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TITLE MATCH

With little activity in the real-estate sales market, two title insurers are getting together to keep warm.

Kensington National Land Services and Vanguard Title Agency, which will combine in a merger to create Kensington Vanguard National Land Services LLC, a 70-person agency based in New York.

The merger illustrates the change sweeping the title-insurance industry as it deals with twin blows from the decline in property transactions and an increase in the volume of claims. Direct premiums written will fall to less than \$10 billion in 2008, down 28% from about \$14 billion last year, consulting firm Demotech Inc. predicts.

Title insurers research legal claims on commercial and residential property and insure buyers against claims that might surface in the future. That means the companies make money on real-estate transactions and lose money when legal issues arise-which most often happens in the wake of a default.