount of \$500,000 and it is recommending to the Iowa Finance Authority Board that it would be appropriate to transfer the surplus funds to the Housing Assistance Fund pursuant to Iowa Code section 16.91(1).

NOW, THEREFORE, BE IT RESOLVED that the ITG Board adopts and recommends that the surplus funds in the ITG Fund, in the amount of \$500,000 be transferred to the Housing Assistance Fund created pursuant to Iowa Code section 16.40.

PASSED AND APPROVED this 1st day of December, 2020.

Charles Winkleblack, Iowa Title Guaranty Board Chair

Lindsey A. Guerrero, Iowa Title Guaranty Board Secretary

(Seal)

BEFORE THE IOWA FINANCE AUTHORITY,
IOWA TITLE GUARANTY BOARD

IN RE:)	
APPLICATION FOR PROVISIONAL TITLE)	WRITTEN RULING APPROVING
PLANT WAIVER BY BOONE REAL)	PROVISIONAL TITLE PLANT
ESTATE SERVICES, L.L.C.)	WAIVER APPLICATION #W20-1
)	

SUMMARY OF THE RELEVANT FACTS

Boone Real Estate Services, L.L.C. doing business as Abstract & Title Services of Boone County (“Applicant”) submitted an Application for Provisional Title Plant Waiver (the “Application”) on August 28, 2020 (#W20-1).

Applicant is located at 709 Story Street, Boone, Iowa 50036. Applicant has been in operation and a member of the Iowa Land Title Association (“ILTA”) since 2003. Kelli Bachman (“Bachman”) has been the Applicant’s Manager since 2010. Applicant employs two abstractors, Bachman and Don Raine (“Raine”). Bachman has 17 years of abstracting experience. Bachman abstracted in Story County from 2003 to 2010, and thereafter has been abstracting in Boone County with Applicant. Raine has 20 years of title search experience. Applicant currently offers abstracting products and services in Boone County.

In October 2019, Applicant disclosed on its participation renewal application that its title plant was delinquent, as the title plant’s most recent postings were more than thirty (30) days in arrears of the current date. On December 27, 2019, ITG sent a Notice of Title Plant Delinquency to Applicant (the “Notice”) via mail and email. The Notice directed Applicant to provide ITG with a corrective action plan and subsequent monthly progress reports detailing the status of its remediation measures. The Notice also required Applicant to bring its title plant current by August 1, 2020 and present ITG with a passing ILTA inspection report no later than August 15, 2020.

The Notice provided Applicant two options if it were unable to timely cure its title plant delinquency. First, Applicant could wind up existing ITG business and terminate its participation in the ITG program. Alternatively, Applicant could apply for a provisional title plant waiver. A

provisional title plant waiver would allow Applicant to remain an ITG participant while continuing efforts to bring its title plant current.

On August 5, 2020, ITG extended Applicant's remediation deadline to December 1, 2020. ITG granted this extension due to the widespread, and unforeseen, operational disruptions participants statewide experienced because of the COVID-19 pandemic.

Unable to bring its title plant fully up to date by the extended deadline of December 1, 2020, Applicant now seeks a provisional title plant waiver.

APPLICANT'S JUSTIFICATION OF WAIVER

Applicant offers the following in support of its application for a provisional title plant waiver for Boone County:

1. **HARDSHIP.** Applicant offers the following to support its claim that the title plant requirement imposes a hardship upon it:
 - a. Applicant claims a hardship due to the challenges associated with engaging a third party contractor and implementing new technology integrations during the COVID-19 pandemic. Applicant states it "invested significant resources" into updating its title plant, including hiring a third-party contractor to assist with indexing, purchasing additional software licenses, and increasing its server capacity. The COVID-19 pandemic also required Applicant to invest in technology to allow employees to work remotely, and during non-business hours, due to social distancing requirements.
2. **PUBLIC INTEREST.** Applicant offers the following to support its claim that a title plant waiver would serve the public interest:
 - a. Servicing a public need. Applicant claims that it services a public need for abstracting services in Boone County. In support of this claim, Applicant cites that in 2019, it provided abstract services which resulted in the issuance of over 230 certificates and over 260 commitments. Further, in 2020, (through August 24, 2020), Applicant provided abstract services resulting in the issuance of 170 certificates and over 260 commitments. According to Applicant, this was "a

meaningful percentage” of the total certificates and commitments issued for Boone County real estate.

- b. Encourage use of certificates. Applicant claims that its continued operations encourages continued use of ITG certificates by meeting lenders needs for timely abstracting. Applicant believes its absence from the market would overburden other area abstractors and would “likely have the impact of slowing down abstracting services”.
- c. Protecting consumers and promoting competition. Applicant claims that allowing it to continue operations protects consumer interests by maintaining competition and existing options for abstracting. Applicant says that benefits consumers “through competitive pricing and timely abstracting turnaround”.
- d. Improving the quality of land titles. Applicant claims that it seeks a provisional waiver for a temporary duration while obtaining its title plant certification. Also, Applicant states its title plant provides a beneficial resource for ensuring quality land titles.

Iowa Title Guaranty published notice of Applicant’s application on Iowa Title Guaranty’s website and provided direct notice of the application to the Iowa State Bar Association and the Iowa Land Title Association. Iowa Title Guaranty received public comments regarding the application through October 17, 2020.

BASIS FOR APPROVAL OF TITLE PLANT WAIVER APPLICATION

Iowa Title Guaranty recognizes the 40-year title plant as the preferred method of providing title evidence for the purpose of issuing commitments and certificates. The legislature requires abstractors own or lease an up-to-date title plant for each county in which they prepare abstracts. Participating abstractors are further required to maintain and use these title plants in preparation of abstracts for real property titles guaranteed by Iowa Title Guaranty. These requirements have been in place since Iowa Title Guaranty’s inception.

The legislature also provided the Iowa Title Guaranty Board the option of waiving the up-to-date title plant under certain conditions. Iowa Title Guaranty must weigh the benefits of the traditional title plant with other alternatives to ensure buyers and lenders have access to high quality certificates throughout the state, rapid service, and a competitive price. Pursuant to Iowa

Code §16.91(5)(b), the Iowa Title Guaranty Board may issue a ruling waiving the title plant requirement set forth in Iowa Code §16.91(5)(a)(2) if the Board finds the following:

1. The title plant requirement imposes a hardship to the applicant; and
2. The waiver is:
 - a. Clearly in the public interest; or
 - b. Absolutely necessary to ensure availability of certificates throughout the state.

“Hardship” means deprivation, suffering, adversity, or long-term adverse financial impact in complying with the title plant requirement that is more than minimal when considering all the circumstances.¹ “Public interest” means that which is beneficial to the public as a whole, including but not limited to increasing competition among abstractors, encouraging the use of certificates throughout the state, making certificates more competitive than out-of-state title insurance, increasing Iowa Title Guaranty’s market share, improving the quality of land titles, and protecting consumers.²

The title plant waiver provides Iowa Title Guaranty a mechanism to ensure the availability of certificates in all 99 counties, specifically in those counties in which an up-to-date title plant does not exist. The Iowa Title Guaranty Board has the option of issuing a title plant waiver to ensure that all Iowans have access to the title protection offered by Iowa Title Guaranty.

The Iowa Title Guaranty Board has discretion to grant or deny a title plant waiver application, even if the hardship and public interest requirements of Iowa Code §16.91(5)(b) and 265 IAC 9.7(1)“d”(5) are satisfied. The final decision on whether the circumstances justify granting a waiver is made at the sole discretion of the Iowa Title Guaranty Board upon consideration of all relevant factors. Relevant factors to be considered include, but are not limited to, the Iowa Title Guaranty Director’s proposed written ruling, the facts and circumstances set out in the application, any history of professional disciplinary action against the applicant, adverse claims made against the applicant, prior waiver withdrawal actions against the participating attorney or participating abstractor, public comments, the professional knowledge and expertise of the Board members and Iowa Title Guaranty staff, and any other resources available to the entire

¹ 265 IAC 9.7(1)“d”(5)(3).

² 265 IAC 9.7(1)“d”(5)(4).

Iowa Title Guaranty Board. Consideration should be afforded to rulings on prior waiver requests, but the Iowa Title Guaranty Board shall not be bound by such rulings. The Iowa Title Guaranty Board may limit a waiver as to county, or transaction type, or both, and may also limit the duration of any granted waiver.

I. THE TITLE PLANT REQUIREMENT HAS TEMPORARILY IMPOSED HARDSHIP TO THE APPLICANT.

Upon review of the relevant facts and application of the applicable law and rules, the Board concludes that Applicant has established a hardship under Iowa Code §16.91(5)(b). Hardship is defined in 265 IAC 9.7(1)“d”(5)(3) as deprivation, suffering, adversity, or long-term adverse financial impact in complying with the title plant requirement that is more than minimal when considering all the circumstances.

As stated previously, ITG sent Applicant the Notice of Title Plant Delinquency on December 27, 2019. The Notice required Applicant to provide ITG with a corrective action plan which would enable its title plant to be brought current by August 1, 2020. The Notice also required Applicant to present ITG with a passing ILTA inspection report no later than August 15, 2020. However, in March 2020, the industry experienced significant disruptions and a variety of unforeseeable obstacles as a result of the COVID-19 pandemic. These disruptions and obstacles included but were not limited to restricted access to public records (as county offices closed their doors to the public) and unexpected new technology implementations required to allow for remote business operations. Simultaneously, the real estate industry experienced an exponential growth in business due to historically low interest rates combined with a shift to working at home. Due to widely varying operational disruptions and impediments inflicted industry wide by the COVID-19 pandemic, ITG granted an extension to those abstractors amid corrective action plans (Applicant included) to remediate the delinquent title plants by December 1, 2020. In the event those abstractors were not able to remedy their title plant delinquencies within the extended timeframe, ITG required those participants to apply for provisional title plant waivers.

Upon receipt of ITG’s Notice, Applicant implemented measures to remediate its title plant delinquency. Applicant engaged a third-party contractor as well as additional staffing to assist with indexing, purchased additional software licenses, and increased its server capacity. In response to

the COVID-19 pandemic, Applicant made significant investments in technology to allow staff to work remotely and during non-business hours.

As part of its remediation process, Applicant was required to submit monthly progress reports to ITG. Those reports served to update ITG on Applicant's progress in remedying its title plant's delinquency. Applicant's first monthly progress report indicated it had engaged an indexing company's assistance. Applicant's second report, submitted in April 2020, indicated Applicant was receiving "regular data transmissions to import into [the] title plant" from the indexing company. The May 2020 progress report indicated Applicant was "still on pace" and had received data transmissions for "all of 2015". The June 2020 progress report indicated Applicant was still importing data and was "through part of 2016". In the June report Applicant reported it was hopeful future data transmissions would "speed up" after making some changes to the indexing process. In July 2020, Applicant reported it was now receiving data transmissions for 2018, and that the indexing process had sped up. Applicant also expressed it was "hopeful about remaining on track".

However, in Applicant's August 2020 progress report, Applicant indicated it did not pass the ILTA title plant inspection. Applicant states that efforts to remediate the title plant were slowed by COVID-19, including the work of the contractor, and integration of the technology updates needed for the title plant.

Applicant communicated in telephonic conversations with ITG that it previously had unlimited access to the Boone County public records during business hours. Accordingly, it was Applicant's procedure to go twice per day, (once in the morning, once in the afternoon) to search the public records. Since the COVID-19 pandemic arose, Applicant is limited to a single appointment per day, which takes place at 2:00 p.m. each afternoon. This restricted access has significantly limited the number of searches Applicant can conduct. Accordingly, the speed and volume of work Applicant can process has slowed. This has impeded Applicant's ability to remediate its title plant delinquency while also servicing the existing historically high demand for its abstracting services. Applicant also advised that the pandemic has slowed down the third-party contractor it engaged to assist with its remediation process. Applicant communicated that its contractor has seen its average documents indexed per hour plummet due to a combination of restricted access to records and working remotely. Applicant attributed the deficiency to the lack of 2019 and 2020 data which Applicant was still waiting to receive from the indexing company.

It is apparent that Applicant has taken significant financial and operational measures in a good faith effort to remediate the title plant deficiency. However, due to the adversity inflicted by the COVID-19 pandemic in conjunction with the historically low interest rates resulting in a large influx of abstract orders, and the decreased access to public records in Boone County, Applicant was unable to bring the title plant current before December 1, 2020. Accordingly, the Board finds that denying a temporary title plant waiver to Applicant would only serve to amplify the temporary hardship it is currently experiencing. For the foregoing reasons, the ITG Board concludes that Applicant has established a hardship under Iowa Code §16.91(5)(b) and 265 IAC 9.7(1)“d”(5).

II. THE TITLE PLANT WAIVER IS CLEARLY IN THE PUBLIC INTEREST OR IS ABSOLUTELY NECESSARY TO ENSURE THE AVAILABILITY OF CERTIFICATES THROUGHOUT THE STATE.

A. The Title Plant Waiver is Clearly in the Public Interest.

The Board further concludes that granting a provisional title plant waiver to Applicant is clearly in the public interest. The term “Public Interest”, for purposes of 265 IAC 9.7(1)“d”(5), is defined as “that which is beneficial to the public as a whole, including but not limited to increasing competition among abstractors, encouraging the use of certificates throughout the state, making certificates more competitive than out-of-state title insurance, increasing the division’s market share, improving the quality of land titles, and protecting consumers.”³

i. Increasing competition among abstractors.

Applicant asserts that granting a provisional title plant waiver is in the public interest because it will promote competition amongst abstractors. The Board agrees that allowing Applicant to continue operating as an ITG participant while bringing its existing title plant current increases competition among abstractors in Boone County, which has only one other ITG participant abstractor with a 40-year title plant. Increasing competition has several benefits to the public. Additional abstracting options give rise to more competitive pricing and allow the open market to determine the value it is willing to pay for abstracting services, which in turn encourages

³ 265 IAC 9.7(1)“d”(5)(4).

abstractors to offer reasonable pricing and expedient turnaround times for Iowans transacting real estate in Boone County.

- ii. Encouraging the use of certificates throughout the state and making certificates more competitive than out-of-state title insurance.*

Applicant asserts that granting a provisional title plant waiver is in the public interest because it will encourage the use of certificates in Boone County. Over the past five years, approximately 30% of all certificates issued for Boone County real property were based on abstracting prepared by Applicant. This figure demonstrates that Applicant is fulfilling a significant public need in Boone County by enabling owners and lenders to obtain ITG certificates.

Failure to grant a provisional waiver and the subsequent deactivation of Applicant as an ITG participant would funnel the county's transactional volume through a smaller number of participants. While there are a handful of statewide waived attorneys that perform abstracting services in Boone County, the majority of abstracts prepared for Boone County properties are prepared by the only other title plant abstractor in Boone County. Deactivation would require that the remaining abstracting participants absorb the 30% currently being processed by Applicant. Such an immediate influx of business would undoubtedly slow abstract processing times, increasing the transaction turnaround time in Boone County.

If ITG participating abstractors are unable to meet lender and market demands, lenders will likely turn to title insurance for expedient service. The availability of expedient abstracting is especially important in the current market conditions with historically low interest rates and a flourishing real estate market, particularly when considering the limited access to public records Boone County abstractors are currently experiencing. The Board concludes that permitting Applicant to continue operating as an ITG participant pursuant to a provisional title plant waiver will allow abstractors to maintain competitive processing times which will encourage the use of certificates in Boone County and make certificates competitive with title insurance.

- iii. Increasing the division's market share.*

The Board finds that granting Applicant a provisional waiver advances the express public purpose of increasing the division's market share. As mentioned above, if Applicant were no

longer available to assist in absorbing the county's demand for ITG certificates, the alternative would likely be title insurance. Allowing title insurance to absorb the market footprint that Applicant currently occupies would run counter to the directive that "increasing the division's market share" should be considered when determining whether granting a waiver is clearly in the public interest.

iv. Improve the quality of land titles.

The Board also finds that the public interest supports granting the provisional waiver because it will improve the quality of Iowa's land titles. Upon expiration of the provisional waiver, Applicant will be preparing abstracting using a complete 40-year title plant, which is the preferred method of title evidencing in Iowa. Similar to the intent to build, a provisional waiver promotes the use of the 40-year title plant, providing the applicant with an appropriate amount of time to complete the plant. According to the monthly progress reports, Applicant is currently operating with a nearly complete 40-year title plant.

In addition, granting Applicant's provisional title plant waiver application is clearly in the public interest because Applicant provides competent abstracting services. Applicant employs two abstractors with a combined 37 years of experience in abstracting and conducting title searches for Iowa real property.

v. Protecting consumers.

The Board finds that granting Applicant a provisional waiver to complete its 40-year title plant protects consumers. Allowing Applicant to maintain operations pursuant to a provisional waiver protects the consumer by promoting competitive pricing and turnaround times. Further, the 40-year title plant is the most thorough and reliable form of title evidencing, resulting in clean title for Iowa consumers. Finally, as mentioned above, Applicant has considerable experience operating as an ITG participant. It has a history of producing competent, quality abstracting work that participants have relied on for years while issuing ITG coverage for Iowans transacting real estate in Boone County. A participant with this track record of competency and reliability should be allowed to continue operating, as that continued operation ultimately serves to protect Iowans.

After considering these factors, the Board finds Applicant has established that a provisional waiver of the 40-year title plant requirement is clearly in the public interest, satisfying the requirement found in Iowa Code §16.91(5)(b) and 265 IAC 9.7(1)“d”(5)(2).

B. The Title Plant Waiver is Absolutely Necessary to Ensure Availability of Certificates throughout the State.

Having concluded that the public interest prong of Iowa Code §16.91(5)(b) and 265 IAC 9.7(1)“d”(5)(2) has been satisfied, the Board need not analyze whether granting a provisional waiver is absolutely necessary to ensure availability of certificates throughout the state.

III. ADDITIONAL FACTORS SUPPORTING THE APPROVAL OF THE PROVISIONAL TITLE PLANT WAIVER.

The Iowa Title Guaranty Board shall give considerable weight to an applicant’s experience abstracting under the supervision of a participating abstractor or participating attorney with whom the applicant has had a close working relationship or with whom the applicant is a partner or associate.⁴ The Iowa Title Guaranty Board shall also give considerable weight to a recommendation from a participating abstractor or participating attorney who supervised the applicant’s abstracting for a period of two years or more and who attests in writing or in person before the Iowa Title Guaranty Board regarding the applicant’s ability to abstract.⁵

The two abstractors employed by Applicant each have over fifteen years of abstracting experience. F.D. Chip Baltimore II, an ITG participating attorney, provided a letter of reference in support of this application which attested to the quality of Applicant’s abstracting work as well as Applicant’s “very fair and reasonable” pricing for its services. Further, Scott T. Bauer, President of First National Bank, indicated in a letter of reference that Applicant is a “valuable resource for the communities and our institution in the closing of loans secured by Boone County real estate.” ITG participating attorney Michael D. Tunesvik also provided a letter of reference describing the quality of abstracting work Applicant provides as “first-rate”. Finally, Zach Ruroden, President of

⁴ 265 IAC 9.7(1)“d”(6)(4).

⁵ *Id.*

the Iowa Land Title Association Board of Directors commented that Applicant is a member of ILTA, and that the ILTA Board does not oppose ITG granting provisional waivers for the building of a title plant.

RULING

For these reasons, the Board approves Boone Real Estate Services, L.L.C.'s Application for a provisional title plant waiver for a period of one (1) year from the date of this Written Ruling.

SO RULED this 1st day of December, 2020.

Charles Winkleblack, Iowa Title Guaranty Board Chair

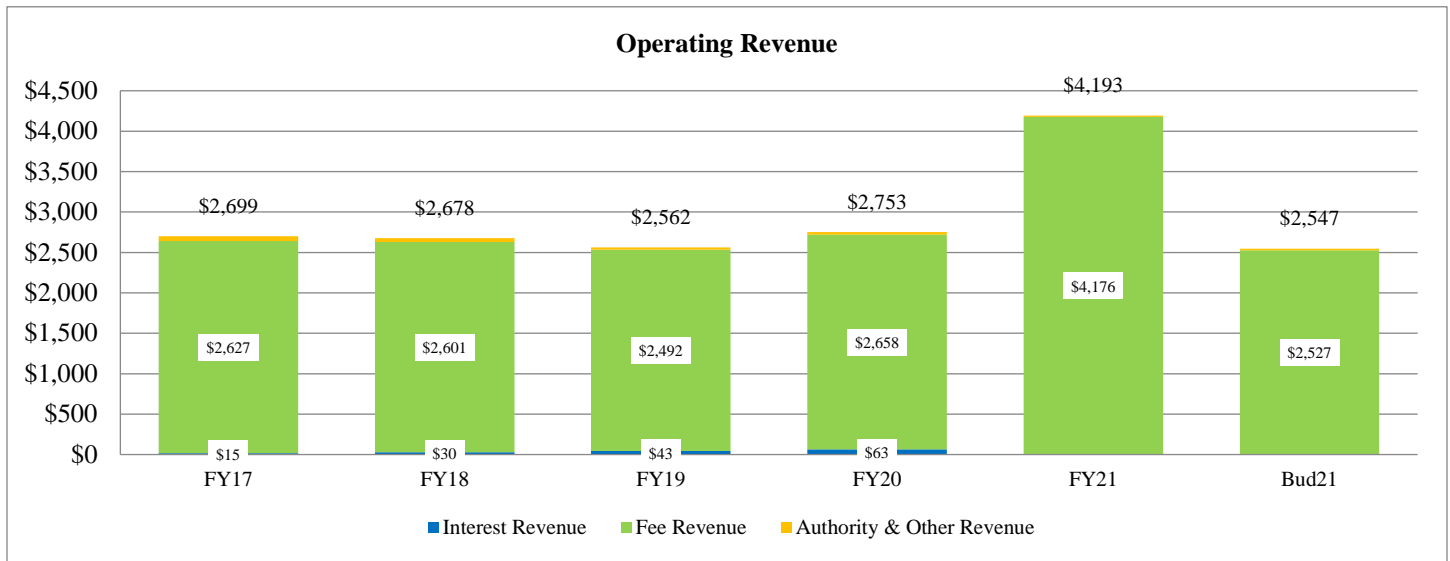
Lindsey A. Guerrero, Iowa Title Guaranty Board Secretary

(seal)

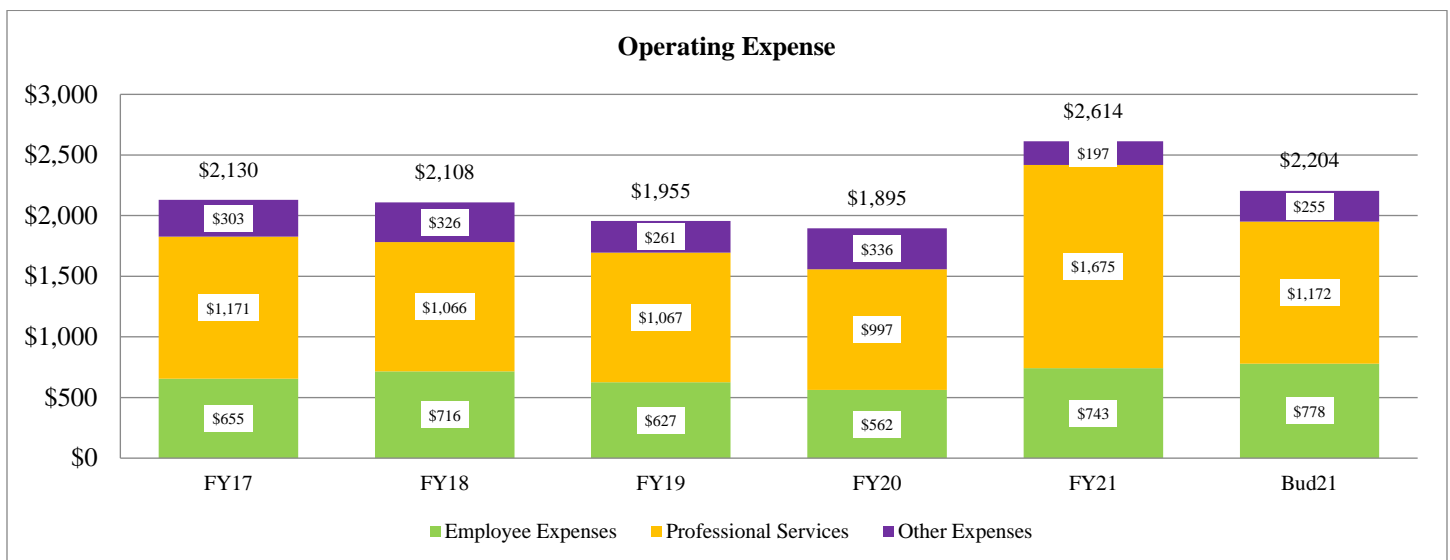
To: IFA & ITG Board Members
 From: David Morrison
 Date: December 1, 2020
 RE: October 2020 YTD Financial Results

Iowa Title Guaranty Financial Results (\$ in thousands)

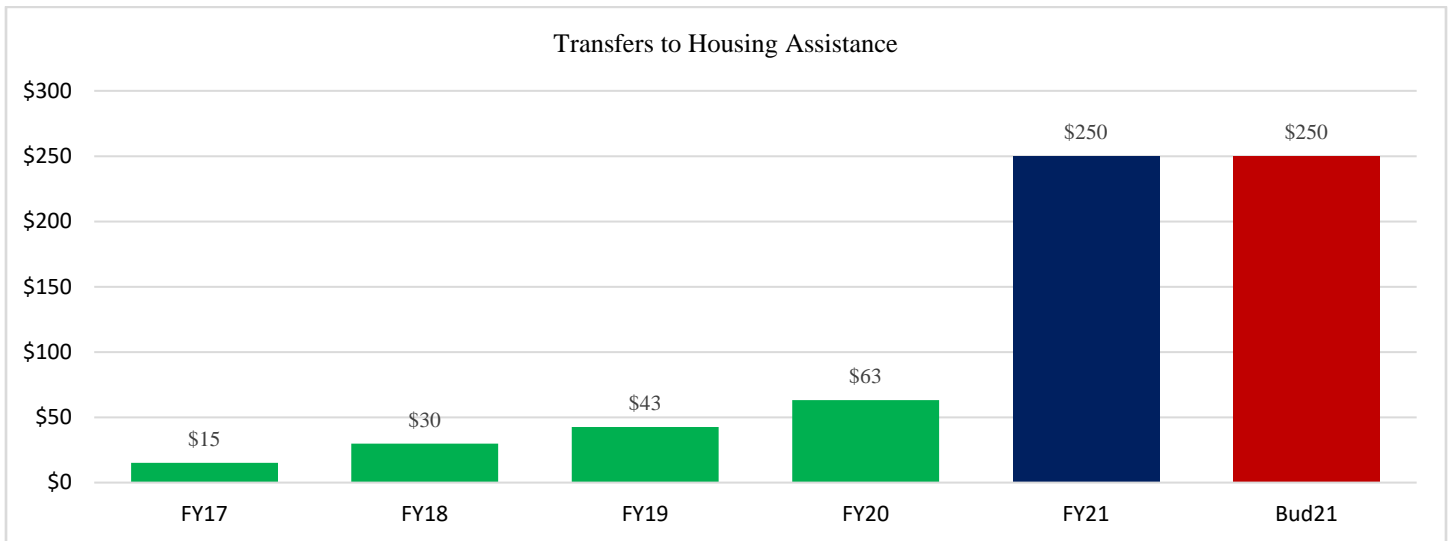
ITG is operating favorably to budget through the start of the second quarter of fiscal year FY21.



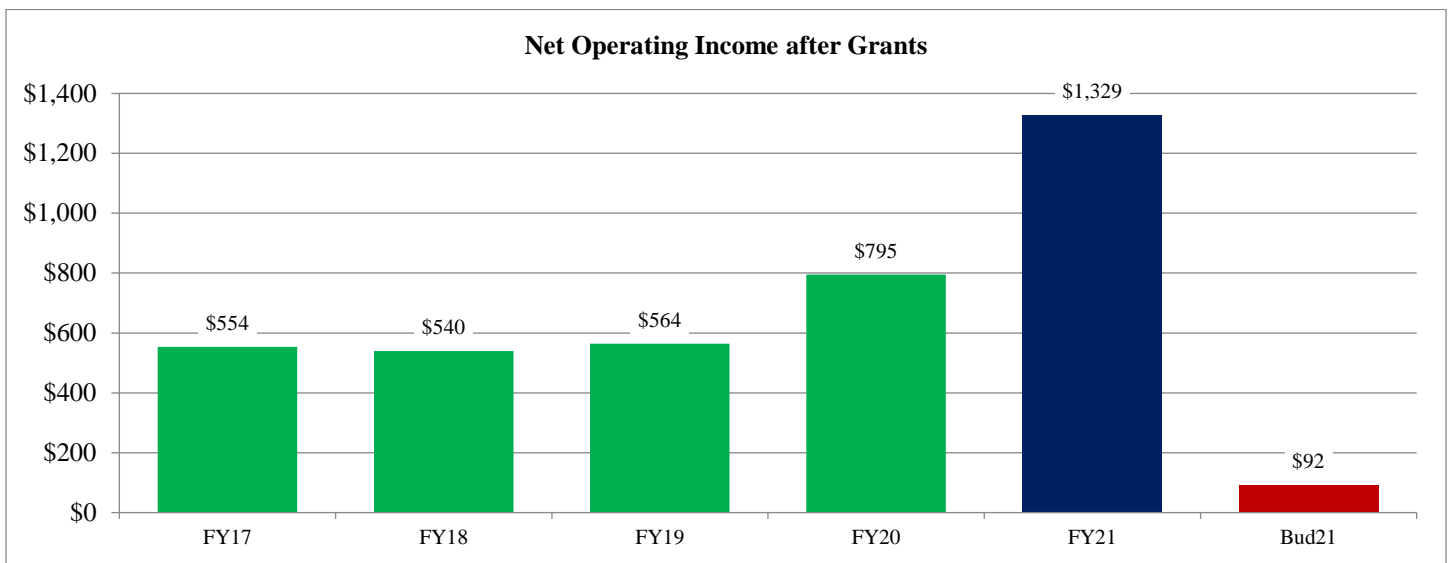
Operating revenue was \$1,646, or 64.6% above budget and 52.3% above last year.



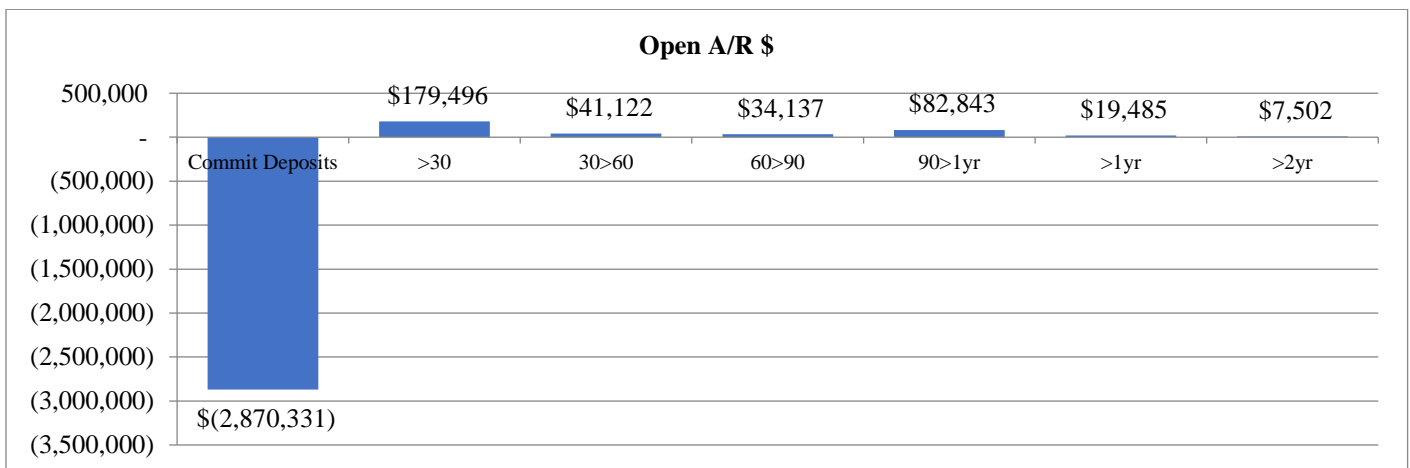
Operating expense was \$410, or 18.6% unfavorable to budget and 37.9% unfavorable to last year. Employee expenses were favorable to budget \$35, Other Expenses \$58 – due to \$23 lower facility allocations; offset by unfavorable Professional Services (\$503) – primarily related to higher incentive payments.



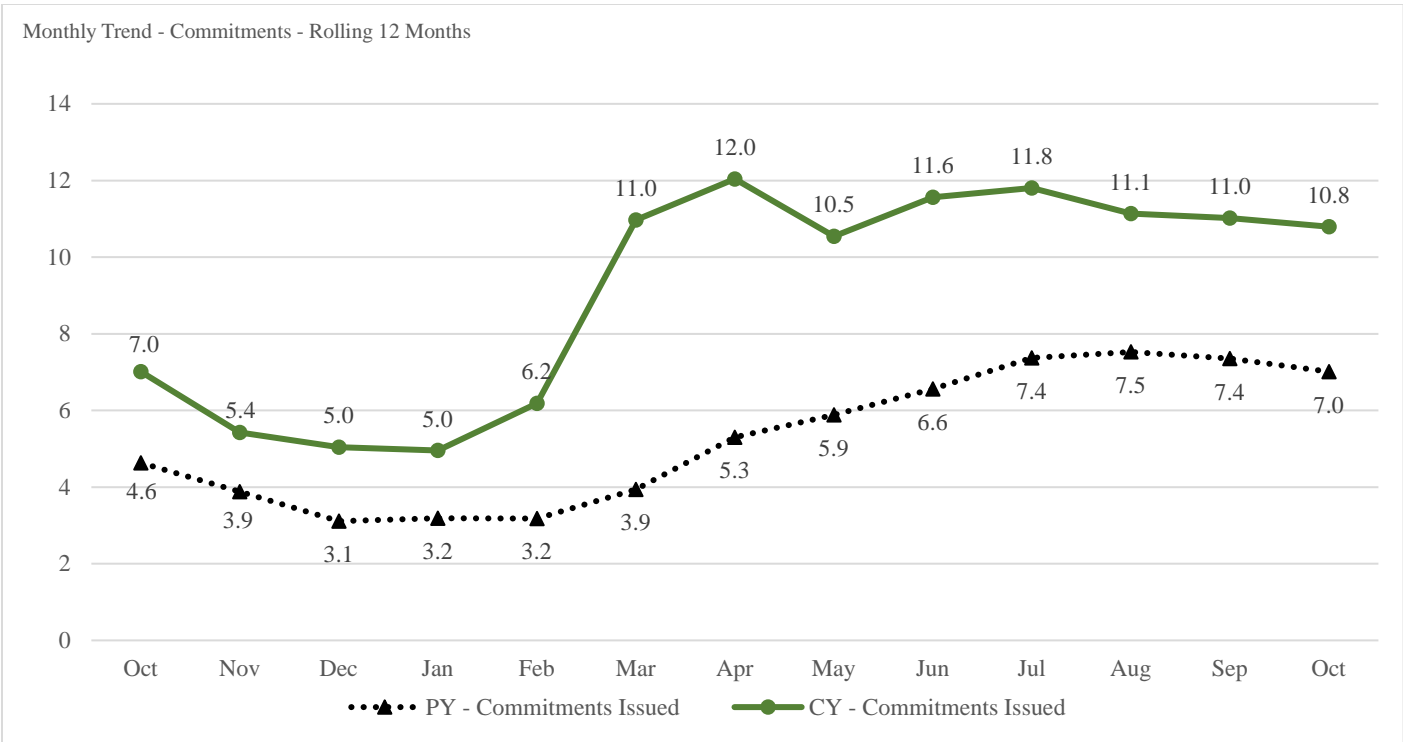
Transfers to Housing Assistance Fund from Title Guaranty on track with budget.



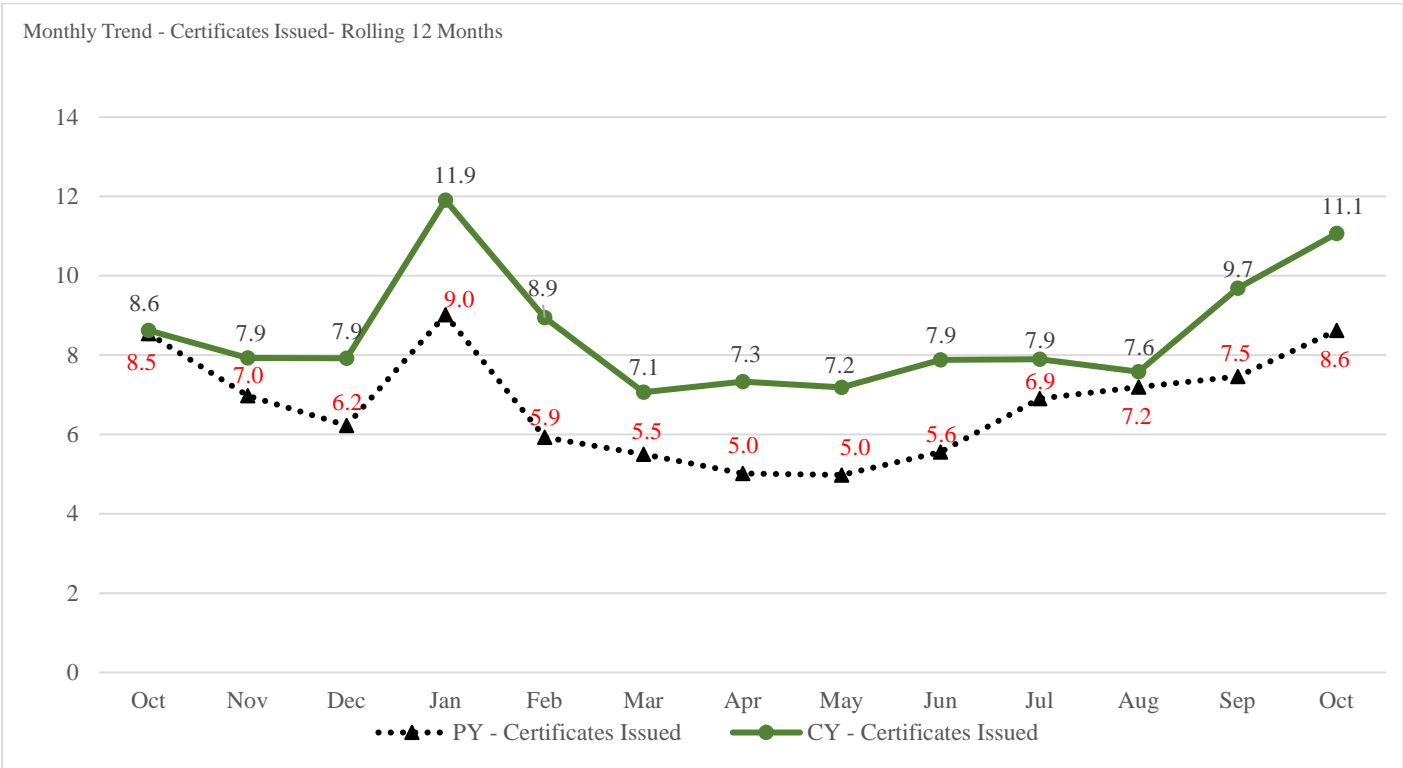
As a result, NOIAG is \$1,237 favorable to budget and \$534 favorable to last year.



Commitments increased 5% (\$2.870M vs \$2.734M) compared to September, while outstanding receivables increased 26% in October (\$365k to \$289k primarily in >30 days, 30>60 days and 60>90 days aging).



Iowa Title Guaranty issued 44.7 commitments FYTD October compared to 29.3 in FY20.



Iowa Title Guaranty issued 36.3 certificates FYTD October compared to 30.2 in FY20 (in red font).

Income Statement	Iowa Title Guaranty Division (Rollup)													
	Oct-2020							YTD as of Oct-2020						
	Actuals	Bud21	Difference	%	Last Year	Difference	%	Actuals	Bud21	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	14,676	(14,676)	-100.0	-	-	-	0.0	63,132	(63,132)	-100.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,320,833	711,642	609,191	85.6	820,355	500,478	61.0	4,176,440	2,526,894	1,649,546	65.3	2,658,168	1,518,272	57.1
Other Revenue	1,356	5,000	(3,644)	-72.9	9,766	(8,410)	-86.1	16,664	20,000	(3,336)	-16.7	31,802	(15,138)	-47.6
Total Operating Revenue	1,322,189	716,642	605,547	84.5	844,797	477,392	56.5	4,193,103	2,546,894	1,646,209	64.6	2,753,102	1,440,001	52.3
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	190,282	207,465	(17,183)	-8.3	159,527	30,755	19.3	742,791	777,797	(35,005)	-4.5	561,566	181,225	32.3
Common Expenses	38,859	37,957	901	2.4	41,779	(2,920)	-7.0	82,157	86,283	(4,125)	-4.8	101,097	(18,940)	-18.7
Marketing Expense	424	5,945	(5,521)	-92.9	2,790	(2,366)	-84.8	424	13,545	(13,121)	-96.9	19,628	(19,204)	-97.8
Professional Services	483,601	324,785	158,816	48.9	395,469	88,132	22.3	1,674,595	1,171,925	502,670	42.9	997,304	677,292	67.9
Claim and Loss Expenses	(152,081)	(403)	(151,679)	37642.0	56,719	(208,801)	-368.1	(1,293)	5,421	(6,713)	-123.8	95,478	(96,771)	-101.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	1,676	7,550	(5,874)	-77.8	10,395	(8,719)	-83.9	18,516	30,200	(11,684)	-38.7	33,433	(14,917)	-44.6
Overhead Allocation	25,491	31,557	(6,066)	-19.2	18,360	7,131	38.8	96,763	119,319	(22,557)	-18.9	86,415	10,348	12.0
Total Operating Expense	588,251	614,856	(26,605)	-4.3	685,038	(96,787)	-14.1	2,613,953	2,204,489	409,464	18.6	1,894,920	719,033	37.9
Net Operating Income (Loss) Before Grants	733,938	101,786	632,152	621.1	159,759	574,179	359.4	1,579,150	342,405	1,236,745	361.2	858,182	720,968	84.0
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	14,676	(14,676)	-100.0	250,000	250,000	-	0.0	63,132	186,868	296.0
Total Net Grant (Income) Expense	-	-	-	0.0	14,676	(14,676)	-100.0	250,000	250,000	-	0.0	63,132	186,868	296.0
Net Operating Income (Loss) After Grants	733,938	101,786	632,152	621.1	145,082	588,855	405.9	1,329,150	92,405	1,236,745	1338.4	795,050	534,100	67.2
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	733,938	101,786	632,152	621.1	145,082	588,855	405.9	1,329,150	92,405	1,236,745	1338.4	795,050	534,100	67.2
IFA Home Dept Staff Count	18	19	(1)	-5.3	13	5	38.5	18	19	(1)	-5.3	13	6	44.0
FTE Staff Count	21	21	0	0.4	16	5	30.2	21	21	(0)	-0.3	16	5	30.5

Income Statement	800-020 Residential													
	Oct-2020							YTD as of Oct-2020						
	Actuals	Bud21	Difference	%	Last Year	Difference	%	Actuals	Bud21	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	14,676	(14,676)	-100.0	-	-	-	0.0	63,132	(63,132)	-100.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,210,258	685,080	525,178	76.7	768,360	441,898	57.5	3,935,617	2,363,020	1,572,597	66.6	2,492,908	1,442,709	57.9
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	1,210,258	685,080	525,178	76.7	783,036	427,222	54.6	3,935,617	2,363,020	1,572,597	66.6	2,556,040	1,379,577	54.0
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	155,450	173,772	(18,322)	-10.5	121,927	33,523	27.5	605,441	635,949	(30,507)	-4.8	448,799	156,642	34.9
Common Expenses	34,573	33,142	1,431	4.3	41,577	(7,004)	-16.8	75,813	78,938	(3,125)	-4.0	99,679	(23,866)	-23.9
Marketing Expense	224	5,845	(5,621)	-96.2	2,590	(2,366)	-91.4	224	9,895	(9,671)	-97.7	16,728	(16,504)	-98.7
Professional Services	482,441	324,685	157,756	48.6	395,342	87,099	22.0	1,672,740	1,171,525	501,215	42.8	997,177	675,564	67.7
Claim and Loss Expenses	(151,576)	571	(152,147)	#####	68,940	(220,515)	-319.9	(1,293)	3,556	(4,848)	-136.4	124,212	(125,505)	-101.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	310	300	10	3.3	340	(30)	-8.8	1,370	1,200	170	14.2	1,962	(592)	-30.2
Overhead Allocation	20,478	25,351	(4,873)	-19.2	14,439	6,039	41.8	77,735	95,856	(18,121)	-18.9	67,962	9,773	14.4
Total Operating Expense	541,901	563,668	(21,767)	-3.9	645,155	(103,254)	-16.0	2,432,031	1,996,918	435,113	21.8	1,756,519	675,512	38.5
Net Operating Income (Loss) Before Grants	668,357	121,412	546,945	450.5	137,882	530,476	384.7	1,503,586	366,102	1,137,484	310.7	799,521	704,065	88.1
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	14,676	(14,676)	-100.0	250,000	250,000	-	0.0	63,132	186,868	296.0
Total Net Grant (Income) Expense	-	-	-	0.0	14,676	(14,676)	-100.0	250,000	250,000	-	0.0	63,132	186,868	296.0
Net Operating Income (Loss) After Grants	668,357	121,412	546,945	450.5	123,205	545,152	442.5	1,253,586	116,102	1,137,484	979.7	736,389	517,197	70.2
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	668,357	121,412	546,945	450.5	123,205	545,152	442.5	1,253,586	116,102	1,137,484	979.7	736,389	517,197	70.2
IFA Home Dept Staff Count	14	15	(1)	-6.7	9	5	55.6	14	15	(1)	-6.7	9	5	55.6
FTE Staff Count	17	17	0	2.1	12	5	38.3	17	17	0	1.4	13	4	33.9

Income Statement	800-030 Commercial													
	Oct-2020							YTD as of Oct-2020						
	Actuals	Bud21	Difference	%	Last Year	Difference	%	Actuals	Bud21	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	110,575	26,562	84,013	316.3	51,995	58,580	112.7	240,823	163,874	76,949	47.0	165,260	75,562	45.7
Other Revenue	1,356	5,000	(3,644)	-72.9	9,766	(8,410)	-86.1	16,664	20,000	(3,336)	-16.7	31,802	(15,138)	-47.6
Total Operating Revenue	111,931	31,562	80,369	254.6	61,761	50,170	81.2	257,486	183,874	73,612	40.0	197,062	60,424	30.7
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	34,832	33,693	1,140	3.4	37,600	(2,768)	-7.4	137,350	141,848	(4,498)	-3.2	112,767	24,583	21.8
Common Expenses	4,286	4,815	(529)	-11.0	202	4,084	2026.5	6,344	7,345	(1,000)	-13.6	1,418	4,926	347.4
Marketing Expense	200	100	100	100.0	200	-	0.0	200	3,650	(3,450)	-94.5	2,900	(2,700)	-93.1
Professional Services	1,160	100	1,060	1059.8	127	1,033	815.4	1,855	400	1,455	363.7	127	1,728	1363.9
Claim and Loss Expenses	(506)	(974)	469	-48.1	(12,220)	11,715	-95.9	(0)	1,865	(1,865)	-100.0	(28,734)	28,734	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	1,366	7,250	(5,884)	-81.2	10,055	(8,689)	-86.4	17,146	29,000	(11,854)	-40.9	31,471	(14,325)	-45.5
Overhead Allocation	5,013	6,205	(1,193)	-19.2	3,921	1,092	27.9	19,028	23,463	(4,436)	-18.9	18,453	575	3.1
Total Operating Expense	46,350	51,189	(4,838)	-9.5	39,883	6,467	16.2	181,922	207,571	(25,649)	-12.4	138,401	43,521	31.4
Net Operating Income (Loss) Before Grants	65,580	(19,627)	85,207	-434.1	21,877	43,703	199.8	75,564	(23,697)	99,261	-418.9	58,661	16,903	28.8
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	65,580	(19,627)	85,207	-434.1	21,877	43,703	199.8	75,564	(23,697)	99,261	-418.9	58,661	16,903	28.8
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	65,580	(19,627)	85,207	-434.1	21,877	43,703	199.8	75,564	(23,697)	99,261	-418.9	58,661	16,903	28.8
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	1	14.3
FTE Staff Count	4	4	(0)	-6.6	4	0	3.2	4	4	(0)	-7.1	3	1	17.2

Balance Sheet	Iowa Title Guaranty Division (Rollup)						
	Oct-2020						
	Actuals	Bud21	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	15,209,301	12,013,682	3,195,619	26.6	13,337,061	1,872,241	14.0
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	-	-	-	0.0	-	-	0.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	839,307	544,772	294,535	54.1	836,216	3,092	0.4
Deferred Outflows	270,190	307,669	(37,479)	-12.2	307,669	(37,479)	-12.2
Total Assets and Deferred Outflows	16,318,799	12,866,123	3,452,675	26.8	14,480,945	1,837,854	12.7
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	5,450	(5,450)	-100.0
Escrow Deposits	988,365	1,134,994	(146,629)	-12.9	2,745,139	(1,756,774)	-64.0
Reserves for Claims	1,395,179	1,006,148	389,031	38.7	1,040,699	354,480	34.1
Accounts Payable & Accrued Liabilities	3,377,968	1,485,184	1,892,784	127.4	1,815,375	1,562,593	86.1
Other liabilities	1,164,189	1,267,687	(103,498)	-8.2	1,267,687	(103,498)	-8.2
Deferred Inflows	255,588	88,843	166,745	187.7	88,843	166,745	187.7
Total Liabilities and Deferred Inflows	7,181,289	4,982,856	2,198,433	44.1	6,963,192	218,096	3.1
Equity							
YTD Earnings(Loss)	1,329,150	92,405	1,236,745	1338.4	795,050	534,100	67.2
Prior Years Earnings	7,808,360	7,790,863	17,497	0.2	6,722,703	1,085,657	16.1
Transfers	-	-	-	0.0	-	-	0.0
Total Equity	9,137,510	7,883,268	1,254,242	15.9	7,517,753	1,619,757	21.5
Total Liabilities, Deferred Inflows, and Equity	16,318,799	12,866,123	3,452,675	26.8	14,480,945	1,837,854	12.7



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

To: Iowa Title Guaranty Board
From: Deb Franklin
Date: December 1, 2020
Re: Business Relationship Update

ITG Event Calendar – September 1, 2020 through November 30, 2020:

On September 2, 2020, ITG Commercial Services Officer, Sam Askland, and Director, Lindsey Guerrero, attended the CREW presentation: “Iowa's Road to Recovery” presented by IFA/IEDA Executive Director Debi Durham.

On October 5, 2020, ITG’s Legal Counsel, Doug Mizer; Operations Manager, Rachel Pettit; and Director, Lindsey Guerrero, participated in the ATRA – London Reinsurance Marketplace Update with professionals from around the United States, Canada, and Europe.

ITG Residential Underwriting Attorney, Katherine Smith, attended the virtual ALTA One Conference from October 6–8, 2020. This conference included a CLE session on 2021 ALTA Policy Forms.

On October 21, 2020, the American Land Title Association selected ITG Senior Commercial Attorney, Matt Veldey, as a voting member of the ALTA Forms Committee. Congratulations Matt!

Iowa Title Guaranty’s Director, Lindsey Guerrero, presented the ITG Policy Updates for Abstractors to the Iowa Land Title Association on October 21, 2020.

On November 10, 2020, ITG sponsored the CREW virtual luncheon, "Elevate your Engagement: Leading the Five Types of Peoples Remotely and On-site" by Sherene McHenry.

ITG plans to sponsor the Iowa State Bar Association’s Bloethe Tax School, which will take place Dec. 2–4, 2020.

Iowa Title Guaranty continues to promote awareness of both its “750 Bright Line” Policy, which is ITG’s policy related to pricing changes becoming effective January 1, 2021, as well as the pending implementation of ITG’s new title production platform.



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

To: Iowa Title Guaranty Board

From: Dillon Malone

Date: December 1, 2020

Re: Claims Report

I. Current Total Claims Reserves as of November 09, 2020: \$424,919.13

II. Fiscal Year 2021 Claims Paid to Date: \$11,974.87

III. Claim Summary as of November 09, 2020:

Total Pending Claims as of November 09, 2020	40
Pending Claims in Recoupment Status	3
Net Pending Claims as of November 09, 2020	37
Claims Received since July 01, 2020	14
Claims Resolved since July 01, 2020	22

IV. Trends:

Claims Trends	Lenders	Owners	Total
Claims in FY 2017 (<i>July 1, 2017 to June 30, 2017</i>)	94	12	106
Claims in FY 2018 (<i>July 1, 2017 to June 30, 2018</i>)	108	22	130
Claims in FY 2019 (<i>July 1, 2018 to June 30, 2019</i>)	129	13	142
Claims in FY 2020 (<i>July 1, 2019 to June 30, 2020</i>)	88	18	106
Claims to date FY 2021 (<i>July 1, 2020 to Present</i>)	12	2	14

Current Active Claims Topics	
<i>Number of Claims</i>	<i>Nature of Claim</i>
13	Issues with drafting, execution of Vesting Deed or Guaranteed Mortgage
8	Break in Chain of Title
5	Mechanic's Liens
4	Judgments or Liens Against Prior Titleholder
3	Claims in Recoupment Status
3	Potential Encroachment or Boundary Dispute
3	Mobile Home or Manufactured Home Endorsement claim
1	Small Claims Judgments – in "Watch Waiting" Status



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

To: Iowa Title Guaranty Board
From: Kevin Blackman
Date: December 1, 2020
Re: Mortgage Release – FY21

Mortgage Release – FY21 Update

Through October 2020, we received 139 requests:

72 were in conjunction with the Rapid Certificate program (52%)

67 of the remaining requests included the \$200 fee (48%)

134 releases have been filed

Since inception, 6,881 mortgages have been released through this program.

FY 2021	Requests Received	Rapid Certificates	Paid \$200	Releases Filed
Jul-20	35	19	16	26
Aug-20	40	20	20	36
Sep-20	31	20	11	54
Oct-20	33	13	20	18
Totals	139	72	67	134