IBuying giant Opendoor acquires title and escrow company

On the heels of announcing a program that will provide home loans to consumers, iBuying giant Opendoor revealed Thursday that it has acquired a large title and lending company.

The acquisition of Georgia-based OS National (OSN) will let Opendoor “deeply integrate title, escrow and closings,” according to a company statement. Opendoor also believes that by owning OSN, it will be able to offer consumers the “most streamlined and easiest closing experience.”

Opendoor did not publicly disclose the financial details of the acquisition, saying instead only that OSN will become a “wholly-owned subsidiary.” The iBuyer also said that the acquisition helps it move toward its vision of creating an end-to-end consumer real estate experience.

The iBuyer had most recently moved closer to that all-in-one vision when it announced last week that it would begin providing home loans. That service is available in six markets across Arizona and Texas. The company claims that its loan rates are competitive, and says the new service should provide consumers with an easier and more stress-free lending experience.

Eric Wu

The new title and escrow acquisition is meant to accomplish a similar objective, with Opendoor founder Eric Wu saying in a statement that in the past, consumers have been “confused about the status of the close and timeline, overwhelmed by hundreds of documents to understand and sign, and frustrated by the delays due to multiple parties coordinating.”

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“Our goal with this acquisition is to make title and escrow feel less like a barrier in the home purchase process and more of a welcome mat at the front door of your dream home,” Wu continued. “I couldn’t be more excited to have OSN join us on our mission to empower everyone with the freedom to move.”

The acquisition of OSN marks an important move for Opendoor, and with 500 employees it will significantly boost the iBuyer’s ranks, which was about 1,300 staffers.

However, the acquisition isn’t the first time the company has waded into title services. In fact, Opendoor Title launched in 2017. At the time, the company described the service as a way to provide a “great end-to-end customer experience.”

Opendoor did not say Thursday what the status of Opendoor Title is, but when asked about prior title programs a company spokesperson said that the company currently operates “three title agencies through a joint venture with OSN.”

“We have relationships with several other title and escrow partners across our various active markets,” the spokesperson added. “These relationships will remain critical to our execution strategy and as we continue to scale.”

Both Opendoor and OSN also expressed excitement about their new relationship and its ability to further the project of providing quick cash offers for homes.

“The real estate industry is being transformed before our eyes and we have a unique opportunity to be in the front seat of the change and be able to drive that change forward,” OS National CEO

Charles Chacko said in a statement. “We are confident that both our organizations will be stronger together.”

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