



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

AGENDA
Iowa Title Guaranty Board Meeting
August 30, 2022

Iowa Finance Authority
Helmick Room
Des Moines, Iowa
<https://akaiowa.us/itgboard>
10:00 a.m.

I. Roll Call

II. Action Items

- a. ITG Board Meeting Minutes May 24, 2022
- b. New Business
 - i. Proposed 2023 ITG Board Meeting Dates
 - ii. Election of Officers
 - iii. Transfer of Funds
 - 1. Resolution ITG 22-03
 - ii. Title Plant Waiver Application
 - 1. W22-1 Jorge Gomez III
 - a. Written Ruling

III. Discussion & Informational Items

- | | |
|---|----------------|
| a. Financial Report | David Morrison |
| b. Claims Report | Dillon Malone |
| c. Mortgage Release Report | Kevin Blackman |
| d. Commercial Update | Matt Veldey |
| e. ITG Director's Update | Dillon Malone |
| f. 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, December 6, 2022.
Iowa Finance Authority, Helmick Room
Des Moines, Iowa 50315
10:30 a.m.



BOARD MEETING MINUTES

**Iowa Title Guaranty
Des Moines, Iowa
May 24, 2022**

TELEPHONIC MEETING

Board Members Present

Charles Winkleblack, Chair
Daniel Seufferlein

Judy Hilgenberg, Vice-Chair
Jason Froehlich
Sarah Pesek

Board Members Absent

None.

Staff Members Present

Debi Durham, Executive Director, IEDA
Dillon Malone, Director, Iowa Title Guaranty
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
Julie Frye, Compliance Officer
Emily Stokes, Compliance Officer

Mary Brucker, Training Specialist
Mike Hogan, IT System Administrator
Beau Hanson, IT System Administrator
David Morrison, ITG Accounting Manager
Heidi Koll, Participant Program Administrator
Kim Praska, Commercial Services Specialist
Carrie Nutt, Sr. Production Specialist
Rachel Buckingham, Production Specialist
Travis Browder, Production Specialist
Christine Baber, ITG Intern

Others Present

Sandy Guy, Community Title, LLC
Dean Hoag, Community Title, LLC

Call to Order

The May 24, 2022 meeting of the Iowa Title Guaranty Board of Directors was held via telephone. Chairman Winkleblack called the meeting to order at 10:33 a.m. Roll call was taken, and a quorum

was established with the following Board Members present: Chairman Winkleblack, Vice-Chair Judy Hilgenberg, Dan Seufferlein, Jason Froehlich and Sarah Pesek.

Action Items

Review and Approval of March 1, 2022 Board Meeting Minutes

MOTION: On a motion by Ms. Pesek and a second by Mr. Froehlich, the Board unanimously accepted the March 1, 2022 Board Meeting Minutes.

New Business

ITG 22-02 – Transfer of Funds

Mr. Morrison presented the proposed transfer of ITG funds outlined in Resolution ITG 22-02. The proposed transfer would be in the amount of \$2,200,000 to Iowa Finance Authority's (IFA) housing assistance fund. Mr. Morrison requested board action on Resolution ITG 22-02.

MOTION: On a motion by Mr. Froehlich and a second by Mr. Seufferlein, the Board unanimously approved ITG Resolution 22-02.

Discussion and Informational Items

Financial Report

Mr. Morrison presented an overview of the financials for April 2022 YTD:

- ITG operated favorable to budget through the first month of the fourth quarter of FY2022. Operating revenue was 20.2% above budget and 22.1% above last year.
- Operating expense was 5% unfavorable to budget and 6.2% unfavorable to last year. Employee expenses were favorable to budget \$208K; offset by unfavorable Professional Services (\$772K), primarily related to higher incentive payments.
- Net Operating Income After Grants (NOIAG) is \$340K favorable to budget and \$212K favorable to last year.
- Commitments decreased 1.7% (\$2.809M vs. \$2.859M) compared to March, while outstanding receivables decreased 23.2% in April (\$188K to \$244K primarily in <30 days and 30>60 days aging).
- April YTD ITG transferred \$3.5M to the IFA housing assistance fund compared to a budget of \$1.5M.
- Iowa Title Guaranty commitments are flat and certificates are trending down.

Mr. Morrison then presented an overview of the FY23 ITG Budget:

- Total Operating Revenue of \$10.2M shows a decrease of 46.0% under FY22.
- Total Operating Expenses are budgeted to decrease \$2.7M or 26.3% compared FY22 forecast.
- Professional Services are budgeted to be \$4.1M in FY23, a decrease of \$3.0M or 41.8%, compared to forecasted amounts in FY22.
- Other Operating expenses in FY23 are budgeted to be \$42K lower than FY22.

- Net Operating Income After Grants (NOIAG) is \$3.0M or 64.6% unfavorable to FY22 forecast.

Claims Update

Director Malone reported that ITG claims reserves as of May 11, 2022 are now \$408,361.70. ITG has paid out \$46,272.97 in claims in FY22. As of the date of the report ITG had 32 pending claims, with 4 in recoupment only status.

Director Malone reported that ITG has received 47 claims since July 1 and 56 claims have been resolved since that date.

While claim volume has steadily decreased, ITG continues to receive claims due primarily to issues with the drafting, mechanics liens and breaks in the chain of title.

Mortgage Release Update

Mr. Blackman reported that ITG received 723 mortgage release requests through April 2022. He stated that 511 of the requests were in conjunction with the Rapid Certificate program (71%), 212 of the remaining requests included the \$200 fee (29%), and 635 releases were filed. Mr. Blackman reported that since inception, 7,877 mortgages have been released through this program. Mr. Blackman noted ITG numbers for the program thus far are exceeding the numbers for FY2021.

Commercial Update

Mr. Veldey reported that the ITG Commercial Team continues to see a steady volume of transactions. Commitments YTD are approximately 12% higher than last 2021. The ITG Commercial Team has conducted 10 closings YTD which is slightly less than normal. ITG Commercial Team is attending the CREW and ICREA events. Mr Veldey attended the ALTA Forms Committee Meeting in April. Mr. Veldey praised Samantha Askland and Kim Praska for their efforts in obtaining the documentation needed to issue a large number of final certificates.

ITG Director Update

Director Malone opened his comments with a staffing update. Travis Browder was recently hired as a Production Specialist and Christine Baber is the ITG Legal Intern. The Claims and Compliance Attorney job posting closed. We will begin reviewing applications and scheduling interviews soon.

Director Malone informed the board that Jorge Gomez, III submitted a Permanent Title Plant Waiver Application which is currently open for public comment. The Application will be on the August 30, 2022 ITG Board Meeting Agenda.

ITG will attend the ILTA Conference, the County Recordors Association Summer School, and the annual reinsurance meeting in Chicago. ITG is sponsoring and will present at the Iowa State Bar

Association Annual Meeting this summer as well.

The Housing Iowa Conference is scheduled for September 7–9 with an evening reception on September 6. There will be a separate ITG track with two days of speakers and panel discussions. Panel discussions may include the following: ethics, digital/paperless real estate offices (digital abstracting, title examination and closings), legislative updates, discussion about new matters in real estate law, and claims. National topics may include cybersecurity and blockchain.

Director Malone stated that IFA submitted a Notice of Termination for Cause to Qualia in May.

Public Comment

There was no comment from the public.

Adjournment

MOTION: The May 24, 2022 Meeting of the ITG Board of Directors adjourned at 11:10 a.m.

Dated this 30th day of August, 2022.

Respectfully submitted:

Approved as to form:

Dillon D. Malone
Director, Iowa Title Guaranty

Charles Winkleblack
Board Chair, Iowa Title Guaranty



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

Proposed 2023 ITG Board Meeting Dates

February 28, 2023

June 6, 2023

August 29, 2023

December 5, 2023

RESOLUTION ITG 22-03

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 \$1,300,000 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 \$1,300,000 be transferred to the Housing Assistance Fund created pursuant to Iowa Code section 16.40.

PASSED AND APPROVED this 30th day of August, 2022.

Charles Winkleblack, Iowa Title Guaranty Board Chair

Dillon D. Malone, Iowa Title Guaranty Board Secretary

BEFORE THE IOWA FINANCE AUTHORITY,
IOWA TITLE GUARANTY BOARD

IN RE:)	
APPLICATION FOR TITLE PLANT WAIVER)	PROPOSED WRITTEN RULING
BY JORGE GOMEZ III)	DENYING TITLE PLANT WAIVER
)	APPLICATION #W22-1
)	
)	

SUMMARY OF THE RELEVANT FACTS

Jorge Gomez III (“Applicant”) submitted an Application for Title Plant Waiver (“Application”) on February 25, 2022.¹ Title plant waiver applications are considered at the first Iowa Title Guaranty Board (“Board”) meeting that occurs 90 days after the application is submitted.² Accordingly, the Application is considered as part of the August 30, 2022 Board meeting.

Applicant is an Iowa licensed attorney with Gomez May LLP (“the Firm”), a law firm with an Iowa office located at 2322 E. Kimberly Road, Suite 120W, Davenport, Iowa 52807.³ Applicant has been licensed to practice law in Iowa for over twenty years.⁴ Applicant is an Iowa Title Guaranty (“ITG”) participant currently offering title opinion, field issuing, and closing protection letter services. The Firm provides abstracting services through another attorney, Jorge Gomez, Jr., an attorney abstracting pursuant to the exemption found in Iowa Code § 16.91(5)(a)(2).⁵ Applicant has provided abstracting services under the supervision of Jorge Gomez, Jr. throughout his career.⁶ Applicant is requesting a title plant waiver for Scott County.⁷

Upon receipt, ITG published notice of Applicant’s title plant waiver application on its website. ITG notified the Iowa State Bar Association and the Iowa Land Title Association (“ILTA”). ITG received public comments regarding the application through July 16, 2022.

¹ Jorge Gomez III, *Application for Title Plant Waiver* (February 25, 2022), <https://www.iowafinance.com/content/uploads/2022/02/Gomez-Application.pdf> [hereinafter Application].

² Iowa Admin. Code r. 265—9.7(1)“d”(4)(4) (2022).

³ Application at 1.

⁴ See *id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

TITLE PLANT WAIVER REQUIREMENTS

The 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.⁸

“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.⁹ “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 ITG’s market share, improving the quality of land titles, and protecting consumers.¹⁰

APPLICANT’S JUSTIFICATION OF WAIVER

Applicant offers justification for the Application by stating the title plant requirement creates a hardship on the Firm and granting the Application is in the public interest.¹¹ Each will be discussed in turn.

Applicant generally asserts a hardship arises due to time and resource expenditures that creating a title plant would presumably require of the Firm.¹² He notes that “requiring the creation of a title plant at this time . . . would call for an extreme number of hours and resources.”¹³ Applicant next argues that having to devote “hours and resources” to creating a title plant would prohibit the firm from being able to meet customer demand for abstracting and ITG certificates in a “timely and reasonable fashion”.¹⁴ Lastly, Applicant theorizes that if the Application were denied

⁸ Iowa Code § 16.91(5)(b) (2021).

⁹ Iowa Admin. Code r. 265—9.7(1)“d”(5)(3) (2022).

¹⁰ Iowa Admin. Code r. 265—9.7(1)“d”(5)(4).

¹¹ Application at 297–98.

¹² *Id.*

¹³ *Id.* at 297.

¹⁴ *Id.*

the Firm would be required to devote a significant amount of time “attempting to return the tens of thousands of abstracts amassed over the years.”¹⁵

Applicant offers the following to support his claim that granting a title plant waiver would serve the public interest:

1. Servicing a public need. Applicant claims that over the last decade the Firm has provided “approximately twenty-five to thirty percent (25–30%) of Lender certificates and an even higher percent of Owner certificates” for the Scott County area.¹⁶ Applicant also notes the volume of certificates the Firm has processed has “generated millions of dollars” in revenue for ITG.¹⁷ While not stated directly in the Application, these statements can reasonably be read to illustrate how the Firm’s current position in Scott County serves a public need.
2. Encourage the use of certificates. Applicant states that the Firm has generated a large portion of the lender and owner certificates in Scott County.¹⁸ By allowing the Firm to continue to offer abstracting services, Applicant claims the Firm will be able to “keep up with this demand from all manner of lending institutions and clients.”¹⁹ Without granting the Application, Applicant argues that “[r]emaining abstractors would be unable to keep up with the demand of lender and owner abstracting and title needs.”²⁰
3. Protecting consumers and promoting competition. Applicant contends that “the volume of business that would be diverted to other abstractors would [be] an undue burden on the remaining abstractors in the community.”²¹ Applicant argues that “[w]ith . . . the inability to provide abstract and title services . . . lenders and customers would have no other option but to seek the services of others” and that, without the Firm’s services, customers may have to turn to commercial title insurance which would be more costly to the consumer and not in the public interest.²² Applicant also claims its absence would result in slower turnaround times and finally asserts that decreased competition would result in increased prices.²³

¹⁵ *Id.* at 297–98.

¹⁶ *Id.* at 297.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *See id.*

²⁰ *Id.* at 298.

²¹ *Id.*

²² *Id.*

²³ *Id.*

4. Improving the quality of land titles. Applicant argues that the Firm’s absence from the abstracting market in Scott County would lead to “a very distinct possibility of errors and omissions as the few remaining firms attempt to keep up with the demand.”²⁴ Presumably, Applicant argues that the Firm’s continued presence as an abstractor in Scott County would preserve the quality of land titles by keeping other abstractors at manageable file volumes that could be handled free from an increase in errors and omissions.

PUBLIC COMMENTS REGARDING THE TITLE PLANT WAIVER APPLICATION

The 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.²⁵ The 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 Board regarding the applicant’s ability to abstract.²⁶

Applicant has practiced law for over 20 years.²⁷ He has prepared abstracts under the supervision of the Firm’s grandfathered attorney abstractor for the majority of that time.²⁸ The Application included letters of support from local attorneys Judy A. Shawver²⁹ and Michael L. Gorsline,³⁰ as well as Curt Johnston, Vice President of Mortgage with IH Mississippi Valley Credit Union.³¹

Mr. Gorsline, who practices in Scott County, writes that granting Applicant a waiver “will be beneficial to our community”.³² He states that doing so will increase competition among abstractors and make certificates more competitive than out-of-state title insurance.³³ Ms. Shawver, also a Scott County practitioner, writes that were Applicant not granted a waiver and Jorge Gomez, Jr. stopped abstracting it would create an “extreme hardship” on the Firm and local

²⁴ *Id.*

²⁵ Iowa Admin. Code r. 265—9.7(1)“d”(4) (2022).

²⁶ *Id.*

²⁷ *See* Application at 1.

²⁸ *Id.*

²⁹ *Id.* at 295.

³⁰ *Id.* at 294.

³¹ *Id.* at 296.

³² *Id.* at 294.

³³ *Id.*

real estate attorneys.³⁴ Shawver notes that the Firm handles a significant amount of abstracting and finding abstractors to fill that void “would be hard”.³⁵ Mr. Johnston notes the quality and efficiency of abstracting Applicant and the Firm provide are “some of the best available” in Scott County.³⁶

David D. Dunakey submitted a letter in support of the Application during the public comment period.³⁷ Mr. Dunakey is President of Title Services DM Corp. and an ITG participating attorney.³⁸ Mr. Dunakey’s letter “highly recommend[s]” the Board approve Applicant’s waiver.³⁹ Mr. Dunakey states that in his experience, Iowans are being underserved by the present abstracting system.⁴⁰ He sees allowing more attorney abstractors as a solution to this problem, and ultimately as a method of deterring consumers from choosing title insurance.⁴¹ Approved to abstract in all counties, Mr. Dunakey notes he regularly receives abstracting requests from customers in counties where the local abstractor is “too busy or unable to complete the order in a timely fashion”.⁴² Mr. Dunakey states that if he is unable to accommodate a customer, “the only alternative is title insurance”.⁴³

Zach Ruroden is President of the Iowa Land Title Association (“ILTA”) Board of Directors.⁴⁴ Mr. Ruroden also submitted public comment on ILTA’s behalf. That letter urges ITG and the ITG Board to deny the Application.⁴⁵ ILTA’s letter notes Applicant’s hardship arguments “are much the same as all title plant waiver requests that come before ITG from persons unwilling to build a title plant”, further stating that such claims “have no merit when attorney abstractors and non-attorney abstractors across the state have purchased, leased, built, or are currently building title plants, and have for decades”.⁴⁶ ILTA writes that the practice of building a title plant is done “to build a reliable asset” and protect Iowans from claims, emphasizing that “most importantly” title plants are built because ITG “requires it to be part of the ITG program”.⁴⁷

³⁴ *Id.* at 295.

³⁵ *Id.*

³⁶ *Id.* at 296.

³⁷ See Iowa Admin. Code r. 265—9.7(1)“d”(4) (2022).

³⁸ *Public Comments – Jorge Gomez* (July 2022), <https://www.iowafinance.com/content/uploads/2022/07/Public-Comments-Jorge-Gomez.pdf>.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.* at 3.

⁴⁵ *Id.*

⁴⁶ *Id.* at 2.

⁴⁷ *Id.*

Mr. Ruroden next points out that an office with a grandfathered attorney “could have been planning for the future by building a title plant over time” instead of relying on an assumption that a waiver would be granted.⁴⁸ The letter continues, highlighting the advance notice grandfathered attorneys were provided by the legislature from the outset of the ITG program, pointing out that “the intent” of the grandfather provision “was to avoid an immediate hardship for the attorney abstractors” who “knew . . . the intent of the legislation was not to keep these waivers going into perpetuity”.⁴⁹ Mr. Ruroden also cites back to the written ruling on a prior application for a permanent title plant waiver that the ITG Board denied in 2017, eventually concluding that “[i]f Iowa Title Guaranty continues to recognize the 40-year title plant as the preferred method of providing title evidence, it will deny the title plant waiver application . . . and encourage Mr. Gomez to contact ITG with an Intent to Build a Title Plant Application to . . . continue to provide services for Scott County and ITG”.⁵⁰

BASIS FOR TITLE PLANT WAIVER APPLICATION DENIAL

As stated in Iowa Administrative Code rule 265—9.7(1)“d”, ITG recognizes the 40-year title plant as the preferred method of providing title evidence for the purpose of issuing commitments and certificates.⁵¹ Iowa law requires ITG participating abstractors own or lease an up-to-date title plant for each county in which they prepare abstracts upon which ITG guarantees real property titles.⁵² The Iowa Code includes a grandfather clause, allowing a participating attorney providing abstract services continuously from November 12, 1986, to the date of application, either personally or through persons under the attorney’s supervision and control, to become a participating abstractor *without* an up-to-date abstract title plant.⁵³

Further, the Iowa Code also provides the Board the option of waiving the up-to-date title plant requirement under certain conditions, allowing an attorney or abstractor to abstract without owning or leasing an up-to-date, 40-year title plant.⁵⁴ The Board must weigh the benefits of the

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ Iowa Admin. Code r. 265—9.7(1)“d” (2022).

⁵² Iowa Code § 16.91(5)(a)(2) (2021).

⁵³ *Id.* As mentioned above, this is the exemption under which Jorge Gomez, Jr. has provided abstracting services for ITG.

⁵⁴ *Id.* at § 16.91(5)(b).

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.⁵⁵

The title plant waiver provides ITG and the Board a mechanism to ensure the availability of certificates in all 99 counties, specifically counties where an up-to-date title plant does not exist. The Board has the option of issuing a title plant waiver to ensure that all Iowans have access to the title protection ITG offers.

The Board has discretion to grant or deny a title plant waiver application, even if the hardship and public interest requirements are satisfied.⁵⁶ The final decision on whether the circumstances justify granting a waiver is made at the sole discretion of the Board upon consideration of all relevant factors.⁵⁷ Relevant factors to be considered include, but are not limited to, the ITG 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 ITG staff, and any other resources available to the entire ITG Board.⁵⁸ Consideration should be afforded to rulings on prior waiver requests, but the Board shall not be bound by such rulings.⁵⁹ The Board may limit a waiver as to county, transaction type, or both, and may also limit the duration of any granted waiver.⁶⁰

I. THE TITLE PLANT REQUIREMENT DOES NOT IMPOSE A HARDSHIP ON THE APPLICANT.

Upon review of the relevant facts and application of the governing law and rules, the Board concludes Applicant has not established a hardship under Iowa Code § 16.91(5)(b). As stated above, hardship is defined 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.⁶¹

⁵⁵ See Iowa Admin. Code r. 265—9.7(1)“d”(6)“4”.

⁵⁶ See Iowa Code § 16.91(5)(b) (“The division *may* waive the requirements.” (emphasis added)).

⁵⁷ Iowa Admin. Code r. 265—9.7(1)“d”(6)“4”.

⁵⁸ *Id.*

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ Iowa Admin. Code r. 265—9.7(1)“d”(5)“3”.

Previous Board rulings reasoned that determining the cost to create or maintain a title plant alone is sufficient to rise to the level of a hardship that is “more than minimal” would essentially undermine the legislature’s intent and erode the foundations of the ITG program.⁶² The Board continues to agree with this sentiment. Such a conclusion could result in all title plant abstractors seeking a waiver. If title plant creation and maintenance costs were deemed a hardship, anybody required to bear such costs would satisfy the hardship requirement. That finding would ultimately eliminate the existence of title plants, and simultaneously render the title plant requirement meaningless even though “[t]he division recognizes the 40-year title plant as the preferred method of providing title evidence for the purpose of issuing commitments and certificates.”⁶³

Applicant asserts that creating a title plant would impose a hardship on the Firm.⁶⁴ Applicant underpins this argument by generally asserting, among other things, that building a title plant would require “an extreme number of hours and resources.”⁶⁵ Although the Board recognizes that there is a cost associated with creating a title plant, such an expense is not a hardship that is more than minimal when considering all the circumstances. Over the long term, owning a title plant may save time and expenses. There is also the added benefit of owning an asset that may appreciate in value.

Applicant did not argue that creating a title plant is cost-prohibitive. Nor did he provide supporting information or documentation evidencing such an assertion. However, even if Applicant had argued that it is cost-prohibitive, the actual cost of building a title plant is simply the cost of doing business that does not rise to the level of being a hardship necessitating a title plant waiver. The argument that creating a title plant costs time and resources is not unique to Applicant. This argument could be asserted by any title plant waiver applicant. Here, it appears a well-positioned participant with a large market share seeks a waiver to avoid having to pay the cost to build a title plant, which would guarantee it the ability to abstract in the ITG-preferred manner stated in the Iowa Administrative Code.

Accordingly, the Board finds that denying this title plant waiver application is appropriate under the present circumstances. For the foregoing reasons, the Board concludes Applicant has

⁶² See Written Ruling Denying Title Plant Waiver Application #W17-2 (Iowa Title Guaranty Bd. Dec. 5, 2017).

⁶³ See Iowa Admin. Code r. 265—9.7(1)“d”.

⁶⁴ Application at 297.

⁶⁵ *Id.*

failed to establish a hardship under Iowa Code § 16.91(5)(b) and Iowa Administrative Code rule 265–9.7(1)“d”(5).

II. THE TITLE PLANT WAIVER IS NOT CLEARLY IN THE PUBLIC INTEREST NOR IS A TITLE PLANT WAIVER ABSOLUTELY NECESSARY TO ENSURE THE AVAILABILITY OF CERTIFICATES THROUGHOUT THE STATE.

A. **The Title Plant Waiver is not Clearly in the Public Interest.**

In the interest of thorough review, and at the risk of redundancy, having already concluded no hardship exists, the Board further concludes granting a title plant waiver to Applicant is not clearly in the public interest. As mentioned, “Public Interest” 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.”⁶⁶

i. *Increasing competition among abstractors.*

Were Applicant to provide abstracting services in Scott County under a title plant waiver, the county’s abstracting market would maintain its current selection of 21 potential ITG abstractor participants as Applicant intends to continue providing the abstracting services performed by Jorge Gomez, Jr. Realistically, all participants do not equally share in carrying the county’s abstracting burden. Yet, lenders and owners have a variety of options when seeking abstracting services in Scott County. Considering the county’s considerable abstracting options, there is little risk that consumer costs will be driven significantly in either direction were one of the participants to exit the market. That said, it is not ITG’s understanding that Jorge Gomez, Jr. is retired. Accordingly there does not appear to be an immediate threat that Scott County will lose Mr. Gomez’s abstracting services. Even if Mr. Gomez were to discontinue his abstracting services, Scott County’s abstractor market contains sufficient participants to absorb the existing business.

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

While the Scott County abstracting market is not yet saturated with ITG participants, granting a waiver here does little to make certificates more competitive than out-of-state title insurance. Applicant argues that denying the Application will lead to increased turnaround times,

⁶⁶ Iowa Admin. Code r. 265—9.7(1)“d”(5)(4).

reasoning that such an increase may lead consumers to choose an inferior, yet potentially speedier option: title insurance.⁶⁷ ITG agrees this is a relevant consideration, and worthy of examination. Expediently processed title requests are *sine qua non* to Iowa's abstract-attorney's title opinion system remaining competitive with out-of-state title insurance. Here, the Board does not find a causal link between the Application and upholding the Iowa system. Applicant's theory assumes: (1) the Firm will immediately stop all abstracting operations if this Application is denied; and (2) that business would turn to out-of-state title insurance. Neither Applicant nor the Firm has affirmatively communicated to ITG that continued abstracting operations hinge on immediate Application approval. Regardless of whether the Board grants the waiver, the Firm still has a grandfathered attorney abstractor, and accordingly he can still provide abstracting services. However, even if the Firm wound down its abstracting services, Scott County lenders and residents seeking ITG coverage would still have a well-populated assortment of abstractor participants available to serve their needs.

iii. Increasing the division's market share.

Scott County, as previously noted, enjoys a formidable population of ITG abstractor participants. When an abstractor is no longer available to assist in absorbing the county's demand for abstracting to be used for ITG certificates, another is available to handle the work. If an entire county's abstracting demand hinged on one participating abstractor, a waiver may be clearly in the public interest. Here though, multiple existing alternative abstractors could provide the same service the Firm currently provides. Granting Applicant a waiver likely does not change ITG's Scott County market share significantly in either direction.

iv. Improve the quality of land titles.

The Board does not find that granting a waiver in these circumstances would advance the public interest by improving the quality of Iowa's land titles in any significant sense. If granted a waiver, Applicant would not be preparing abstracts using a complete 40-year title plant, which is the preferred method of title evidencing in Iowa.⁶⁸ An intent to build application, rather than a title plant waiver, better improves the quality of land titles as it would result in abstracting work undertaken in accordance with the preferred abstracting method stated in the Iowa Administrative Code.

⁶⁷ See Application at 298.

⁶⁸ See Iowa Admin. Code r. 265—9.7(1)“d”.

v. *Protecting consumers.*

Allowing Applicant to maintain operations pursuant to a waiver does not serve to advance consumer protection. As stated throughout, the Iowa Administrative Code has a stated preference for title plant abstracting. The 40-year title plant is the most thorough and reliable form of title evidencing, resulting in clean titles for Iowa consumers. Applicant argues that were the waiver application denied, “customers would have no other option but to seek the services of others.”⁶⁹ Applicant also argues the volume of business diverted to other abstractors would be an undue burden on the remaining abstractors, allegedly leading to slower turnaround times and the “possibility of errors and omissions” as “the few” remaining abstractors struggle to keep up with demand.⁷⁰ That argument would be more persuasive if there were a shortage of abstracting options in Scott County, in which case, a denial could leave resident consumers at risk. Here, however, even if Applicant’s firm were to abruptly stop abstracting, Scott County is uniquely positioned with its collection of abstractor participants in place to absorb displaced abstracting work.

After considering these factors, the Board finds Applicant has not established that granting a waiver of the 40-year title plant requirement is clearly in the public interest, as required by Iowa Code § 16.91(5)(b) and Iowa Administrative Code rule 265—9.7(1)“d”(5)(2).

B. The Title Plant Waiver is not Absolutely Necessary to Ensure Availability of Certificates throughout the State.

Having concluded that the title plant requirement does not subject Applicant to hardship and that granting the waiver is not clearly in the public interest, the Board need not analyze whether granting a title plant waiver is absolutely necessary to ensure availability of certificates throughout the state.⁷¹ However, the Board notes that a title plant waiver is not *absolutely* necessary in this instance to ensure the availability of ITG Certificates. There are a sufficient number of ITG participants authorized to provide abstracting services in Scott County. A steady volume of ITG certificates is issued in Scott County. There is not a concern that the county is underserved, nor is there a reasonable concern that a county with such a robust population of abstracting options will falter under the prospect of the Firm’s abstracting work eventually being absorbed by the remaining participating abstractors.

⁶⁹ Application at 298.

⁷⁰ *Id.*

⁷¹ See Iowa Code § 16.91(5)(b) (2021).

There are currently 20 participating abstractors available to provide abstracting services in Scott County (not counting the Firm). There are 11 waived attorneys, 1 title plant abstractor, and 8 grandfathered attorneys aside from Applicant. As noted throughout, Iowa Administrative Code rule 265—9.7(1)“d” states “[t]he division recognizes the 40-year title plant as the preferred method of providing title evidence for the purpose of issuing commitments and certificates.” No such preference for waived abstractors is found in the Iowa Code or the Iowa Finance Authority’s administrative rules. Further, denying this application does not immediately deprive Scott County of an abstractor. Jorge Gomez Jr. remains a grandfathered attorney abstractor. The Firm can still provide abstracting services through Mr. Gomez while he remains an active ITG participant.

Further, Applicant offers no factual support for its general assertion that diverting its business to other abstractors would comprise an “undue burden” on the remaining abstractors.⁷² Scott County currently has 20 other ITG participating abstractors available to serve its abstracting demand. While a redistribution of Applicant’s current business would likely occur were it to exit the abstracting market, there is no indication that such a redistribution will overwhelm the numerous participating abstractors available to absorb the displaced work, or that the remaining abstractors would reduce the quality of their abstracting products to meet demand, resulting in a wave of errors and omissions relative to work that might have been performed by Applicant’s firm.

After considering these factors, the Board finds Applicant has not established that granting a waiver of the 40-year title plant requirement is absolutely necessary to ensure the availability of title guaranties throughout the state, as required by Iowa Code § 16.91(5)(b) and Iowa Administrative Code rule 265—9.7(1)“d”(5)(2).

RULING

For these reasons, the Board denies Jorge Gomez III’s Application for a title plant waiver.

SO RULED this 30th day of August, 2022.

Charles Winkleblack, Iowa Title Guaranty Board Chair

⁷² See Application at 298.

Dillon D. Malone, Iowa Title Guaranty Board Secretary

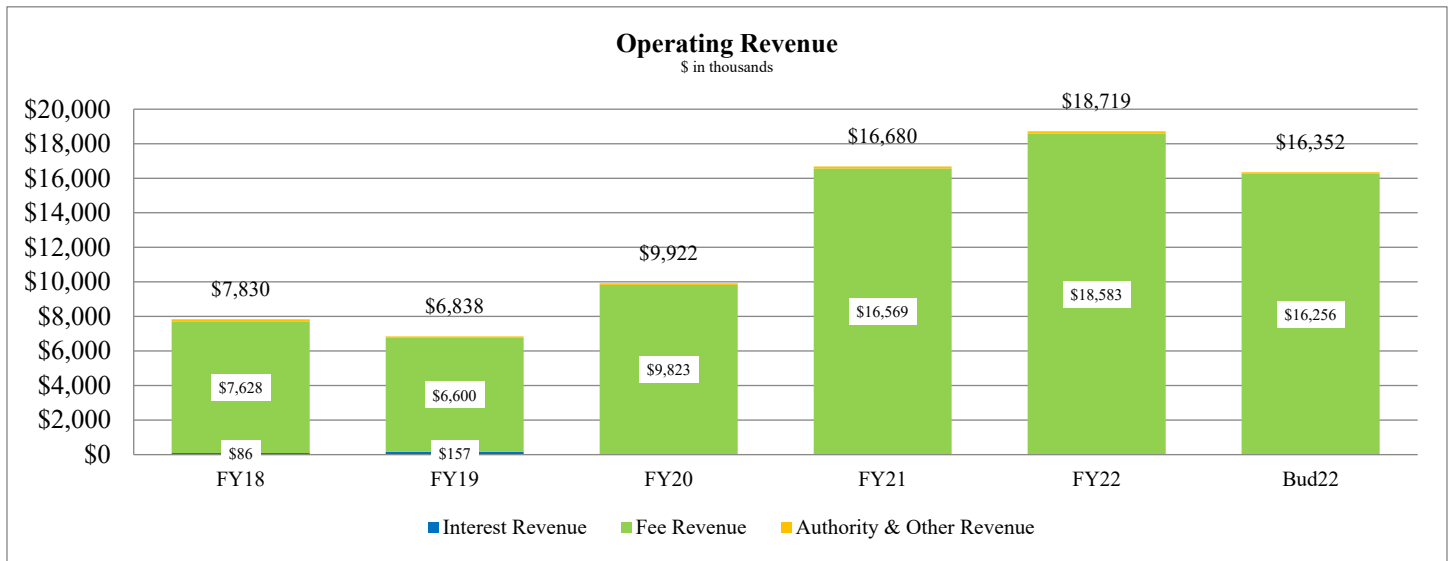
(seal)



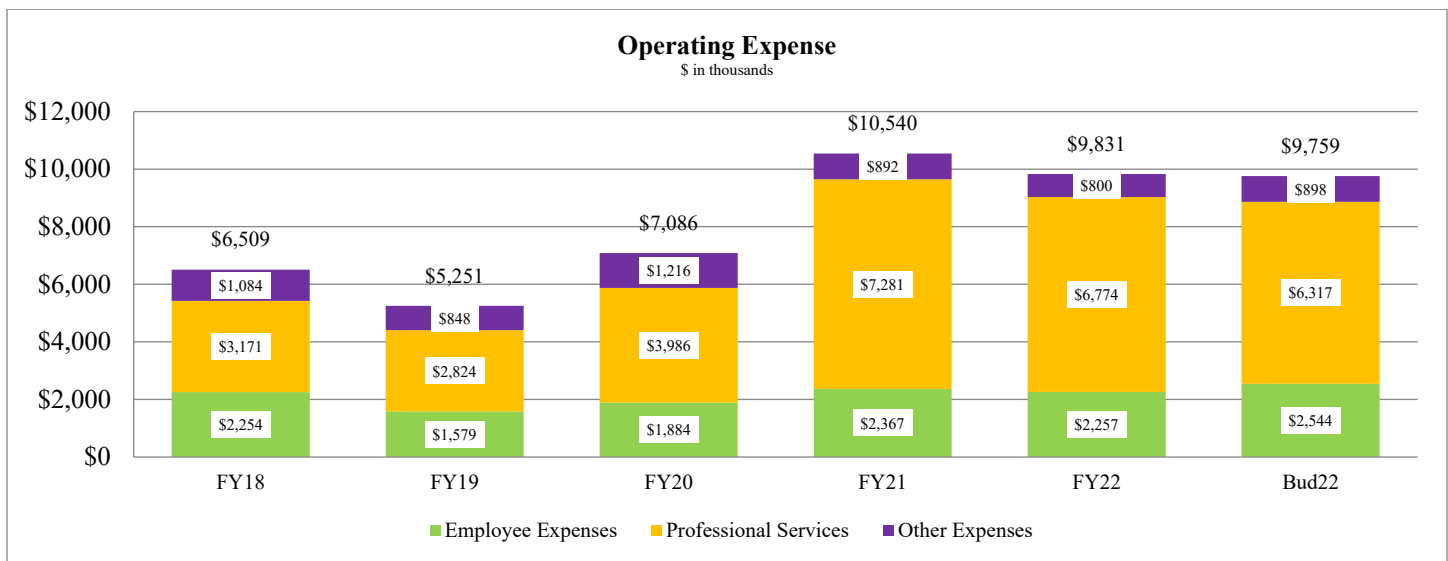
To: IFA & ITG Board Members
From: David Morrison
Date: August 30, 2022
RE: June 2022 YTD Financial Results

Iowa Title Guaranty Financial Results (\$ in thousands)

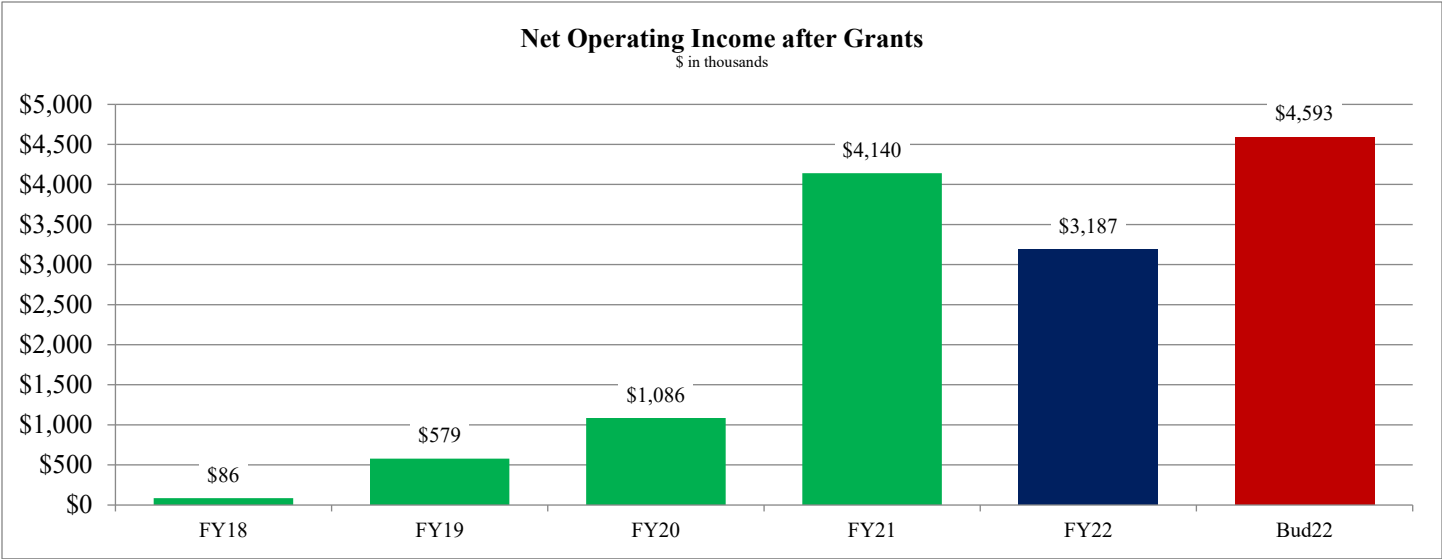
ITG is operating favorably to budget through the end of June and Fiscal FY22.



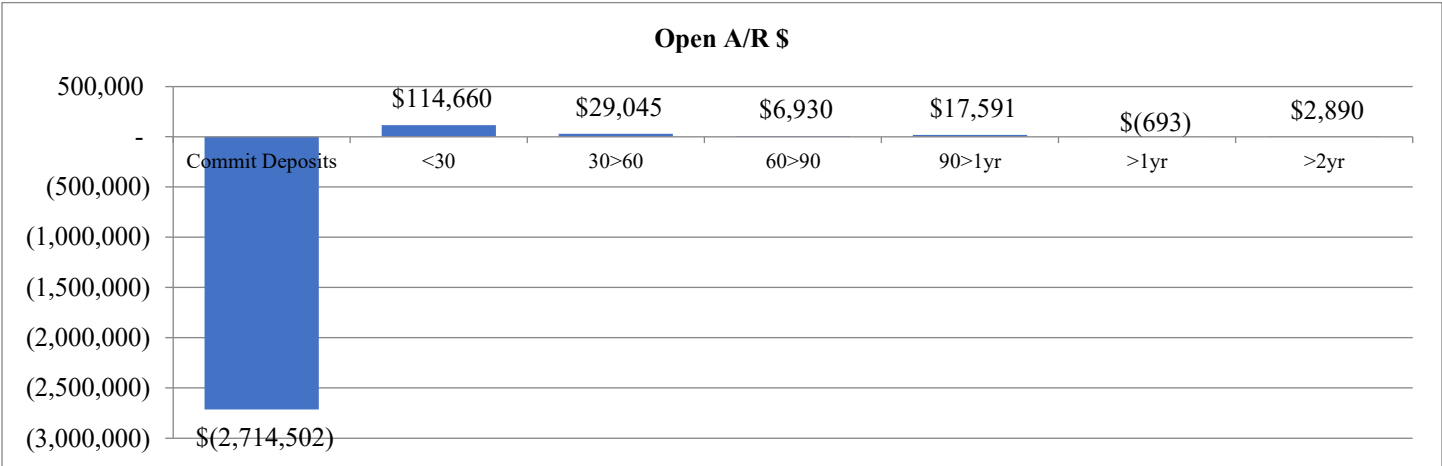
Operating revenue was \$2,367, or 14.5% above budget and 12.2% above last year. Fee Revenue is favorable to budget and prior year due to higher certificate issuance volumes.



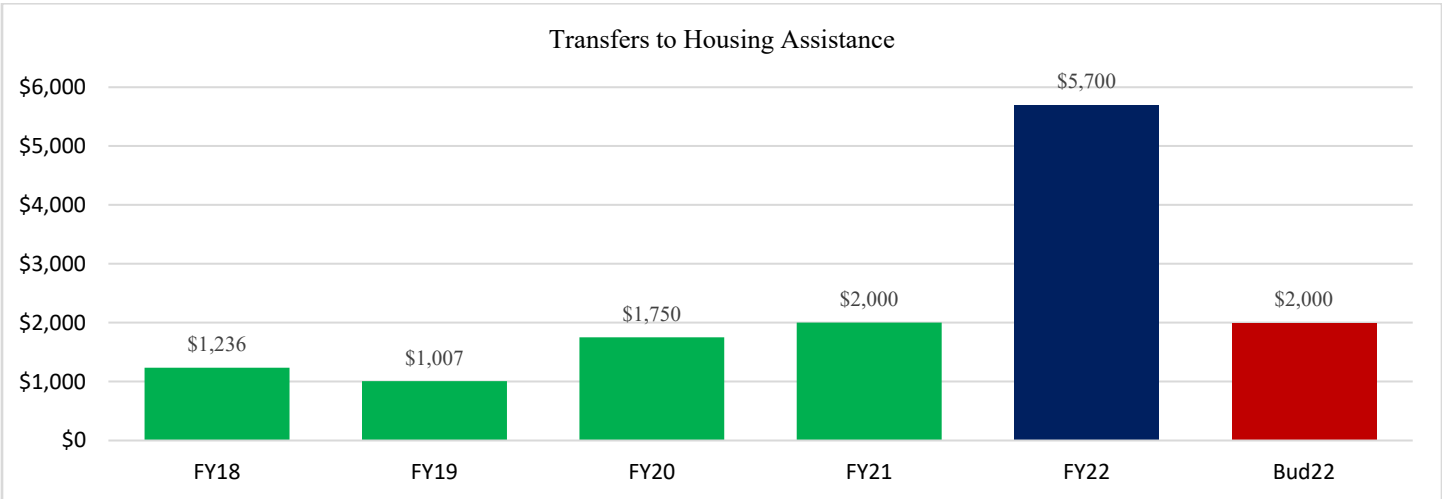
Operating expense was \$72, or 0.7% comparable to budget and 6.7% unfavorable to last year. Employee expenses were favorable to budget \$286, favorable Marketing \$42, lower paid Claims \$43 and favorable Overhead allocation expenses to budget \$89; offset by unfavorable Professional Services (\$457) – primarily related to higher incentive payments.



As a result, NOIAG is \$1,406 unfavorable or 30.6% to budget and \$953 unfavorable or 23.0% to last year. Primarily due to transfers to Housing Assistance fund (\$5.7M vs \$2.0M budget).

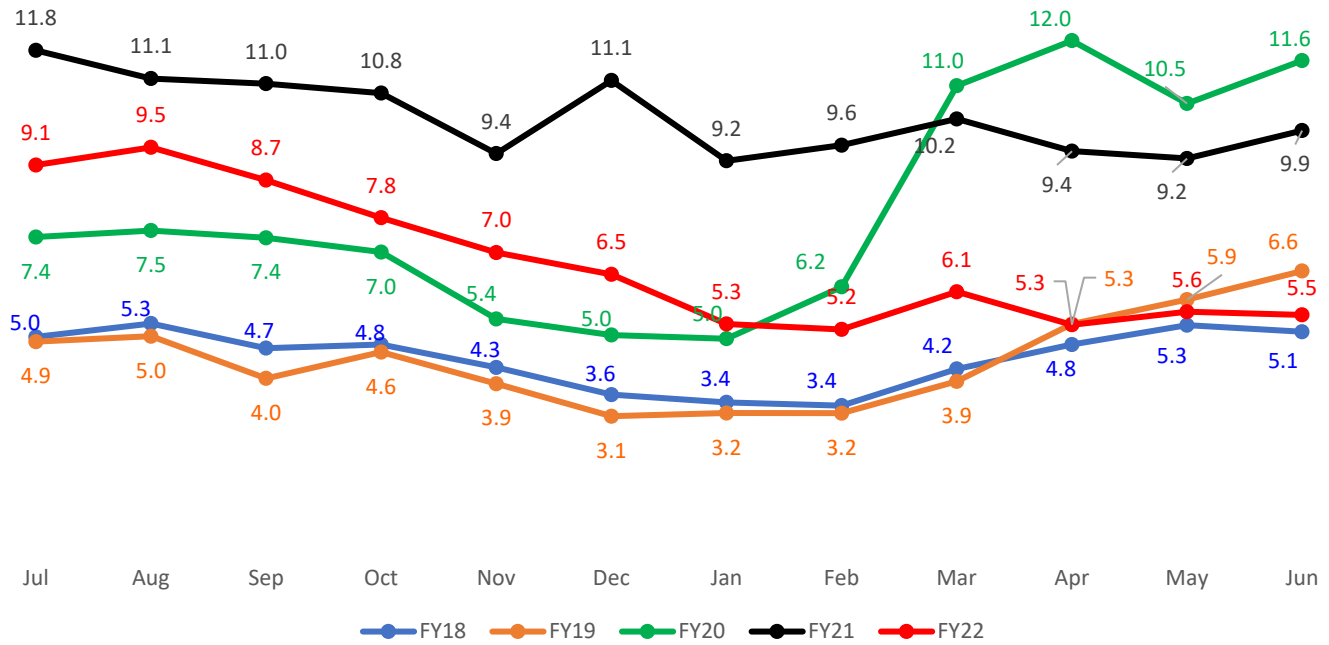


Commitments decreased 2.1% (\$2.715M vs \$2.772M) compared to May, while outstanding receivables increased 14.9% in June (\$170k to \$148k primarily in >30-day aging).

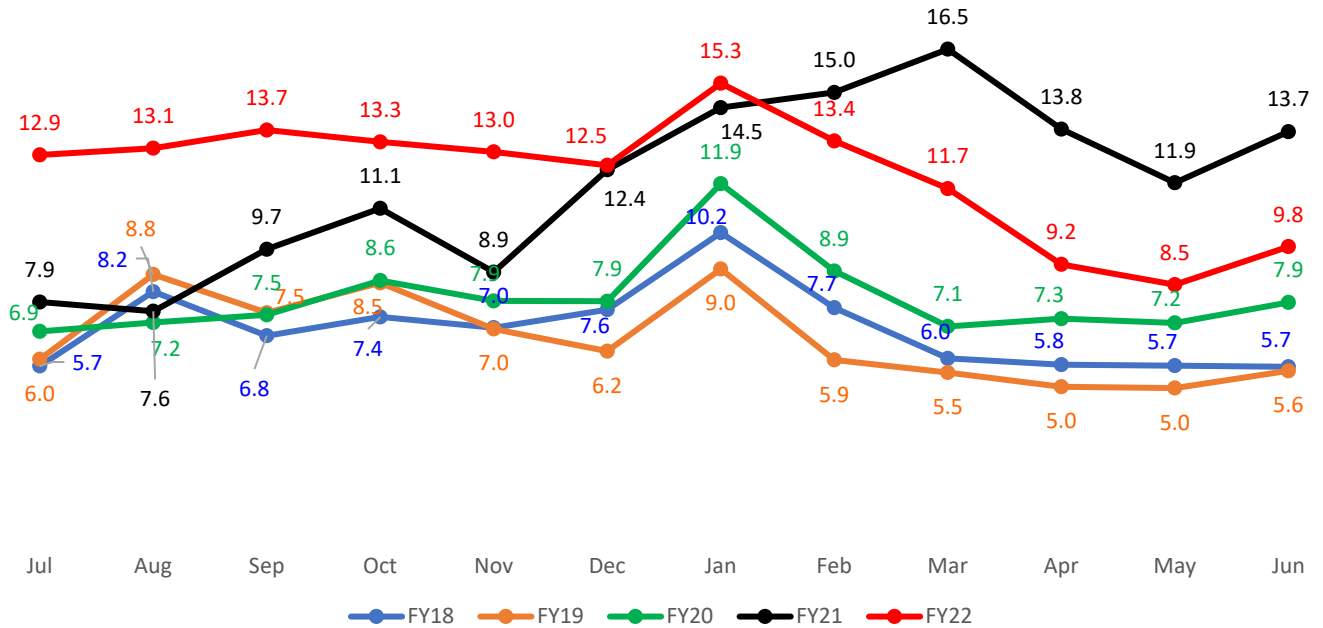


Comparison of June YTD

Monthly Trend - Commitments Issued- 5 yr trends



Monthly Trend - Certificates Issued 5 year trend



Balance Sheet	Iowa Title Guaranty Division (Rollup)						
	Jun-2022						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	23,808,754	24,011,409	(202,655)	-0.8	22,103,806	1,704,949	7.7
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	102,276	157,475	(55,199)	-35.1	815,341	(713,066)	-87.5
Deferred Outflows	317,864	270,190	47,674	17.6	317,864	-	0.0
Total Assets and Deferred Outflows	24,228,894	24,439,074	(210,180)	-0.9	23,237,011	991,883	4.3
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	2,615,061	912,288	1,702,773	186.6	2,528,208	86,853	3.4
Reserves for Claims	1,768,482	1,573,928	194,554	12.4	1,612,857	155,624	9.6
Accounts Payable & Accrued Liabilities	3,115,914	4,314,732	(1,198,818)	-27.8	5,553,684	(2,437,771)	-43.9
Other liabilities	1,418,775	1,279,687	139,088	10.9	1,418,775	-	0.0
Deferred Inflows	175,105	81,785	93,320	114.1	175,105	-	0.0
Total Liabilities and Deferred Inflows	9,093,337	8,162,420	930,916	11.4	11,288,630	(2,195,293)	-19.4
Equity							
YTD Earnings(Loss)	3,187,176	4,592,886	(1,405,710)	-30.6	4,140,021	(952,845)	-23.0
Prior Years Earnings	11,948,381	11,683,767	264,614	2.3	7,808,360	4,140,021	53.0
Transfers	-	-	-	0.0	-	-	0.0
Total Equity	15,135,557	16,276,654	(1,141,096)	-7.0	11,948,381	3,187,176	26.7
Total Liabilities, Deferred Inflows, and Equity	24,228,894	24,439,074	(210,180)	-0.9	23,237,011	991,883	4.3

Income Statement	Iowa Title Guaranty Division (Rollup)													
	Jun-2022							YTD as of Jun-2022						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	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	1,261,449	1,447,637	(186,188)	-12.9	1,809,029	(547,580)	-30.3	18,582,957	16,255,565	2,327,392	14.3	16,569,448	2,013,509	12.2
Other Revenue	34,974	8,000	26,974	337.2	9,638	25,336	262.9	135,692	96,000	39,692	41.3	110,475	25,217	22.8
Total Operating Revenue	1,296,423	1,455,637	(159,214)	-10.9	1,818,666	(522,244)	-28.7	18,718,649	16,351,565	2,367,084	14.5	16,679,923	2,038,726	12.2
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	183,406	223,593	(40,187)	-18.0	326,651	(143,245)	-43.9	2,257,109	2,543,591	(286,482)	-11.3	2,367,317	(110,208)	-4.7
Shared Expenses	21,720	16,081	5,638	35.1	21,869	(149)	-0.7	270,611	252,019	18,592	7.4	227,612	42,999	18.9
Marketing Expense	4,715	6,045	(1,330)	-22.0	1,965	2,750	139.9	32,245	74,024	(41,779)	-56.4	18,273	13,972	76.5
Professional Services	399,697	567,470	(167,773)	-29.6	1,162,810	(763,114)	-65.6	6,773,909	6,317,328	456,581	7.2	7,280,784	(506,875)	-7.0
Claim and Loss Expenses	148,036	110,000	38,036	34.6	331,067	(183,031)	-55.3	177,369	220,000	(42,631)	-19.4	335,664	(158,295)	-47.2
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	50,666	7,600	43,066	566.7	4,474	46,191	1032.4	149,100	91,200	57,900	63.5	109,661	39,440	36.0
Overhead Allocation	14,656	16,486	(1,830)	-11.1	10,632	4,024	37.8	171,129	260,517	(89,387)	-34.3	200,591	(29,462)	-14.7
Total Operating Expense	822,895	947,276	(124,381)	-13.1	1,859,468	(1,036,573)	-55.7	9,831,473	9,758,679	72,794	0.7	10,539,902	(708,429)	-6.7
Net Operating Income (Loss) Before Grants	473,528	508,361	(34,833)	-6.9	(40,802)	514,330	-1260.5	8,887,176	6,592,886	2,294,290	34.8	6,140,021	2,747,155	44.7
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	2,200,000	500,000	1,700,000	340.0	750,000	1,450,000	193.3	5,700,000	2,000,000	3,700,000	185.0	2,000,000	3,700,000	185.0
Total Net Grant (Income) Expense	2,200,000	500,000	1,700,000	340.0	750,000	1,450,000	193.3	5,700,000	2,000,000	3,700,000	185.0	2,000,000	3,700,000	185.0
Net Operating Income (Loss) After Grants	(1,726,472)	8,361	(1,734,833)	-20749.3	(790,802)	(935,670)	118.3	3,187,176	4,592,886	(1,405,710)	-30.6	4,140,021	(952,845)	-23.0
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(1,726,472)	8,361	(1,734,833)	-20749.3	(790,802)	(935,670)	118.3	3,187,176	4,592,886	(1,405,710)	-30.6	4,140,021	(952,845)	-23.0
IFA Home Dept Staff Count	19	21	(2)	-9.5	20	(1)	-5.0	20	21	(1)	-6.3	19	1	5.8
FTE Staff Count	21	23	(2)	-9.5	22	(1)	-5.9	21	23	(2)	-7.4	21	0	1.4

Income Statement	800-020 Residential													
	Jun-2022							YTD as of Jun-2022						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	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	1,095,947	1,400,900	(304,953)	-21.8	1,718,558	(622,611)	-36.2	17,572,733	15,694,725	1,878,008	12.0	15,813,324	1,759,409	11.1
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	1,095,947	1,400,900	(304,953)	-21.8	1,718,558	(622,611)	-36.2	17,572,733	15,694,725	1,878,008	12.0	15,813,324	1,759,409	11.1
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	144,369	180,394	(36,025)	-20.0	288,547	(144,178)	-50.0	1,830,032	2,118,980	(288,948)	-13.6	1,954,402	(124,370)	-6.4
Shared Expenses	20,790	15,781	5,009	31.7	18,127	2,664	14.7	261,864	243,386	18,478	7.6	214,099	47,765	22.3
Marketing Expense	4,715	5,945	(1,230)	-20.7	1,965	2,750	139.9	27,745	63,829	(36,084)	-56.5	10,023	17,722	176.8
Professional Services	403,125	567,120	(163,995)	-28.9	1,162,314	(759,189)	-65.3	6,773,909	6,313,128	460,781	7.3	7,276,081	(502,172)	-6.9
Claim and Loss Expenses	148,036	110,000	38,036	34.6	306,310	(158,274)	-51.7	177,369	220,000	(42,631)	-19.4	310,907	(133,538)	-43.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	687	350	337	96.3	650	37	5.7	7,762	4,200	3,562	84.8	5,585	2,177	39.0
Overhead Allocation	12,224	13,773	(1,549)	-11.2	8,541	3,683	43.1	142,732	217,648	(74,916)	-34.4	161,147	(18,414)	-11.4
Total Operating Expense	733,946	893,364	(159,418)	-17.8	1,786,453	(1,052,507)	-58.9	9,221,414	9,181,172	40,243	0.4	9,932,243	(710,829)	-7.2
Net Operating Income (Loss) Before Grants	362,001	507,536	(145,535)	-28.7	(67,895)	429,896	-633.2	8,351,318	6,513,553	1,837,765	28.2	5,881,081	2,470,237	42.0
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	2,200,000	500,000	1,700,000	340.0	750,000	1,450,000	193.3	5,700,000	2,000,000	3,700,000	185.0	2,000,000	3,700,000	185.0
Total Net Grant (Income) Expense	2,200,000	500,000	1,700,000	340.0	750,000	1,450,000	193.3	5,700,000	2,000,000	3,700,000	185.0	2,000,000	3,700,000	185.0
Net Operating Income (Loss) After Grants	(1,837,999)	7,536	(1,845,535)	-24488.9	(817,895)	(1,020,104)	124.7	2,651,318	4,513,553	(1,862,235)	-41.3	3,881,081	(1,229,763)	-31.7
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(1,837,999)	7,536	(1,845,535)	-24488.9	(817,895)	(1,020,104)	124.7	2,651,318	4,513,553	(1,862,235)	-41.3	3,881,081	(1,229,763)	-31.7
IFA Home Dept Staff Count	15	17	(2)	-11.8	16	(1)	-6.3	16	17	(1)	-7.8	15	1	7.4
FTE Staff Count	17	19	(2)	-11.8	18	(1)	-6.5	17	19	(2)	-9.0	17	0	1.8

Income Statement	800-030 Commercial													
	Jun-2022							YTD as of Jun-2022						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	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	165,502	46,737	118,765	254.1	90,471	75,031	82.9	1,010,224	560,840	449,384	80.1	756,124	254,101	33.6
Other Revenue	34,974	8,000	26,974	337.2	9,638	25,336	262.9	135,692	96,000	39,692	41.3	110,475	25,217	22.8
Total Operating Revenue	200,476	54,737	145,739	266.3	100,108	100,367	100.3	1,145,916	656,840	489,076	74.5	866,599	279,318	32.2
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	39,037	43,199	(4,162)	-9.6	38,104	933	2.4	427,077	424,611	2,466	0.6	412,915	14,162	3.4
Shared Expenses	930	300	630	209.8	3,743	(2,813)	-75.2	8,747	8,633	114	1.3	13,513	(4,767)	-35.3
Marketing Expense	-	100	(100)	-100.0	-	-	0.0	4,500	10,195	(5,695)	-55.9	8,250	(3,750)	-45.5
Professional Services	(3,428)	350	(3,778)	-1079.5	496	(3,925)	-790.5	-	4,200	(4,200)	-100.0	4,703	(4,703)	-100.0
Claim and Loss Expenses	-	-	-	0.0	24,757	(24,757)	-100.0	-	-	-	0.0	24,757	(24,757)	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	49,979	7,250	42,729	589.4	3,824	46,154	1206.9	141,338	87,000	54,338	62.5	104,076	37,263	35.8
Overhead Allocation	2,432	2,713	(281)	-10.4	2,091	341	16.3	28,397	42,868	(14,471)	-33.8	39,445	(11,048)	-28.0
Total Operating Expense	88,949	53,912	35,037	65.0	73,015	15,934	21.8	610,058	577,507	32,552	5.6	607,659	2,399	0.4
Net Operating Income (Loss) Before Grants	111,527	825	110,702	13423.3	27,093	84,434	311.6	535,858	79,333	456,525	575.5	258,940	276,918	106.9
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	111,527	825	110,702	13423.3	27,093	84,434	311.6	535,858	79,333	456,525	575.5	258,940	276,918	106.9
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	111,527	825	110,702	13423.3	27,093	84,434	311.6	535,858	79,333	456,525	575.5	258,940	276,918	106.9
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	4	4	0	1.9	4	(0)	-2.8	4	4	0	0.9	4	(0)	-0.2



IOWA TITLE GUARANTY

A DIVISION OF IOWA FINANCE AUTHORITY

To: Iowa Title Guaranty Board
From: Dillon Malone
Date: August 30, 2022
Re: Claims Report

I. Current Total Claims Reserves as of August 03, 2022: \$417,843.70

II. Fiscal Year 2023 Claims Paid to Date: \$2,676.50

III. Claim Summary as of August 03, 2022:

Total Pending Claims as of August 03, 2022	36
Pending Claims in Recoupment Status	4
Net Pending Claims as of August 03, 2022	32
Claims Received since July 01, 2022	8
Claims Resolved since July 01, 2022	14

IV. Trends:

Claims Trends	Lenders	Owners	Total
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 in FY 2021 (<i>July 1, 2020 to June 30, 2021</i>)	37	17	54
Claims in FY 2022 (<i>July 1, 2021 to June 30, 2022</i>)	46	18	64
Claims to date in FY 2023 (<i>July 1, 2022 to present</i>)	6	2	8

Current Active Claims Topics	
<i>Number of Claims</i>	<i>Nature of Claim</i>
10	Issues with Drafting, Execution of Vesting Deed or Guaranteed Mortgage
6	Boundary Disputes
5	Mechanic's Liens
5	Prior Judgments or Liens
4	Break in Chain of Title
4	Claims in Recoupment Status
2	Manufactured Home Endorsement



To: Iowa Title Guaranty Board
From: Kevin Blackman
Date: August 30, 2022
Re: Mortgage Release – FY22

Mortgage Release – FY22 Update

Through June 2022, we received 847 requests:

573 were in conjunction with the Rapid Certificate program (68%)

274 of the remaining requests included the \$200 fee (32%)

755 Releases have been filed

Since inception, 7,997 mortgages have been released through this program.

FY 2022	Requests Received	Rapid Certificates	Paid \$200	Releases Filed
Jul-21	54	33	21	51
Aug-21	47	27	20	61
Sep-21	71	52	19	38
Oct-21	80	58	22	52
Nov-21	67	43	24	49
Dec-21	68	48	20	41
Jan-22	93	76	17	98
Feb-22	82	61	21	103
Mar-22	80	56	24	78
Apr-22	81	57	24	64
May-22	51	16	35	82
Jun-22	73	46	27	38
Totals	847	573	274	755