

# Title insurance in CEE heats up.

**Secure Legal Title, the latest arrival on CEE's title insurance market, expands regional reach**

Title insurance, which covers losses arising from defects in land titles, is no longer a new product in CEE, but there's been some movement among the companies that provide it to the region's property markets. Specifically, a relatively new insurer, London-based Secure Legal Title, has been staking a claim to the markets of Central Europe as the first company to offer Title Insurance, along with Reps and Warranties Insurance, issued by Lloyd's.

Jean-Bernard Wurm, Co-Founder & Managing Director, recognizes that title insurance is unlikely to be used in Europe as extensively as in the US, where it is universal, but has seen European commercial real estate investors and lenders come to rely on it increasingly over the past decade.

American investors in Europe were originally the main source of demand, says Wurm, but this is no longer the case as acceptance of the product has increased. It's one of the ironies of title insurance that the more reliable and predictable a market becomes, the more it tends to be used. But Wurm says that just because investors have

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“For example, you could be dealing with the privatization of a building that took place in the early 1990's, and the lawyers will tell you they have no idea if the cooperative that owned it had any right to sell the land, or who made the decision, or if they had any

power of attorney,” says Wurm. “If you're a big German fund, why take the risk? It's easier to insure it,” he says, adding that the fund can then concentrate on what it does best, which is evaluating the location, rent roll, cash flow, or monitoring the quality of construction and the capital expenditure.

“The market is expanding, and so is our market share” says Wurm. “The volume of transactions we covered in Poland increased by 300% in 2014 vs. 2013. And policies written in Romania and in the Czech Republic grew over 20 times for the same period. One of the reasons is that we provide a differentiated product in this commodity-like market. Unlike the US title insurance companies, which are monoline and so can only provide title insurance, and it's pretty strict, Lloyd's is not subject to the same restrictions, so we can offer more than title insurance, such as insuring the shares of a real estate company. Some investors need to look beyond the title issues and make sure they are the rightful share owners,” he added.

Wurm and two other partners, Sean Dalton and Joel Peck, senior insurance and real estate professionals, founded Secure Legal Title two years ago after Fidelity Title, which Wurm and Peck had launched in Europe, pulled out to concentrate on the US. “We thought it was a short-sighted decision because we had clients and we had business. So we started a new company,” he says. “Now we're becoming a recognized player in the CEE market.

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