



# ▶ **BECOMING** a better resource

By Lisa A. Tyler  
*National Escrow Administrator*

Invisible or erasable ink, and erasable pens have their place in history. Invisible ink has been used as a method to deliver secret or hidden messages that are only revealed using ultraviolet light or a similar method.

In the early 1970s, pen makers introduced erasable pens. They were in high demand because consumers wanted the ability to write with the smoothness of an ink pen but with the ability to erase like a pencil.

Unfortunately, the ink included rubber cement which made it difficult to completely erase the writing and often resulted in tears in the paper. Find out why these types of pens should not be used in the settlement or title industry by reading "ERASABLE ink."

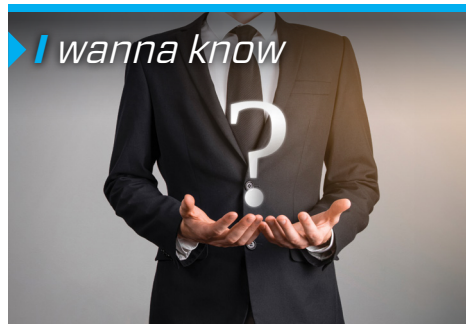
National Escrow Administration frequently conducts live training events, which include a segment entitled "I wanna know." During this segment, questions previously submitted to [settlement@fnf.com](mailto:settlement@fnf.com) are answered.

Questions are also taken from the audience, so they never leave a live event with unanswered questions. In this edition, we share some of questions to help educate you and make you become a better resource for your customers. Test your knowledge of how you would answer. Do not worry, we will provide the answers at the end of the newsletter.

All-Star was the theme for the 2023 FNF annual escrow training events. National Escrow Administration chose this theme because of our deep belief that our colleagues are the All-Stars in the industry. Our colleagues are what differentiate our Company from the competition.

Our settlement agents nationwide provide a top-notch customer experience, which is proven by our market share. They are the best of the best in the industry. Read about a few of the recipients of the All-Star Award in the article titled "ALL-stars."

## IN THIS ISSUE



**Share Fraud Insights**  
via email, mail or word of mouth.



volume 19 issue 5  
May 2024

**Publisher**  
Fidelity National Financial

**Editor**  
Lisa A. Tyler  
National Escrow Administrator



## ERASABLE ink

Ink manufacturers have found a new formula, thermochromic ink, which fades or becomes invisible when it is heated up. The ink is still there, but no longer visible. The pen manufacturer PILOT® sells a line of these pens that they market under the name FriXion Erasable Range. The ink is made of three components:

1. A color developer which reacts with a dye, which affixes the ink to paper.
2. A color former making the ink appear vibrant on paper.
3. A color change temperature regulator, which makes the ink temperature sensitive.

The ink can be erased by rubbing it with the eraser tip on the pen, heating the ink up until it is no longer visible or heating it up in a microwave until it “disappears.” Although no longer visible, the ink has really become transparent.



As a result, these types of pens or ink should **never be used** as a part of a real estate transaction. The ink could adjust to the different temperatures on the wet ink signed documents while being stored or transported — making the ink become transparent.

**Never** allow a seller, buyer or borrower to use a PILOT FriXion Erasable Range or similar pen to sign:

- » Loan documents
- » A deed
- » Closing statements
- » Closing instructions
- » Affidavits
- » **Any closing documents**

The ink could disappear or become invisible in transit or if stored in warm locations, rendering the documents invalid.

**Article provided by contributing author:**  
Diana Hoffman, Corporate Escrow Administrator  
Fidelity National Title Group  
National Escrow Administration

## wanna know

The questions posed in each of the following scenarios were submitted by settlement agents nationwide. Read each scenario and determine how you would answer the settlement agent’s question. The correct answers are located on page 4 of this edition.

**Scenario #1:** We have a commercial refinance order, and there is a Limited Liability Company (LLC) in title. The lender needs the borrower to zero out and wants us to show the balance of loan proceeds as working capital and cut a check to a different business than the LLC vested in title.

Typically, working capital is shown as a line item on the closing statement and then the lender nets it from their loan amount before funding the loan. I have never cut a check for working capital to an entity other than the one who is in title. The lender is telling me they do it all the time with other title companies.

Can you provide some insight on this? Should I:

- A. Not pay anyone other than the vested LLC.
- B. Follow the lender’s written instructions.
- C. Pay the borrower.
- D. Demand the lender net fund their loan and pay the working capital to whomever they want directly.

**Scenario #2:** The real estate agent is due commission in the amount of \$16,800.27. The broker has instructed me to directly pay their real estate agent. The real estate agent asked me to cut two separate checks due to her bank having a limit on how much she can deposit. See email below:

“I tried to get my bank to temporarily increase my deposit limits to more than \$10,000 per day and haven’t been successful. Will you be so kind and stop payment on the check for \$16,800.27 and issue two checks (\$7,000 and \$9,800.27)?

“Thank you for your understanding.”

[Continued on pg 3]



**TELL US HOW YOU STOPPED FRAUD**

settlement@fnf.com or  
949.622.4425

[I wanna know - continued]

What should I do?

- A. Void the check and cut two checks as requested.
- B. Void the check and pay the commission to the agent's brokerage.
- C. Tell the real estate agent no.
- D. File a Suspicious Activity Report with the IRS.

**Scenario #3:** We had a seller sign the deed conveying the property they are selling to the buyer. They signed the deed yesterday with Remote Online Notarization (RON). Today, the buyer's lender wants to change the grantee on the deed from "Jacob Smith and Amy Smith, a married couple" to "Jacob Matthew Smith and Amy Smith, married."

Are we able to change the vesting on the deed after it was signed and notarized via RON? The recorder's office suggested we get the sellers' approval so it would be ok to change it.

Is that correct?

- A. Yes, just edit the deed in your .pdf reader.
- B. No, an eSigned document cannot be modified after it has been executed.

**Scenario #4:** We are working on a closing of a sale for Sarah Doe and John Doe. John has power of attorney for Sarah. John sent an email to the escrow officer asking to stop the transaction, although we are ready to record. The seller says if we close this transaction, he will sue us and he is trying to reach an attorney.

Then, the listing agent called the escrow officer, who in turn told the agent she needs 1) something in writing from both sellers and 2) an answer by 11:30 a.m. to record this today. The lender has already funded their loan and the buyers have wired in all of their closing funds.

What do we do?

- A. Pull the recording because they threatened to sue.
- B. Close and disburse the file. Settlement agents cannot act on unilateral verbal instructions.
- C. Send the lender's funds back and wait for mutual instructions.

**Scenario #5:** I have a sale, and the buyer and lender want to do a cross collateral loan. There will be one note and three Deeds of Trust secured against three different properties.

The lender said they will allocate amounts for each property. The question is, can they secure a lien on three different properties with three different owners??

- A. No, the borrower and owner of the property must be the same.
- B. Yes, as long as the owner of each property signs the deed of trust being secured against their property.

**Scenario #6:** A lender is asking for a fidelity bond for the Company. They say it may also be called a crime policy.

Do we have anything along that line we can provide?

- A. No, we self-insure.
- B. Provide them with the Certificate of Liability.



**Scenario #7:** I have a buyer who is trustee of his trust. He will be taking title in his trust along with his mom, who will be taking title as an individual. He asked to take title as Joint Tenants. I did let him know a trust cannot hold title as joint tenants. He said he is an attorney and there is no law stating a trust cannot hold title as joint tenants. I checked with underwriting and they said the same thing, a trust and an individual cannot hold title as joint tenants.

The trustee said there is no law prohibiting the title the way he wanted. He mentioned he would like to go to a different title company, and I let him know that was ok. I reached out to both real estate agents to let them know and they were going to discuss with their clients.

Then I received an email from the buyer saying if this was going to delay closing, they would take title as individuals, but he still did not agree with our underwriters.

My concern is the buyer might come back to us after close with a potential lawsuit saying we violated his rights. Even though a potential lawsuit might not be valid, we could still incur expenses and lost time.

Should I just move forward to close?

- A. Yes, ignore his request, vest them properly and close.
- B. Obtain written instructions describing how to vest the buyers and close.

**Scenario #8:** Reaching out to see if you are aware of any Alaska office that will do a close-only, no title insurance? There would only be a deed and closing statement. Thank you.

Do we handle close-only transactions?

- A. No, we are a title insurance company. Our offices do not handle a close-only transaction.
- B. Yes, try a law firm.

[Continued on bottom of pg 4]

# ALL-stars

All-Stars are highly effective and productive individuals. They are often self-starters, who are trustworthy, compassionate and demonstrate a high standard of conduct. They are tenacious and possess the ability to work with different personality traits. This month we are featuring four individuals who were recipients of the FNF All-Star award in 2023.



**Georgina Perkins**  
Escrow Officer  
Portland, OR



The Portland operation of Fidelity National Title nominates Georgina Perkins. She has a customer-driven approach to each transaction. She is skilled at making sure her connections create an environment that fosters additional earned business. She always has fresh and fun ideas to stay connected to her customers and prospects.

Georgina inspires those who are lucky enough to work with her!



**Antoinette Alirez**  
Escrow Officer  
Greeley, CO



Antoinette Alirez is the Managing Escrow Officer for our Heritage Title Company Greeley, Colorado branch. She brings her professional, positive attitude with her to work every day without fail.

Antoinette manages one of the top builder customers of Heritage Title Company. She is well versed in the business, closing vacant land, residential and complex commercial transactions. She works with many other customers, making them all feel as if they are her only customer. High praises to Antoinette!



**Celine Hendrickson**  
Escrow Assistant  
Colorado Springs, CO



Celine Hendrickson is kind, loving, patient and caring to all she comes in contact with. She is always focused on the customer experience and leads by example.

Celine is considered a matriarch of our Company because she takes the time to train and develop new hires. Celine supports anyone in need and rallies others to do the same. She is an amazing colleague, advocate, person and All-Star of Fidelity National Title.

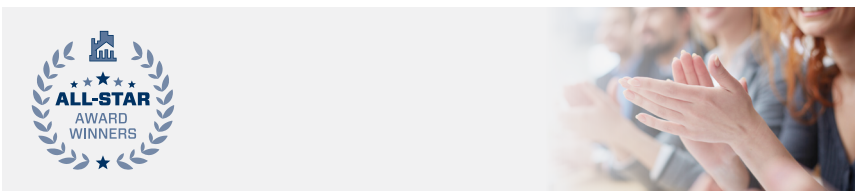


**Morgan Caron**  
Sales Representative  
Greeley, CO



Morgan Caron sets the standard for embracing change. As an innovator, she has found ways to utilize nearly every form of available technology to assist her customers and colleagues with methods to improve their own efficiencies.

Morgan's engaging personality has made her a resource in the industry. She makes it a point to educate the community about the intricacies of the real estate process, arming them with the skills to navigate their own transactions. Customers and colleagues can always count on a smile and positive approach to find solutions to any challenge. Morgan richly deserves this recognition.



**Article provided by contributing author:**  
Diana Hoffman, Corporate Escrow Administrator  
Fidelity National Title Group  
National Escrow Administration

## [I wanna know - continued]

### Answers to "I wanna know"

**Scenario #1:** Answer B. Follow the lender's written instructions.

**Scenario #2:** Answer B. Void the check and pay the commission to the agent's brokerage.

**Scenario #3:** Answer B. No, an eSigned document cannot be modified after it has been executed.

**Scenario #4:** Answer B. Close and disburse the file. Settlement agents cannot act on unilateral verbal instructions.

**Scenario #5:** Answer B. Yes, as long as the owner of each property signs the deed of trust being secured against their property.

**Scenario #6:** Answer B. Provide them with the Certificate of Liability.

**Scenario #7:** Answer B. Obtain written instructions describing how to vest the buyers and close.

**Scenario #8:** Answer A. No, we are a title insurance company. Our offices do not handle a close-only transaction.