Title and Escrow Business Plan and Operations Starter Kit

A working kit for independent title and escrow offices. It turns closed files, average property prices and referral shares into the premium the office keeps, carries the referral share as its own line in every month, tracks conversations to closed files by referral source, finds cash break-even through a slow month, and scores the plan on six pass-or-fail tests.

TITLE AND ESCROW OFFICES
FREE EDITION · VERSION 1.0 · OCTOBER 2026
18 PAGES · PRINT IT, WRITE ON IT, KEEP IT
LATEST VERSION: BUSINESSCONSULTANT.SERVICES/KITS/TITLE-AND-ESCROW/
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PAGE 2

Start here

An office can close twenty files in June and still miss payroll in January. Rent, the escrow team and the title production software go out every month, the buyer pays the premium at closing, and the referring office takes a share of it. This kit writes those numbers down and tests them before a lender asks.

WHAT IS INSIDE

3	Business plan, part one: services, market area, referral sources, referral shares and the file process
4	Business plan, part two, and the six-test pass or fail check
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18	The worked example's twelve-month cash forecast, filled in

HOW TO USE IT

1. Build file and fee sales on page 6 and costs on pages 5 and 8. Run the cash forecast on page 10, then score the plan on page 4. Draft pages 3 and 4 last.
2. Use pencil. Property prices, premium percentages and referral shares move before a file closes, and every worksheet expects your own figures.
3. Once you open, use the page 13 checklists on every closing and the numbers review every week. Run the page 7 fall-through check every month and update the page 9 pipeline after every quarter.

HOW THIS KIT WAS BUILT

- **AI tools helped create this kit.** Example figures are illustrative, not benchmarks.
- **The owner question** on page 3 is one of the title and escrow office questions published at businessconsultant.services; the answer is general guidance, not a research finding.
- **The six questions** on page 13 were drafted by AI models from World Consulting Group desk research and challenged by a second AI model. None was measured in the field, so treat them as hypotheses to test, not findings.

SCOPE

This kit gives general operational information. It is not legal, tax, accounting, employment, funds handling or financial advice. Requirements vary by location. Review them before you commit money.

PAGE 3

Business plan, part one

A lender will ask whether the premium the office keeps, after the referring office is paid, covers the office, the escrow team and the loan through a slow month. Give each answer in plain sentences here and draft the full sections on separate sheets.

1. Executive summary (write it last)

Describe the office, the market you serve, the money you need and what it buys, fit-out to first payroll; then give the month the page 6 forecast first clears cash break-even from page 8, and the page 4 result.

2. Services and market

Set out the files you handle, purchase, refinance or both, the property values you work in and the referral sources behind the files: a real estate office, a builder, a lender or a repeat client. Say it as your clients would, and list where the files come from.

3. Market area and file capacity

Map the counties and price bands you work. Count the files you close a month, the hours each file takes and the files the escrow team can settle; the escrow officers, the title examiner and the closing processor cap it at 154 paid hours a week.

4. Referral shares, closing fees and the premium the office keeps

List each referral arrangement, the closing fee that goes with the file and the premium kept per referred file. A share copied from another office, with no retained premium behind it, is a guess.

REFERRAL ARRANGEMENT	SHARE TO REFERRING OFFICE	CLOSING FEE PER REFERRED FILE	PREMIUM KEPT PER REFERRED FILE

> *Owner question: how many closed files a month must we settle before the title premium and fees cover payroll, the loan payment and my market wage, and what happens to that count if the referral share rises eight points?*
>
> The base case answers the first half at about 12 referral files a month, after the direct files and the closing fees carry their own share of the fixed cost; with the 5 direct files that is 17 closed files, against the 22-file plan. The second half is the referral share row on page 12, where eight more points of share costs about $3,140 a month at full run.

PAGE 4

Business plan, part two

5. Operations

Describe how a file runs from first conversation to a closed and funded file: the order, the title search, the closing and the funds. Name who handles a problem file when you are away.

6. Team

List every role, its hours and its pay, including a market wage for your own hours, and every referral arrangement. Name who can close a file without you; the first question on page 13 checks that dependency.

7. Marketing and sales

Explain where files come from, how a conversation becomes a closed file, and why referring offices and repeat clients stay.

8. Financials and funding

Attach pages 5, 6, 8 and 10 with the result below, showing the money needed, where it comes from and the runway.

DOES THE PLAN PASS? SCORE IT BEFORE ANYONE ELSE READS IT

TEST	PASS?
Gate 0. Draft referral agreements with shares, insurance quotes, the lease, title production and title plant costs, and the requirements that apply to a title and escrow office are in writing.	
1. In the expected case, sales reach cash break-even at the month-12 run rate (page 8) and closing cash, payment timing included, holds your floor for 24 months (page 10).	
2. Slow start (tested share of sales, page 10): closing cash holds at or above your floor every month (if not, note the reserve that would hold it).	
3. Planning debt service coverage at full-run sales and at the month-12 run rate (page 8) meets your lender's ratio, on your lender's definition.	
4. Planned closed files fit what the escrow team can settle in the busiest month (page 6) and reach break-even (page 8).	
5. The fall-through log backs the file count and the pipeline backs new orders; conversations do not prove closed files.	
6. The full-run steady-state year (seasons in; not the forecast year) leaves net cash above zero after principal, before income tax set-aside, replacements and one-off cash out; set aside its largest fall in running net cash, the year run twice.	

Not ready: Gate 0 fails. **Green:** Gate 0 and all six tests pass. **Amber:** Tests 1 and 3 pass, but Test 2, 4, 5 or 6 fails; fix the plan before you sign a lease. **Red:** Test 1 or 3 fails, so change the plan before you commit money. Tests 1 and 3 score the plan as written; Test 2 is the slow start, and the page 12 what-ifs stress-test Tests 1, 3 and 6. Count a test without evidence as a fail. Result: _____

PAGE 5

Startup budget worksheet

Fill the estimate column first, then record each source: a written quote from the vendor, the underwriter or the landlord, or a documented calculation. Office budgets break on rent, software and title plant fees before the first file closes, so leave no line blank without a reason.

LINE ITEM	INITIAL ESTIMATE	QUOTE OR SOURCE	APPROVED BUDGET	ACTUAL OR COMMITTED
OFFICE AND TECHNOLOGY				
Computers, monitors, phones, printer and scanner, desks, signage				
Title production software setup and records migration				
Brand, website and marketing templates				
SETUP AND OPENING COSTS				
Entity setup and onboarding				
Insurance down payment				
Office deposit and first month				
PRE-OPENING				
Pre-opening payroll for the escrow team				
Launch marketing and referral partner events				
Office fit-out and closing-room furniture				
WORKING CAPITAL				
Working capital reserve (cash you open with)				
Contingency for overruns on the lines above				
Total				

Size the reserve in two passes: run the page 10 expected case with opening cash of zero (no reserve, no other cash), set the reserve to your floor, plus one more month of fixed costs and principal as a buffer, plus how far its lowest closing cash falls below zero (zero if it never does), rounded up to the next $100, then rerun. If the Test 6 cushion (page 4) is larger than that buffer, add the difference. If the setup runs over, the contingency pays first and the reserve second; then rerun page 11.

PAGE 6

Sales forecast builder

Every other number depends on sales, so build them from the files the escrow team can settle and the conversations your referral sources produce, not from the overhead you need to cover. Count the files each referring office sends now; add your own direct files at the volume your relationships support.

```
Monthly sales for a line = units times average title premium per closed file times days open in the
month (or times 1 for units counted per month)
Days open in a month = days open per week times 52, divided by 12
```

SALES LINE	UNIT	UNITS PER DAY OR MONTH	AVERAGE TITLE PREMIUM PER CLOSED FILE	DAYS OPEN PER MONTH (OR 1 FOR MONTHLY UNITS)	MONTHLY SALES
Referral-partner files	files				
Direct files	files				
Closing fee on referred files	files				

Full-run month

RAMP AND SEASONS

MONTH	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Ramp, % of full run												
Season, % of full-run month (M1 = opening month)												
Expected sales												

Expected sales for each month = full-run premium and fees times ramp (the share of full-run volume the referral sources and the pipeline have reached) times season. Use 100 percent where a factor does not apply. Ramp and season are your assumptions; write down the evidence for each, such as files closed and orders opened by month in your market; a file that closes replaces its ramped figure that month.

CAPACITY CHECK

```
Files the office can settle in a month = paid staff hours a week times 52 divided by 12, times your
productive share, divided by your hours a closed file; planned files a month = the files the referral
sources and direct relationships produce
```

Write how many paid staff hours a week the escrow team works, how many of those hours are productive after breaks and file administration, and how many hours a closed file takes. Compare the files the plan needs in its busiest month with the files the team can settle. If the plan needs more files than the team can settle, the plan is wrong, whatever the conversation count says.

PAGE 7

Title premium and referral shares

The title premium is what the buyer pays at closing. Plan on what the referral share leaves. The closing fee is priced once per referred file, so the direct files carry their premium and the shared pass-through cost but no closing fee of their own.

```
Title premium per closed file = average property price times the premium percentage
Premium kept per referral file = title premium times (1 minus the referral share); the office also keeps any closing fee it charges
Monthly premium kept = referral files times premium kept per file, plus direct files times the full title premium, plus the fees
```

WORKED EXAMPLE: ONE MONTH OF CLOSED FILES (ILLUSTRATIVE)

FIGURE	VALUE	HOW
Average property price	$420,000	Stated
Premium percentage	0.55%	Stated
Title premium per closed file	$2,310	Price times the premium percentage
Referral share	25%	Paid to the referring office on referral files
Premium kept per referral file	$1,733	Title premium times (1 minus share)
Closing fee per file	$750	Charged to the buyer at closing
The office keeps per referral file	$2,483	Premium kept plus the fee
Per-file reports passed through	$30	Per-file reports and pass-through fees per closed file
Direct files a month	5	Full premium, no share
Referral files a month	17	204 a year

The referral share is paid in the month the file closes and funds and sits on page 8 line 17 as the referral line's own share: 25 percent of referral files, 0 on direct files and fees, with the sales blend (15.4 percent) printed in the page 11 worked example, and charged on page 10. Premium and fee amounts vary by market and by the size of the property. This is a market percentage, described as an average on a closed file. It is not a rate filed with a regulator. Fee and premium practice varies by location, and a qualified professional should review the regulatory requirements. The page 11 example runs 17 referral files and 5 direct files a month at $2,310 each.

YOUR REFERRAL SHARES AND THE PREMIUM THE OFFICE KEEPS

REFERRAL SOURCE	SHARE TO THE REFERRING OFFICE	OTHER PER-FILE COST	CLOSING FEE	FILES A YEAR	PREMIUM KEPT PER FILE	PREMIUM KEPT A YEAR

PAYMENT TERMS AND THE COLLECTION PATTERN

In the worked example every line is collected in full in the month it is billed (the month the file closes and funds), so page 10 carries no receivables and the collection pattern is $100 in that month for every $100 billed.

OPENED ORDERS AND THE FALL-THROUGH CHECK

An opened order is not a closed file. Compare what closes with what is at risk, and log every file that falls over.

```
Open orders at cost = open orders times the cost spent on each; expected closings this month = open orders times your historic close rate; premium at risk = orders that fall over times premium kept per file. Count a file as income only when it closes and funds.
```

PAGE 8

Break-even and coverage

Use this one numbered cost list everywhere in the kit. Loan interest is a fixed cost here. Loan principal is not an operating cost: it enters cash break-even below and the cash forecast on page 10, so interest and principal are each counted once. A line that starts or steps up during year 1 goes in at its amount once in place; page 11 uses each month's amount.

FIXED COSTS PER MONTH	PER MONTH
1. Office rent, 1,400 square feet all in	
2. Errors and omissions, a surety bond, business owners, workers compensation and cyber liability	
3. Two escrow officers, one title examiner and a closing processor working 38.5 hours a week each, with payroll taxes (154 paid hours a week, the minimum staff)	
4. Owner's market wage (management, underwriter and referral relationships)	
5. Loan interest (fit-out, software and launch loan)	
6. Phones, internet, title plant access, records access and memberships	
7. Marketing, referral partner events, website and content	
8. Title production software, remote notary, bookkeeping and file storage software	
9. Outside bookkeeping, file reconciliation and payroll filings	
10. Recruiting, onboarding, underwriter technology fee and training	
11. Office supplies, printing and closing gifts	
12. Courier, wire, title plant runner and document storage	
Total fixed costs	

VARIABLE COSTS AS A SHARE OF NET SALES	SHARE
13. Per-file reports and fees passed through (title reports, copy fees, postage)	
14. Variable support labor above the salaried team (overflow file work and closing help)	
15. Payment and platform fees	
16. Referral partner entertainment and closing gifts	
17. Referral share on referral files (blended share of all sales)	
Total variable cost share	

```
Contribution margin ratio = 1 minus variable cost share; contribution = sales times the line's ratio
Operating break-even sales = fixed costs divided by contribution margin ratio
Cash break-even sales = (fixed costs with line 4 even if undrawn, plus principal and other recurring
cash out) divided by contribution margin ratio; page 12 covers a result with no usable number
Break-even closed files = (fixed costs, principal and other recurring cash out minus the direct file and
closing fee contribution, with each line counted at its own contribution ratio) divided by one referral
file's net contribution
Month-12 run rate = average monthly sales over a year at month 12's ramp and closed files, seasons
applied
Planning debt service coverage (before income tax and replacements) = (full-run sales times contribution
margin ratio, minus fixed costs other than line 5) divided by (line 5 + principal)
```

RESULT	PER MONTH	PER WEEK	PER DAY OPEN
Operating break-even sales			
Cash break-even sales			
Break-even closed files a month (use cash break-even)	one figure per month		
Office share and debt service coverage at full-run sales		ratios, monthly only	

Weekly = monthly times 12 over 52; per day open = weekly over days open a week. Office share = line 1 over sales.

PAGE 9

Referral conversations, opened orders and closed files

One market, several kinds of referral. A file from the real estate office that sends every week, a repeat client and a walk-in inquiry close at very different rates, so track each source from first conversation to closed file, and track referral sources that stop sending, because they decide whether the file capacity holds.

```
Confirm rate = confirmed orders divided by conversations; close rate = closed files divided by confirmed orders
Conversations needed = new files you need divided by (confirm rate times close rate)
Fall-through = orders that fell over in the quarter divided by the orders opened at the start of the quarter
```

WORKED EXAMPLE: ONE QUARTER OF REFERRAL CONVERSATIONS, BY SOURCE (ILLUSTRATIVE)

REFERRAL SOURCE	CONVERSATIONS	CONFIRMED ORDERS	CLOSED FILES	CONFIRM RATE	CLOSE RATE	DAYS TO CONFIRM	CONVERSATIONS FOR 66 FILES
Referral partners	110	66	34	60%	52%	21 days	214
Repeat clients and direct inquiries	48	28	18	58%	64%	16 days	176
Online and walk-in inquiries	90	22	14	24%	64%	32 days	424

The counts are illustrative and say nothing about why a repeat client closes when a walk-in does not; a quarter this small gives a direction, not a rate. These three sources close 66 files a quarter, about 22 a month, against the 178 files the office closed in the previous twelve months and the 18 opened orders that fell over in the quarter, so the pipeline replaces what falls over before it adds growth. The worked example's ramp follows closing dates, not order dates, and reaches full run in month 12. Files closed in the previous twelve months are the base, 178 of them, and the 18 orders that fell over in the quarter were opened orders, not closed files, so the pipeline has to replace them before it adds growth.

YOUR PIPELINE, BY REFERRAL SOURCE

REFERRAL SOURCE	CONVERSATIONS	CONFIRMED ORDERS	CLOSED FILES	CONFIRM RATE	CLOSE RATE	DAYS TO CONFIRM	CONVERSATIONS NEEDED

OPENED ORDERS AND FALL-THROUGH LOG

SOURCE	ORDER OPENED	EXPECTED CLOSING	CLOSED OR FELL OVER	REASON, IN THE CLIENT'S WORDS

PAGE 10

Twelve-month cash forecast

Enter $000 (51.25 means $51,250), the premium as the buyer pays it at closing; anything the office holds for another party stays out of closing cash.

EXPECTED CASE ($000)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Opening cash												
In: premium and closing fees, in the month each file closes and funds												
Memo, not cash: billed this month (page 6)												
In: owner money and loans received												
Out: per-file costs, fees and referral partner entertainment (lines 13, 15, 16)												
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)												
Out: office rent (line 1)												
Out: referral share paid when the file funds (line 17)												
Out: other costs, with loan interest (lines 2, 5 to 12)												
Out: income tax set-aside, equipment replacement, one-off cash out												
Out: loan principal												
Out: startup bills still to pay												
Net cash flow (in minus out)												
Closing cash, expected (your floor: _____)												
Actual closing cash, once open												
Memo: sales tax collected (not in closing cash)												
Memo: sales tax remitted												
Memo: tax owed = last month's + collected minus remitted												
SLOW-START CASE												
Sales receipts, slow start												
Out: variable costs, slow start (lines 13 to 17)												
Out: fixed, principal, bills, less funding												
Net cash flow, slow start												
Closing cash, slow start												

Month 1 opening cash is cash on day one, after startup spending is paid; each closing balance opens the next month; the slow start opens with the same cash. Your floor is at least one full-run month of fixed costs plus principal. The referral share is paid when the file closes and funds; the escrow team is paid in the month. For the slow start, test 70 percent of expected sales every month (a stress assumption, not a benchmark); fixed costs, principal and funding stay as expected, and all variable lines fall with sales; line 14 holds only hours you would cut. The first month either case falls below your floor is your planning deadline: act before it. Then run a second year at the month-12 run rate (page 8), month by month with the seasons continuing, and check the floor holds.

PAGE 11

Runway, and what a slow month costs

Runway = how long the office lasts, in months counted from the latest closed month (before opening, from the first day the office opens), before a closing balance ends under your floor.

Worked example: a hypothetical title and escrow office

Round assumptions that show the arithmetic for a made-up office, not a market survey. The premium and the closing fee pay in the month the file closes and funds; the escrow team is on line 3 from the first month and the referral share is paid when the file funds. Cash floor $20,000. Premium and fee money lands when the file closes and funds, and the referral share leaves on that same schedule (page 7); per-file costs follow each file; the owner draws the wage in cash; nothing new is borrowed. The model prices closed files only and excludes any money the office holds for another party; a real office may hold funds for a closing and disburse them, which changes working capital and its timing. File and funds-handling rules differ by state, and this kit states none.

Page 5, budget	Total startup budget $234,330: a $78,000 loan at 10.5 percent over 5 years plus $156,330 of owner money, of which $135,000 is the working capital reserve the forecast draws down as the files build.
Page 8, costs	Fixed costs $42,583 a month, of which $2,800 is the office and $633 is loan interest; principal adds $1,043 a month (both are year 1 averages); the variable share is 18.7 percent, so the contribution margin ratio is 0.813. Lines 13 to 17 are 1, 0.9, 0.3, 1.1 and 15.4 percent of sales here, while page 7 prices line 13 per file at $30, which is about 1 percent at this volume. Lines 1 to 12 run $2,800, $1,800, $19,500, $8,500, $633, $1,300, $3,200, $2,000, $1,100, $600, $400 and $750 a month.
Page 8, break-even	Operating break-even about $52,378 a month. Cash break-even (fixed $42,583 plus principal $1,043, divided by 0.813) is about $53,661 a month: 12.1 files a month from referral-partner files after the other lines' contribution (the direct files and the closing fees each counted at their own line's contribution ratio, never the blended ratio that applies to referral files), so 13, against the 17 the plan assumes.
Page 6, sales	Referral-partner files: 17 files a month at $2,310. Direct files: 5 files a month at $2,310. Closing fee on referred files: 17 files a month at $750. Full-run month about $63,570; the file count climbs 20, 30, 40, 50, 60, 69, 77, 84, 90, 95, 98 percent through months 1 to 11 and then reaches 100 percent; the seasonal factor runs 88, 91, 100, 107, 112, 113, 110, 105, 100, 95, 89, 86 percent month by month, and takes in regular sales only.
Page 18, expected case	Month 1 premium and fees of $11,188; month 1 closes at $100,470, month 12 at $30,085. Cash falls below the floor in month 6 (closing $19,800), so runway from opening is 5 months.
Page 18, slow start	At 70 percent of the planned files, month 1 premium and fees of $7,832; month 1 closes at $97,741, month 12 at minus $95,494. Cash falls below the floor in month 4 (closing $10,566) and below zero in month 5 (closing minus $8,749), so runway from opening is 3 months.
Page 8, debt service	At the $63,570 full-run month the planning figure for debt service, before income tax and equipment replacement, is 5.81; the example lender wants 1.25. On the month-12 run rate that figure is 5.70, and Test 3 needs both above the bar. Office share is about 4.4 percent.

PAGE 4 RESULT FOR THIS EXAMPLE: RED

Gate 0, the question of whether the office may take on the work at all, is met for the example. Test 1 fails on the floor, not on the break-even: cash drops under the floor in month 6, though the month-12 run rate is above the cash break-even. Test 2 fails: the slow start drops under the floor in month 4, and about $115,500 of extra reserve would pass it. Test 3 passes on the planning formula; the lender's own definition of debt service still decides the answer. Test 4 passes: in the busiest full-run month (month 6, season 113 percent, scored at full ramp) the plan asks for about 24.9 closed files against the 25.8 files the escrow team can settle at 22 hours a file and 85 percent productive hours, so the team carries it; the 17 planned referral files clear the 13-file break-even count. Test 5 fails by design: a newly opened office has no closed-file and fall-through history to score, so it stays red until its own files build one. Test 6 passes: a full year at full run leaves about $94,610 after principal, and no full-run month dips below zero, so the plan needs no cushion. That is the steady-state year, not the forecast year: page 18's first year loses about $104,915 in cash, since the file ramp, the funding terms and the opening months all land first. Income tax set-aside, equipment replacement and one-off cash out stay out of this example (page 18); a real office carries its own on that page. Break-even takes most of the files in the plan, and a slow month tests the reserve every year. The reserve here is illustrative and thinner than the page 5 rule would size for this plan; on the example's stated $20,000 floor the rule gives about $178,900 (the floor, a one-month buffer of $43,626 and the $115,200 the zero-cash run falls below zero), and with the floor at the one-month minimum page 10 sets it gives about $202,500, against the $135,000 the example opens with. The red result on Test 1 is what that thin reserve produces; it is not a finding that the office cannot work.

PAGE 12

What moves the result

Every row alters one input of the page 11 example and runs the forecast again. A row names Test 1, 3 or 6 when the change would newly fail or pass it; a test the example already fails stays failed. The last column also gives the slow start, which is Test 2.

WHAT MOVES THE RESULT: THE WORKED EXAMPLE'S WHAT-IF TABLE (FULL-RUN MONTHLY CHANGES; DEADLINES RERUN; SLOW-START LOSSES SCALE WITH SALES)

CHANGE	MONTHLY CASH	CASH BREAK-EVEN AND DEADLINE
File volume 10 percent lower (variable costs fall; fixed stay)	minus $5,168	Expected case below the floor in month 5
Referral-partner files: average title premium per closed file 12 percent higher, same volume (only sales-linked fees rise)	plus $3,468	Break-even files fall from 12.1 to 10.8 a month, so from 13 to 11: per-unit costs stay the same, so the ratio falls from 0.813 to 0.808 on the new sales (sales-linked fees, lines 15, 16 and 17, take 26.4 percent of each added dollar); would pass Test 1
Fixed costs $1,000 lower	plus $1,000	Cash break-even falls to about $52,431; would pass Test 1
Average property price falls 12 percent, the same files close (premium $2,310 to $2,033 a file; $6,098 a month less), from month 1 onward	minus $4,780	Expected case below the floor in month 5 (closing $13,301), below zero in month 9; slow start deadline unchanged (month 4)
Receipts move to the month after the file closes and funds (the referral share is paid when the file funds, so it moves with the delayed receipt; the bills stay paid on time; the effect is a one-month timing shift, not a change in the monthly run rate)	no change	Expected case below the floor in month 4 (closing $3,252), below zero in month 5; slow start below the floor in month 3 (closing $19,778)
Referral share rises 8 points (25 to 33 percent on referral files; about $3,140 a month at full run)	minus $3,140	Cash break-even rises to about $57,132; expected case below the floor in month 5 (closing $16,672); slow start deadline unchanged (month 4)
The owner takes no market wage for six months ($51,000 less fixed cost)	no change	Expected case stays above the floor; slow start below the floor in month 7 (closing $13,850); would pass Test 1
The largest referring office stops sending (6 of the 17 referral files; $18,360 of premium and fees a month less), from month 1 onward	minus $14,290	Expected case below the floor in month 3 (closing $5,132), below zero in month 4; slow start below the floor in month 3 (closing $4,829); full-run coverage falls below zero; would fail Tests 3 and 6
The second escrow officer is deferred and hired in month 7 (about $5,493 a month of fixed line 3 saved in months 1 to 6)	no change	Expected case stays above the floor; slow start below the floor in month 5 (closing $18,717); would pass Test 1
Setup overrun of $10,000 beyond the contingency, taken from the reserve	no change	Expected case below the floor in month 5 (closing $13,129); slow start deadline unchanged (month 4)
Opening 3 months late (office, insurance, loan interest and principal, $6,276 a month, paid while closed; no sales; the ramp starts at the new opening, and seasons stay on the calendar)	no change	Expected case below the floor in month 8 from the planned opening, below zero in month 10; slow start below the floor in month 7 from the planned opening (month 4 on time); about $31,900 more opening cash holds the expected case at the floor

WHEN A PAGE 8 FORMULA GIVES NO USABLE NUMBER

```
Contribution margin ratio zero or below: break-even is N/A; score Tests 1 and 6 as failed
One unit's contribution, or the count it is multiplied by, zero or below: break-even units are N/A;
score Test 4 as failed
Other lines already cover fixed costs and principal: break-even units are 0, never a negative number
No loan: coverage is N/A; score Test 3 as passed
```

PAGE 13

Closing checklists, weekly review, six questions

Operations checklists only. File and funds-handling requirements vary by location, and this kit states none, so your own office sets them.

WHEN AN ORDER IS OPENED

- [ ] Confirm the order, the property and the referral source on the file.
- [ ] Confirm the closing date, the lender and any condition on the order.
- [ ] Open the file checklist and assign an escrow officer.
- [ ] Record the order in the pipeline with its expected premium.
- [ ] Confirm every signed document is in the file.
- [ ] Note the client's contact preference and who answers a status call.

CLOSING, FUNDING AND MONTH END

- [ ] Record the closed and funded file and the premium kept on the closing date.
- [ ] Compare files closed with last quarter's pipeline and log every order that fell over.
- [ ] Review every file for the signed documents before the funds move.
- [ ] Update each referral source's closed files, fees and plan on the page 9 pipeline.
- [ ] Log the referral source, the conversations held and the files closed for the month.
- [ ] Ask every client whose closing has funded for a review and a referral within a week.

WEEKLY NUMBERS REVIEW

MEASURE	TARGET	THIS WEEK	LAST WEEK	VARIANCE TO TARGET
Files closed, title premium, referral share paid and premium the office keeps				
Orders open, orders that fell over and the reasons in the client's words				
Files closed by escrow officer against each officer's weekly pace				
Escrow officers joined, officers who left and open recruiting conversations				
Conversations, reviews and files closed by referral source				
Premium expected to fund within 30 days				
Direct files and owner hours on underwriter and referral relationships				

SIX QUESTIONS TO INVESTIGATE

1. **Owner dependency.** Does every new order wait on the owner to price it, and do clients hold a status question until the owner is free?
2. **Reactive closing.** Count the client messages in a week that say nobody called me back, my closing statement is missing or when will my file close, and the closings that slipped a week.
3. **Volume without system.** How many files close a month without a checklist review, and how many orders fall over without anyone recording the reason?
4. **Escrow team retention.** How much of the premium the office keeps comes from two escrow officers, and what happens to the plan if they leave?
5. **File count plateau.** How long does a new escrow officer take to close a first file alone, and what share of files ever reach the pace the plan assumes?
6. **Referral mix confusion.** Do referral sources on one share produce very different retained premium, and does the arrangement still match the work the source sends?

AI-assisted desk research, page 2. Check each against a record: the call log, the order register or the officer log.

PAGE 14

Your first 30 days

WHEN	DO THIS
Week 1	Start the weekly numbers review and log every open order with its closing date. Log the owner's own files.
Week 2	Fill the page 7 referral share table and mark any arrangement whose premium kept per file falls below the per-file costs.
Week 3	Set up the referral source table on page 9 and record conversations held and files closed.
Week 4	Enter actual cash on page 10 and recalculate runway. Write the decisions an escrow officer may make without calling you.
After month 1	Run the fall-through check on the order register and update the page 9 pipeline with the quarter's files closed.

BEFORE YOU SIGN A LEASE, GET WRITTEN ANSWERS TO THESE

- ☐ Will you have to sign a personal guarantee, how much does it cover, and when does it end?
- ☐ Which charges sit on top of base rent, such as common area, property tax and insurance, and how are they settled each year?
- ☐ What does the space need before you can open, and who pays to add or upgrade it?
- ☐ Does the landlord contribute to the build-out, when is that money paid, and must any of it be repaid if you leave early?
- ☐ When does rent start, at signing, at approval or at opening?
- ☐ Are there limits on operating hours, signage, parking, deliveries or the uses allowed in the space?
- ☐ What happens to the lease and the fixtures if you sell the business?

Have a qualified professional review the lease before you sign. These questions prepare you for that conversation; they do not replace it.

WHAT THE FULL KIT ADDS

The full Title and Escrow Business Plan and Operations Kit adds an editable business plan, a three-year financial model with profit and loss, cash flow and a debt schedule, a referral share calculator from average property price and premium to the premium kept per file, an order register and fall-through tracker, editable referral, officer and capacity trackers, closing checklists and onboarding checklists. Release status is on the kit page.

SOURCES

Public sources. IBUYER, for the closing fee per file; TitleBarrier, for the premium band and the referral share range; Mortgagenewsdaily and Remax, for the average property price; Upflex, for office rent; Onetonline, for escrow officer and title examiner wages; a published prime-rate series, for the prime rate; a published federal loan-term schedule, for the loan term band. All accessed 2026-11-05.
World Consulting Group material. Origin of the questions: AI-assisted World Consulting Group desk research on independent title and escrow offices, 2026, an internal working file that is not published, described on page 2; the questions are hypotheses and no figure in this kit comes from it. Title and escrow offices owner questions, businessconsultant.services, 2026.

SCOPE AND DISCLAIMER

General information only. Not legal, tax, accounting, employment, funds handling or financial advice. Provided as is, without warranty. © 2026 World Consulting Group. Free diagnostic tool at businessconsultant.services. The site's privacy page explains what the diagnostic tool sends to an AI provider for analysis and the third-party analytics on the site.

About the author. Kamyar Shah is the founder of World Consulting Group and works as a fractional COO and CMO. He has more than 25 years of experience and more than 650 engagements across more than a dozen industries. Contact and the latest version: businessconsultant.services.

PAGE 15

Customize this kit with AI

Attach this PDF to ChatGPT, Claude or Gemini, paste the prompt below, and answer with your own files, referral shares and office costs. A copy-ready version is on the kit page.

BEFORE YOU RELY ON THE ANSWER

Check every total with a calculator. An AI assistant can misread a file or slip on arithmetic, even when it runs code, so rerun every figure you will act on with the page formulas. Check your AI provider's data settings first, and never paste personal data, account numbers, passwords, customer-level records or anything an agreement restricts, such as client names, property addresses, lender or loan numbers, closing statements, referral agreements or bank details. Totals and rounded figures serve the arithmetic, though rounding does not make a record anonymous, and you can run the arithmetic on your own computer.

I am opening (or running) an independent title and escrow office. I have attached the Title and Escrow Business Plan and Operations Starter Kit from businessconsultant.services. Help me turn it into my own plan for my files, closed volume and referral shares, using my numbers only.

Follow these rules for the whole conversation:
1. Use only numbers I give you, or numbers you calculate from mine with the formulas below. Never invent a premium, a fee, a referral share, a file count, percentage or benchmark, and never state a rule about funds handling or referral agreements.
2. The numbers printed in the kit are worked examples. Never use them as my numbers, not even as a placeholder.
3. If a number you need is missing, ask me for it. If I ask you to estimate or use typical figures, write [NEED: ...] instead and tell me which quote, record or calculation will give me the real number. If I give you my own estimate, label it MY ESTIMATE.
4. Use these formulas exactly, and show your arithmetic for every number you calculate:
- Monthly sales for a sales line = files times the title premium per file times days open in the month (use 1 where I count files per month, and files per day times the days the office is open where I count them per day), and fees = files times the closing fee on the same basis. Each month's expected sales = full-run premium and fees times ramp times season; a file that closes replaces its ramped figure that month, never both; before opening, count expected files by month, each marked MY ESTIMATE until confirmed.
- Net sales exclude sales tax. Labor = wages, payroll taxes and benefits, plus a market wage for the owner's management time (line 4); the owner's own file and closing work sits in line 4 with the management wage, and line 14 is only overflow support labor above the salaried team. The owner's wage counts as cash even if it is not drawn, so the plan still holds when the owner steps back from the work; only line 4 may go undrawn, and the cash break-even and Test 6 still count it while your cash forecast and the floor test use the money you actually pay.
- Contribution margin ratio = 1 minus variable cost share; a line's contribution = its sales times its own ratio. Operating break-even sales = fixed costs divided by contribution margin ratio. Cash break-even sales = (fixed costs with line 4 even if I do not draw it, plus monthly loan principal and any recurring other cash out) divided by contribution margin ratio; only the cash forecast drops an undrawn wage. A blended ratio holds only at its own sales mix: name that mix beside each break-even, and recompute from each line's own contribution when a what-if changes one line. Loan interest is fixed; principal is not an operating cost, so it never enters operating break-even or operating profit.
- Weekly = monthly times 12, divided by 52. Daily = weekly divided by days open per week.
- Break-even closed files = (fixed costs, principal and other recurring cash out minus the direct file and closing fee contribution, with each line counted at its own contribution ratio) divided by one referral file's net contribution. If the other lines already cover fixed costs and principal, report 0 and say so; never report a negative break-even count. Files the office can settle in a month = paid staff hours a week times 52 divided by 12, times your productive share, divided by your hours a closed file; planned files a month = the files the referral sources and direct relationships produce.
- Office share = line 1 divided by net sales. Planning debt service coverage, before income tax and equipment replacement = (full-run sales times contribution margin ratio, minus fixed costs other than loan interest) divided by (loan interest + loan principal).
- Month-12 run rate = average monthly sales over a year at month 12's ramp and closed files, seasons applied (not month 12's own sales). Test 1 needs that rate at or above cash break-even and my floor held 24 months; Test 3, coverage at full run and at that rate.
- Test 6 = 12 months of (full-run sales minus their variable costs, minus full-run fixed costs, line 4 included, minus principal), seasons applied to every sales line, the closing fee following the referral-file counts that create it, and seasonal fixed lines at each month's amount. The cushion to set aside = the largest fall in running net cash from a high to any later low, the year run twice so a dip can cross into month 1 (zero if it never falls).
- Full-run figures (break-even, coverage, floor) take a late-starting fixed line at its full amount, and a seasonal fixed line at its year average.
- For pages 7 and 9, use the formulas printed on those pages of the attached kit, exactly as written, with my own figures.
- Cash forecast: closing cash = opening cash + cash in minus cash out. Month 1 opening cash = cash on hand the first day the office opens, after startup spending. Place every receipt and payment (deposits, supplier invoices, startup bills, funding) in the month the cash moves. Income tax set-aside, equipment replacement and one-off cash out go in their own row. Open month 1 with the cash I give. Enter the premium and the closing fee in the month the file closes and funds, pay the referral share on that same schedule, and pay the escrow team, rent and fees in the month. An opened order is not income until the file closes and funds. In the slow-start case, every month's sales, files closed included, are the tested share of expected sales; fixed costs, other cash out, principal, bills and funding stay as planned; all variable lines fall with sales, each figured from that month's slow-start sales, on the same payment timing as the expected case (line 14 holds only hours I would cut). Runway = the number of future months, from the latest closed month (before opening, from the first day the office opens), before closing cash falls below my cash floor.
(Continued on page 16.)

PAGE 16

The prompt, continued

Paste this part directly after the rules on page 15, as one message.

5. Do not give legal, tax, permit, disclosure, funds handling, employment, wage or lease advice. Do not name laws, permit types, government bodies, government fees or wage rates for title and escrow work, even as examples. When my question touches these, write only "Review this with a qualified professional" and continue with the rest. You may record and use figures I give from my own records, such as my sales tax rate and when I remit it, without checking, interpreting or advising on them.
6. Do not quote statistics, studies or sources that are not in the kit. For the market and marketing sections, use only what I tell you, and list the local facts I should gather.
7. Work every total step by step and recheck it a second way. In the cash forecast, show the arithmetic for month 1, one later month and the year total; give plain numbers for the other months.
8. If a formula would divide by zero or a contribution margin is zero or below, write N/A, say why, and do not continue that calculation. If my lender defines coverage differently, show both results and label each. If cash never falls below my floor in the forecast, write the runway as more than 24 months; otherwise give the runway in months and, separately, the first month below it, counting year 2. With no loan, Test 3 passes.
9. Use business figures only, with anonymous client IDs. Do not ask for names, property addresses, loan numbers, closing statements, or bank account or tax ID numbers.
10. Mark every output: Draft for my own planning. Not for a lender or investor until a qualified accountant has reviewed it.
11. If your full answer would be very long, deliver outputs 1 to 4 first, then stop and ask me to type "continue" for the rest.
12. Build the cash forecast month by month from the sales build, the cost lines, my payment terms and my opening cash; it does not need the inputs for pages 7 and 9. Each month: cash in = sales receipts plus money arriving; cash out = each variable cost, calculated from the sales that created it and placed in the month it is paid under my terms, plus fixed costs (lines 1 to 12, with line 4 only if I draw it in cash), plus loan principal, startup bills and other cash out. Loan interest is already in line 5; never add it again. Vendor and platform payments follow the cost of the service I delivered, plus any vendor deposit or prepayment I give; the working capital reserve on page 5 is opening cash and never a cash-out line. If a vendor invoice falls outside my terms, ask me for payments by month instead. If you can run code, do every calculation in code.

Step 1. Before you write anything else, ask me for the inputs below in three rounds, one message per round. Ask round A as one numbered list, then wait for my answers. When I answer, ask round B and wait; then round C and wait. Start Step 2 only after I answer round C.
Round A, sales, capacity and evidence:
a. Services and property types, the counties and price bands you work, the files you close a month, the hours a closed file takes, the paid staff hours a week, and the referral sources behind the files.
b. Sales build: for referral files, the files a month, the average property price, the title premium as a market percentage of price and the share paid to the referring office; for direct files, the files the owner brings a month; the closing fee per file; a ramp percentage of full-run volume for every month from 1 to 12 (ask me to confirm any month I leave out); a seasonal percentage for each month from files closed and orders opened by month in my market; and the slow-start percentage I want to test (this kit sets a 70 percent stress test, a kit rule rather than my estimate; use it, and show any different percentage beside it as a second case). Give counts at full run, with month 1 as my opening month. Give the evidence behind each count (site counts, comparables, signed orders or my history).
c. For the premium page (property price, premium percentage, referral share, closing fee and file counts are in b above): any other per-file cost in my referral arrangement, pass-through costs per file, and my historic close rate on opened orders.
Then wait for my answers.
Round B, costs, the startup budget and my lender:
d. Startup budget: an amount and its source (vendor quote, insurance quote, landlord quote or calculation) for each line on page 5, from computers to the working capital reserve and contingency.
e. Monthly fixed costs for lines 1 to 12 on page 8, including the escrow team, title production and title plant fees, loan interest and my market wage; whether I draw that wage in cash; and my monthly loan principal. Give interest and principal as year 1 monthly averages for break-even and coverage, and, for the cash forecast, any payment, fixed line or other cash line that changes in months 1 to 24 (a payment holiday, a balloon payment, a rent step) with its month. My market wage covers management time (line 4); my own file and closing work sits in line 4 with the management wage, and line 14 is only overflow support labor above the salaried team.
f. Variable cost shares of net sales for lines 13 to 17: line 13, per-file reports and fees passed through (title reports, copy fees, postage); line 14, variable support labor above the salaried team (overflow file work and closing help); line 15, payment and platform fees; line 16, referral partner entertainment and closing gifts; line 17, referral share on referral files (blended share of all sales); and any sales line whose own shares differ, given for that line.
g. For each referral source: conversations, confirmed orders and closed files last quarter, and days from the first conversation to the confirmed order; orders opened at the start of the quarter and orders that fell over; the number of new files I need.
h. The debt service coverage ratio my lender requires and how the lender calculates it, if I know them.
Then wait for my answers.
(Continued on page 17.)

PAGE 17

The prompt, last part

Paste this part directly after the text on page 16, still as one message.

Round C, cash timing, sales tax, deposits and Gate 0:
i. Payment terms: when the premium and the closing fee reach the office (the month the file closes and funds, or later), when the referral share is paid out, and when the escrow team, rent and fees are paid.
j. For every other cash line (payroll, card settlements, insurance, loan payments, rent and fixed bills), when it is paid, or confirm it is paid in the month it is incurred.
k. Monthly cash out beyond operating costs: income tax set-aside, equipment replacement and any recruiting bonus or draw.
l. Cash on hand on the first working day after all startup spending, startup bills still to pay by month, owner money or loans still to arrive by month, and my minimum cash floor.
m. If I am already open: what customers owe me and what I owe suppliers and staff, each by the month it will be paid, deposits I already hold, and sales tax already owed with its payment month.
n. Sales tax: the rate I collect on taxable sales, from the sales-tax number the office holds, which sales lines (or what share of each) are taxable, and when I remit what I collect (each month, each quarter or another schedule), so the forecast holds collected tax apart until it is paid.
o. Gate 0: which agreements, quotes and approval requirements I already have in writing.
Then wait for my answers.

Step 2. When I answer, produce these as plain tables I can copy back into the kit:
1. Business plan sections 1 to 8 for my office, drafted from my answers, with gaps marked [NEED: ...].
2. The sales build by referral files, direct files, closing fees and month, with annual sales and the capacity check from page 6.
3. The completed startup budget, line by line as on page 5, with the total. Size the reserve by the page 5 rule; if I gave another, show both and the result for each.
4. Operating and cash break-even per month, per week and per day open; break-even closed files a month (use cash break-even); office share and planning debt service coverage at full-run sales, labeled before income tax and equipment replacement, and on my lender's definition too if I gave it.
5. The 12-month cash forecast for the expected and slow-start cases, in thousands of dollars to two decimals (51.25 means $51,250) to match the kit, with, for each case, the first month below my cash floor and the first month below zero, and the runway; the second year's lowest closing cash (month 12's ramp and closed files held, each month with its own season, not a flat average); any extra reserve the slow start needs; and the Test 6 cushion, with whether the page 5 buffer covers it (add any excess to the reserve). Add memo rows for each month, kept out of closing cash: sales tax collected, remitted and owed at month end (last month's owed + collected minus remitted), and receivables (last month's + billed minus collected).
6. Premium kept per file and per month by referral source, with the fall-through exposure on opened orders.
7. Closed files by referral source with conversations needed and the fall-through rate.
8. The kit's page 4 check: Gate 0 and pass or fail for each of the six tests with the reason (if Gate 0 fails, the result is not ready), and the overall result: not ready if Gate 0 fails, with no color; otherwise green, amber or red under the page 4 rules.
9. A final checklist: every MY ESTIMATE figure, every [NEED: ...] gap, every file count, referral share or payment term I should verify, and every question that needs a qualified professional.

WHEN THE ANSWER COMES BACK

Copy each table into the matching kit page in pencil. Check every [NEED: ...] gap and MY ESTIMATE figure, starting with files by month, referral shares and file volume, before anyone sees the plan, and recheck the page 4 result with a calculator.

The worked example's twelve-month forecast, filled in

The page 11 example entered on the page 10 form, month by month, in dollars. Parentheses mean minus. Each column adds up as printed, so a row can move by a dollar between months with the same sales; each closing balance becomes the next month's opening cash. Cash floor $20,000.

LINE ($)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
EXPECTED CASE												
Opening cash	**135,000**	**100,470**	**70,953**	**48,000**	**32,024**	**23,129**	**19,800**	**19,949**	**21,907**	**24,795**	**27,812**	**29,264**
In: sales receipts	11,188	17,355	25,428	34,010	42,719	49,566	53,844	56,069	57,213	57,372	55,446	54,670
In: owner money and loans received	0	0	0	0	0	0	0	0	0	0	0	0
Out: per-file costs, fees and referral partner entertainment (lines 13, 15, 16)	269	417	610	816	1,025	1,190	1,292	1,346	1,373	1,377	1,331	1,312
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)	28,100	28,156	28,229	28,306	28,384	28,446	28,485	28,504	28,515	28,517	28,498	28,492
Out: office rent (line 1)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Out: referral share paid when the file funds (line 17)	1,723	2,673	3,916	5,238	6,579	7,633	8,292	8,635	8,811	8,835	8,539	8,419
Out: other costs, with loan interest (lines 2, 5 to 12)	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783	11,783
Out: income tax set-aside, equipment replacement, one-off cash out (none in the example; see below)	0	0	0	0	0	0	0	0	0	0	0	0
Out: loan principal	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043
Out: startup bills still to pay	0	0	0	0	0	0	0	0	0	0	0	0
Net cash flow (in minus out)	**(34,530)**	**(29,517)**	**(22,953)**	**(15,976)**	**(8,895)**	**(3,329)**	**149**	**1,958**	**2,888**	**3,017**	**1,452**	**821**
Closing cash, expected	**100,470**	**70,953**	**48,000**	**32,024**	**23,129**	**19,800**	**19,949**	**21,907**	**24,795**	**27,812**	**29,264**	**30,085**
SLOW-START CASE (70 PERCENT OF EXPECTED SALES IN EVERY MONTH)												
Opening cash, slow start	**135,000**	**97,741**	**63,992**	**34,837**	**10,566**	**(8,749)**	**(24,167)**	**(37,150)**	**(48,868)**	**(59,934)**	**(70,909)**	**(82,981)**
Sales receipts, slow start	7,832	12,148	17,800	23,807	29,903	34,696	37,691	39,248	40,049	40,160	38,812	38,269
Out: variable costs, slow start (lines 13 to 17)	1,465	2,271	3,329	4,452	5,592	6,488	7,048	7,340	7,489	7,509	7,258	7,156
Out: fixed costs (lines 1 to 12), principal, bills, less funding	43,626	43,626	43,626	43,626	43,626	43,626	43,626	43,626	43,626	43,626	43,626	43,626
Net cash flow, slow start	**(37,259)**	**(33,749)**	**(29,155)**	**(24,271)**	**(19,315)**	**(15,418)**	**(12,983)**	**(11,718)**	**(11,066)**	**(10,975)**	**(12,072)**	**(12,513)**
Closing cash, slow start	**97,741**	**63,992**	**34,837**	**10,566**	**(8,749)**	**(24,167)**	**(37,150)**	**(48,868)**	**(59,934)**	**(70,909)**	**(82,981)**	**(95,494)**
STEADY-STATE YEAR FOR TEST 6 (RAMP DONE, SEASONS IN; NOT THE FORECAST YEAR)												
Net cash flow, steady-state year	**1,855**	**3,405**	**8,056**	**11,674**	**14,258**	**14,775**	**13,225**	**10,641**	**8,056**	**5,472**	**2,371**	**821**

Reading this forecast. It is in whole dollars, rounded so each column adds up, so a row can differ by $1 between like months; the page 10 form uses thousands. The floor is cash you never plan to spend. The page 5 buffer holds one more month of fixed costs and principal above it, so a small miss spends the buffer, not the floor. You decide the opening cash, and the two passes on page 5 test the figure you choose. The example sets aside no income tax (it depends on the owner's whole return, so take the figure from your accountant), replaces no equipment in its first two years and carries no stock, since a title and escrow office holds none; enter your own amounts. Second year at the month-12 run rate (about $63,358 a month, against month 12's own $54,670): closing cash runs $31,939 in month 1 and $124,694 in month 12, lowest $31,939 in month 1, above the floor. Sales are net of sales tax, and the example pays each month's tax in the month it is collected, so it owes none at any month end; enter your own rate and payment timing in the page 10 memo rows. If you borrow the reserve, add its interest and principal to the forecast and run both passes again. The slow start lets variable costs fall with sales, which is fair only because hours you cannot cut sit in line 3; waste or purchases you cannot cut make a real slow start worse.