



ASSURANCE

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News from Prairie Title



Living through Trying Times

By Frank Pellegrini - Prairie Title CEO

"It was the best of times, it was the worst of times." By invoking that time-honored Dickensian description of French revolutionary times I am by no means saying that we are living in the best or worst of times. Somewhere in the middle is more accurate, in my view.

These are tumultuous times for the real estate industry, indeed for our nation as a whole. We can all blame whoever or whatever we want for our current situation, but we all must live in the world as it is. We face many headwinds as an industry, including:

- Stubbornly high interest rates
- A shortage of housing stock coupled with rising prices
- Increasing costs for building materials and building industry labor shortages
- On again, off again regulatory regimes, and
- Falling consumer confidence

There are glimmers of hope, however, so let's concentrate on three of those.

1. First and foremost, the housing bill that passed both houses of Congress earlier this year is now law. The 21st Century ROAD to Recovery Act represents a significant step forward in expanding America's housing supply, modernizing federal housing policy and improving access to the American dream of homeownership. I applaud Congress for passing this vital legislation in a truly bipartisan fashion.
2. FinCen's new regulatory scheme regarding all cash transactions, a costly and unwieldy burden on the industry as a whole and settlement professionals in particular, has been held up in the courts

and may never be enacted. More information on this critical update can be found on page 4.

3. As reported by CNBC's Diana Olick, investors are flooding back into the commercial real estate market, powered by a steep rise in liquidity from sources across the finance spectrum. In addition, MBA reported in August that multifamily lending increased 32 percent in 2025 and commercial and multifamily mortgage loan originations were 16 percent higher in the second quarter of 2026 compared to a year earlier,

How we approach the next six months or so may very well go a long way towards buttressing our industry for better times ahead. We must, in my view, be flexible enough to react to market circumstances as they are, not as we wish they were, and make adjustments to our businesses as appropriate.

By the time I write my next column for ASSURANCE in early January, let's hope we in the real estate industry are anticipating market improvement in 2027.

I'll leave you with another Dickens quote, this one from Nicholas Nickleby:

But don't leave off hoping, or it's of no use doing anything. Hope, hope to the last!

Industry Reacts to 21st Century ROAD to Housing Act

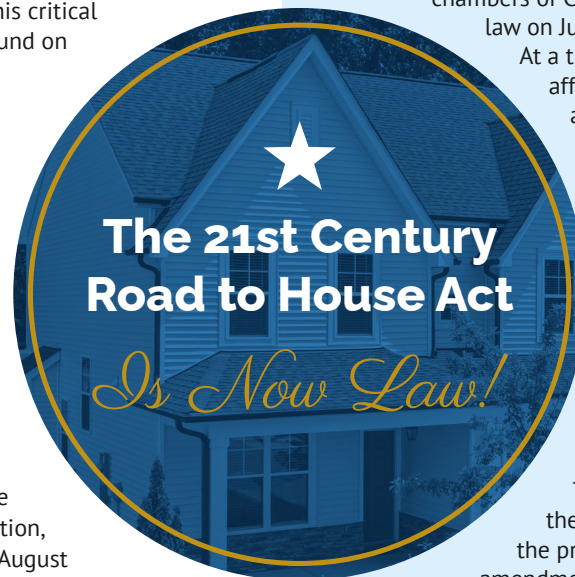
The 21st Century ROAD to Housing Act, passed by large, bipartisan majorities in both chambers of Congress, became law on July 11 of this year.

At a time when housing affordability remains a top concern for families across the country, this new law demonstrates that leaders in Washington can come together around practical solutions that help homebuyers, homeowners and communities.

The final version of the bill largely reflects the previous House amendment to the Senate's 21st Century ROAD to Housing Act with a few notable compromises:

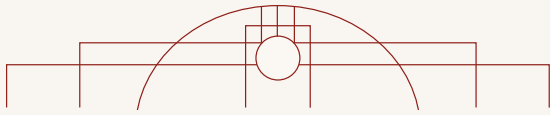
- It adds six sections only included in Senate legislation to date, with some

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Meet the Prairie Team

Prairie Title's excellence is directly attributable to the quality of our people. Our professional staff members have decades of experience in the industry, and they are dedicated to the notion that great customer service begins with them. As a result, our clients have easy access to dedicated real estate professionals in an environment where decisions are made quickly, but not imprudently.



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ALTA Urges CFPB to Simplify TRID Requirements and Reduce Closing Disclosure Confusion

In comments submitted Aug. 10 in response to a CFPB request for information on mortgage disclosures and regulatory burdens, title industry representatives encouraged the Consumer Financial Protection Bureau (CFPB) to make targeted changes to the TILA-RESPA Integrated Disclosure (TRID) rule that would reduce compliance costs, minimize consumer confusion and improve the accuracy of title insurance disclosures.

The American Land Title Association outlined several recommendations aimed at addressing issues title and settlement professionals have experienced since TRID took effect in 2015. The bureau is gathering public input as it evaluates potential reforms designed to reduce regulatory burdens in the mortgage market.

While supporting efforts to streamline compliance, ALTA cautioned against sweeping redesigns of disclosure forms or creating separate disclosure regimes for different categories of lenders, arguing that such changes could increase costs and complexity without providing meaningful consumer benefits.

Accurate Title Insurance Premiums Remain Top Priority

Among other recommendations, ALTA said the CFPB should allow lenders and settlement providers to disclose accurate prices for title insurance on the Loan Estimate and Closing Disclosure. Under current TRID rules, title insurance premiums in simultaneous-issue states must be disclosed using a formula that often produces figures different from the actual premiums charged under state law. Title professionals

argue that the result is consumer confusion, compliance challenges and additional auditing costs for title companies. ALTA said the CFPB should amend the rule to permit disclosure of title insurance premiums at the rates actually filed and charged in accordance with state law.

This concern is not new. ALTA first raised the issue during the original rulemaking process and has continued to advocate for a fix for more than a decade. According to a 2016 consumer survey cited in the letter, more than 40% of homebuyers reported feeling confused or taken advantage of when title insurance premiums disclosed on TRID forms differed from the actual rates charged.



ALTA also urged the CFPB to remove the "(Optional)" label currently attached to owner's title insurance on TRID forms. In many jurisdictions, the association noted, owner's title insurance is required under the real estate sales contract, making the label potentially misleading to consumers.

Latest FBI Cybercrime Report Shows Real Estate Fraud Losses Rising

The FBI's newly published 2025 Internet Crime Report reinforces the title industry's long-standing role as a frontline defense against fraud in real estate transactions. Title professionals help identify suspicious activity, verify identities, review documentation and address risks before they become costly losses for homebuyers, property owners and lenders.

According to the FBI's newly released 2025 Internet Crime Complaint Center (IC3) report, Americans reported more than \$20.8 billion in cybercrime losses last year. The report also found that reported real estate fraud losses climbed to \$275.1 million in 2025, up from about \$173 million in 2024, with 12,368

complaints filed in 2025 alone.

The FBI's report also highlights a broader fraud environment that is becoming more sophisticated and more costly. The agency said cyber-enabled fraud accounted for 85% of all reported losses in 2025. It also identified 22,364 AI-related complaints tied to \$893.3 million in losses. Americans 60 and older reported \$7.748 billion in losses, underscoring the toll these schemes can take on vulnerable consumers.

"Fraud is not a side issue in housing; it is part of the affordability story," said Chris Morton, chief executive officer of ALTA. "The FBI's latest data shows real estate fraud is

growing in a threat environment shaped by impersonation, business email compromise and AI-enabled deception. As losses rise, removing safeguards does not eliminate costs; it shifts them to consumers, lenders, insurers and the broader housing finance system."

"Prevention matters as fraud schemes become more convincing and more sophisticated," Morton said. "Title is protection. Title professionals are not simply processing paperwork. They help protect consumers and property rights against costly fraud, forgery and other hidden risks tied to property ownership."

The association noted that the FBI's latest figures align with ALTA's ongoing message that weakening transaction safeguards does not make housing more affordable. Instead, it transfers risk and downstream costs deeper into the system.

NAR Launches Commercial Real Estate Demand Index

The National Association of REALTORS (NAR) announced the launch of its Commercial Real Estate (CRE) Demand Index, a quarterly index designed to measure the economic drivers of commercial real estate demand across more than 300 U.S. metropolitan areas.

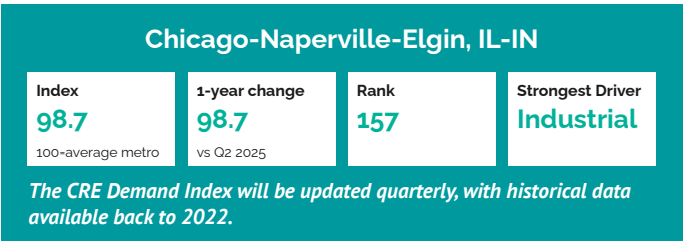
The CRE Demand Index combines publicly available government data to produce demand scores across four property-specific measures, as well as an overall market score:

- Office: growth in professional and business services employment.
- Industrial: manufacturing, transportation and warehousing employment growth.
- Retail: growth in retail trade and leisure and hospitality employment.

- Multifamily: population growth and net migration, both domestic and international.

Rather than measuring current property-market conditions such as vacancy rates, rents or leasing activity, the CRE Demand Index focuses on the local economic

& Director of Real Estate Research at NAR. "Demand starts before a lease is signed. It starts with jobs and people. The CRE Demand Index helps identify those trends earlier, before they're reflected in traditional market indicators."



The index covers 306 metropolitan areas and compares each metro with the others each quarter. A score of 100 represents the average metro. Scores above 100 indicate stronger demand drivers relative to other markets, while scores below 100

indicate weaker relative momentum. A score below 100 does not necessarily mean that a market is shrinking.

"The top markets are performing well across more than one commercial real estate sector. Since 2022, the leaders have also changed, with some pandemic-era standouts cooling while several smaller metros have moved up."



Just another day at Prairie Title! A chipmunk named Carrie presented a chocolate cake to Maureen for her birthday. We're happy to say she shared it with us.

As the Dog Days of August wore on, an ice cream cart provided some relief from the heat for Prairie Title staff.

ALTA Files Amicus Brief Supporting Fidelity Appeal in FinCEN Reporting Rule Case

ALTA filed an amicus brief supporting Fidelity National Financial Inc. and Fidelity National Title Insurance Co. in their appeal of a federal court decision that upheld FinCEN's authority to issue the Residential Real Estate Reporting Rule under the Bank Secrecy Act.

The appeal, now before the U.S. Court of Appeals for the Eleventh Circuit, comes amid conflicting court decisions regarding the rule's legality and raises important questions about the scope of FinCEN's authority and the role of title and settlement professionals in federal anti-money laundering efforts. In a separate ruling in March, a federal court in Texas vacated the regulation nationwide, finding that FinCEN exceeded its statutory authority. Meanwhile, another lawsuit filed in the U.S. District Court for the District of Puerto Rico challenges FinCEN's rule on similar procedural and constitutional grounds (*Puerto Rico v. FinCEN*, No. PRD-191360).

It's difficult to approximate how many transactions this rule will impact. The National Association of REALTORS® has estimates for residential all-cash buyers and residential purchases by entities (including trusts), but not both.

Last year, roughly 28% of buyers did not finance their home purchase, according to an average of the NAR's

monthly REALTORS® Confidence Indexes. In addition, nearly 22% of residential purchases were bought by an entity (including trusts), the association found.

In its filing, ALTA argued the rule imposes significant operational, financial and compliance burdens on title and settlement companies – particularly small businesses – while offering benefits that are largely speculative.

"FinCEN severely underestimates the Rule's costs to ALTA's members, who are not anti-money laundering (AML) professionals and who will have to expend considerable resources on training, personnel and technology to try to understand the complex Rule and obtain beneficial ownership information (BOI). This reporting will occur through a complicated and confusing form for almost one million transfers annually," ALTA wrote.

ALTA told the court that its roughly 5,300 member companies range from small local operations to national title insurers, with approximately 89% of member title companies generating \$1 million or less in annual revenue. ALTA estimated its members would be responsible for filing well over half of all reports required under the rule.



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adjustments, including provisions to lift the Rental Assistance Demonstration (RAD) program cap by 100,000 units, authorize the Community Development Block Grant Disaster Recovery (CDBG-DR) program for three years, and authorize a new Moving to Work (MTW) program cohort.

- Nine of the 12 community banking sections only included in House legislation to date were kept in the final version of the bill.
- The bill maintains the language in the House amendment restricting institutional investors from buying single-family homes, including an exception for build-to-rent properties and the establishment of a renter outreach resource at the Department of Housing and Urban Development (HUD) for tenants of properties owned by institutional investors.

"We congratulate Chairman Tim Scott, Ranking Member Elizabeth Warren, Chairman French Hill, Ranking Member Maxine Waters and congressional leaders for advancing this historic legislation," said ALTA CEO Chris Morton. "This is a big win for the American

people. Homeownership is one of the most important ways families build stability, security and generational wealth, and the 21st Century ROAD to Housing Act is an important step toward helping more Americans achieve that dream."

ALTA has long advocated for policies that expand housing opportunities while preserving the essential safeguards that make the U.S. real estate system secure, reliable and trusted. As policymakers continue to advance housing affordability solutions, ALTA remains focused on ensuring that homebuyers and lenders are protected from fraud, forgery, title defects and other risks that can threaten property ownership.

NAR Applauds Act

Shannon McGahn, executive vice president and chief advocacy officer of the National Association of REALTORS, issued the following statement after

the bipartisan 21st Century ROAD to Housing Act was enacted into law:

"On behalf of more than 1.4 million REALTORS, we thank the members of Congress and the Administration who came together to advance legislation that will benefit families and communities in every congressional district and ZIP code across the country.

"The 21st Century ROAD to Housing Act reflects years of bipartisan work and a shared commitment to addressing one of America's most pressing challenges.

"This achievement is the result of years of persistence, trust, and collaboration. NAR leaders testified before Congress, worked with lawmakers on both sides of the aisle, provided technical expertise as the legislation evolved, and mobilized thousands of REALTORS to advocate directly with their elected officials."



Shannon McGahn