

ElleRobertson_Workflow.pdf

Challenge:

Map out a workflow for an application that allows the Title Inspector to organize this information, annotate the information on the cover sheet and pass it along to the underwriter.

Specifics:

Use a flow chart or storyboard approach (or hybrid), annotate work with callouts and notes.

Annotate your assumptions or unanswered questions.

Just put in basic components (what needs to be displayed, what needs to be entered). Do not draw screen level details

Assumptions:

Inspectors can use county website to search for and download documents, or search for them and download them directly into the application.

The proposed application would store copies of these documents after they are downloaded from the county.

The cover sheet would be stored by the application. It's usually a standard form that is filled in by hand, but occasionally requires special notes to be added for non standard circumstances.

Title inspectors may not know the county for each zip code so having the zip code link to that county's respective records website would be helpful by saving time and reducing errors.

Assuming that lender's agent purchases the title insurance search services on an open account between the lender and the title inspector's office.

Unanswered Questions:

1. Who decides who underwrites the title policy; Title Inspector or Lender purchasing the title search?
2. Could you gamify the close ratio by month to incentivise title inspectors to work faster or would you be encouraging mistakes?
3. How are new title insurance searches paid for; lender has open account with title inspector, up front by credit card, paid by seller or buyer at closing?

Workflow Research/Reasoning

Why (Goals)

Title Insurance: Guarantees that if someone comes to the lender later and shows that they are the true owners of the property, the title insurance company will reimburse you and or the lender for the loss of your home.

Additionally, it allows the representatives (lawyer, closing agents, etc.) of the proposed home buyer to address any clouds or issues with the title and have the seller settle or pay off the liens, etc. as part of the closing costs.

Who (Roles)

Home Buyer: Someone who wants to purchase a home.

Lender: Someone or some institution that is lending the money to the buyer to purchase the home.

Escrow Agent: Orders the policy as part of the homebuying process. Can use anything discovered to negotiate with the current homeowner's real estate agent to have these expenses covered during the closing process.

Building Software For This Role*Title Inspector:* Collects information and creates title chain.

Motivation: Deliver as many accurate title insurance recommendations as possible daily.

Task Frequency: Multiple times daily. Speed is important. They don't need a lot of directions

Tasks: Locate information to complete title chain and make recommendations to write or not write title insurance policy for the homeowner.

Experience Level: Highly Skilled. Well Trained. Little turnover.

Time Sensitivity: Speed Measures Productivity. Productivity is measured by how many title examinations they can complete, but the cost of a mistake is High. Accuracy is extremely important.

Workflow: Allow user to work quickly and download, enter, save and transfer information in the title chain to the Insurance Underwriter.

Insurance Underwriter: Writes title insurance policy or no coverage letter based on information provided to him or her from the title inspector.

What (Process)

Let the title inspector gather all the documents that they need to inspect and make a 'free and clear' determination or not (Title:Chaining: Lot Description, Purchase Agreements, Loan Agreements, Loan Releases, Claims, Claim Releases). Additionally, the Title Inspector needs the ability to 'bundle' these documents into an electronic container, along with electronic cover sheet that provides information about the property (free and clear, recommendation about policy).

When (Visibility)

It usually takes roughly [two weeks](#) for the title insurance policy to be researched and written/denied once the potential homeowner has signed a purchase agreement. These policies are usually ordered by the closing [agent/escrow agent](#).

Industry Terminology

Free and Clear: Title Is Free and Clear from any known clouds (liens, levies, encumbrances, probate, foreclosure, etc).

[Cloud](#): Any document, claim, unreleased lien or encumbrance that might invalidate or impair the title to real property or make the title doubtful.

Curing Period: The time during which the title inspection is being completed.

Title Search: Looking for property and title records,

Cured Title: A title which has been thoroughly examined.

Title Examination: The process of a title inspector thoroughly looking over the details of sales, transfer of ownership, attempts to resolve issues, etc.

Insurable: Meaning that the title inspector has cured the title and feels that this properties title is free and clear of any clouds and is an acceptable risk for the insurance company.

Policy Of Title Insurance: The policy written to protect the homeowners and lenders against title claims.

Exceptions: Clouds that were unable to be cleared during the title curing period.

Mortgage Origination Process: The process by which a lender works with a borrower to complete a mortgage transaction, resulting in a mortgage loan.

Lender Title Insurance Policy (required if home is being financed): Policy issued for amount of mortgage. Decreases with amount paid

Homeowner Title Insurance Policy ([optional](#)): Covers homeowner for the full price of home plus legal fees if issues arise.

Quit Claim/Action to Quiet Title: Ways to address/resolve title clouds to clear them.

Title Insurance Cost (Investment):

Usually title insurance is a one time fee of roughly \$1000, which is sometimes paid by the sellers and sometimes rolled into the mortgage for the new homeowners.

Resources:

<https://homeguides.sfgate.com/long-should-title-company-deliver-title-policy-57383.html>

https://www.investopedia.com/terms/c/cloud_on_title.asp

https://www.youtube.com/results?search_query=buying+title+insurance+

<https://www.nolo.com/legal-encyclopedia/title-insurance-buyer-needs-36126.html>

<https://www.lidi.la.gov/consumers/insurance-type/other-types/title-insurance-faqs>

Proposed Cover Sheet Information:

Property ID #

Mortgage Value: \$

Date Of Completion/Transfer To Underwriting:

Title Policy Property Address:

Title Status: Free and Clear/Exceptions

Recommendation Lender Title Insurance Policy: Insurable/Uninsurable

Clouds/Exceptions:

Recommendation Homeowner Title Insurance Policy: Insurable/Uninsurable

Clouds/Exceptions:

Owned By: Current Owners/Current Bank

Current Homeowners Contact:

Phone Number:

Email:

Current Bank Contact:

Phone Number:

Email:

Title: Inspector:

Phone Number:

Email:

Closing/Escrow Agent:

Phone Number:

Email:

Party Seeking Insurance Policy Contact:

Phone Number:

Email:

Title Chain:

Owner #1:

Owner #2:

Owner 2 (Current Owner):