



## A Good Time to Catch Up

### MY PERSPECTIVE

By Frank Pellegrini, Prairie Title CEO

Summer is here, and that's always a good time to evaluate the year so far and give some thought to the near term future as we hurtle toward 2019.

What's happened this year:

#### New Illinois disclosure rule delayed again-

The Illinois Department of Professional and Financial Regulation was set to implement its new rule regarding the Disclosure of Financial Interest form on July 1, when the courts swooped in after a lawsuit was filed by Attorneys' Title and joined by ILTA. The Illinois Land Title Association reported on June 29:

*The court issued a Temporary Restraining Order today enjoining the Illinois Department of Professional Regulation from implementing its new proposed DS-1 Disclosure Form. ... Absent further action by the Court or a settlement with the Department, the TRO will remain in effect until the Court considers the case on the merits at a preliminary injunction hearing that is scheduled to begin on September 26.*

#### In Springfield

During the spring state legislative session, a budget was passed by the state legislature and signed by the governor – a minor miracle in and of itself – while two bills of interest to the real estate community also became law. One bill legislates predictive recording fees for Cook County, while the other limits the selection of title insurance and settlement services and the splitting of title policies in any resi-

dential transaction ("bifurcation").

#### On the federal front

After many fits and starts, updates to Dodd-Frank are now law, to the applause of many in our industry. Unfortunately, there's been no movement forward on the House-passed bipartisan ALTA-supported legislation that corrects the inaccurate disclosure of title insurance premiums on the TILA-RESPA Integrated Disclosures. As we grind toward the November election, odds will fade that the Senate will take up and pass this bill, but there's still hope.

#### The real estate market

The elephant in the room, of course, has been the residential real estate market, particularly the lack of housing available for purchase. I can't recall a time when the housing market was so bogged down despite a pretty good national economic growth pace – and I've been in this business a long time.

We need more inventory for sale and more buyers at the lower end of the market, millennials especially, to really get things moving. Unfortunately, no one can say definitively when the residential situation will change. The *MReport* noted recently that listed homes are moving more quickly – in June homes were listed an average of 54 days, six days fewer than a year ago. But that's just a glimmer. We remain hopeful that the market will gain momentum soon.

In the meantime, we are working continuously to improve our services, the processes we use to turn your transactions around quickly and without error, and, as always, we work



### Prairie Title Named Leading Agent

*Once again, Prairie Title was named a Fidelity National Title Leading Title Agent for 2017. FNTIC's David Scott (left) dropped by to present the award in May.*

every day to safeguard our business and the information you entrust to us.

As examples, you'll read in this issue about the digital pen technology we have incorporated into our business, and you'll find email tips that will help keep your business secure. You'll also read Five Fast Questions answered by Maria Cristiano and Louis Scannicchio, two of our attorneys who work tirelessly to bring your transactions to a successful close.

Happy summer to all! Enjoy those trips to the beach, baseball games, barbecues and family get-togethers. Let's hope the fall brings good news to the housing market.

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# Five Fast Questions

Five Fast Questions is a monthly feature in ASSURANCE which aims to help you get to know the Prairie Title team members you work with on a more personal level. Here are Five Fast Questions for Maria Cristiano, General Counsel, and Louis Scannicchio, Attorney Examiner.

## Maria Cristiano

### Where were you born?

I was born in Oak Park and grew up in Elmwood Park.

### What do you love most about the real estate business?

It is always fast moving and every transaction is different. I like having to always be aware of the latest developments in the industry. The industry requires an individual to be detail oriented, which I like.

### What's your favorite vacation spot?

I love going anywhere in Italy. I have been to Rome, Florence, Siena, the Amalfi Coast, Orvieto, Assisi and some of the smaller surrounding towns and I have loved it all.

### Why do you like working at Prairie Title?

There are lots of reasons. I love the people I work with; everyone is like family (and some of them actually are!). Also, I really like the fact that we follow the rules and practices of our industry. Prairie Title is an extremely reputable company; we follow the laws and statutes. No shortcuts or questionable actions. Finally, and most importantly, Frank Pellegrini has been a mentor to me. I have learned so much from him over the last 30 plus years and I continue to learn from him each and every day.

### What historical figure is most important to you?

Although he is not a historical figure now, I believe he will be in the future: Pope Francis. He truly cares about the people of the world, accepts the differences in people and sees the good in people. We should all try to live by his principles.



## Louis Scannicchio

### Where were you born?

Melrose Park, Illinois.

### What do you love most about the real estate business?

I enjoy watching buyers, sellers, brokers, attorneys, lenders, title companies and others work together toward a common goal.

### What's your favorite vacation spot?

Italy will always be my favorite place to visit but the Yucatan Peninsula is quickly becoming a top destination as I love snorkeling and scuba diving.

### Why do you like working at Prairie Title?

The workplace camaraderie and knowledgeable staff has allowed me to enjoy myself all the while building a solid foundation in transactional real estate work.

### What historical figure is most important to you?

Ryne Sandberg, Hall of Fame second baseman for the Chicago Cubs, was my idol growing up. I always admired his competitive nature on the field and his calm, cool demeanor off the diamond.



## Contact Us

You can contact any member of our management team or department heads via e-mail. Or dial our main number at 708-386-7900 and ask for the following extensions:

Frank Pellegrini - **CEO** ..... ext. 1301  
frank@prairietitle.com

Mary Pellegrini - **Customer Service** ..... ext. 1306  
mpellegrini@prairietitle.com

Demetrius Cole - **Closing Dept** ..... ext. 1345  
dcole@prairietitle.com

Donna Krzanik - **Title Dept** ..... ext. 1305  
dkrzanik@prairietitle.com

**Scheduling** ..... ext. 1303  
scheduling@prairietitle.com

Steve Gillum - **Account Executive** ..... 630-450-0093  
sgillum@prairietitle.com

Michael Guerin - **Account Executive** .... 847-651-5635  
mguerin@prairietitle.com

Van Hante - **Account Executive** ..... 708-692-2824  
vhante@prairietitle.com

Brian Zeng - **Account Executive** ..... 630-746-9855  
bzeng@prairietitle.com

Prairie Title  
6821 W. North Ave.  
Oak Park, IL 60302  
www.prairietitle.com



## Our Digital Pen Speeds the Process and Helps Fight Cyber Crime

In the modern business world the speed at which data moves is both a blessing and a curse. Bringing transactions to a quicker resolution is great. Unwittingly leaving unwanted holes in your cyber-crime defenses as a result of technology clearly is not so great.

At Prairie Title we've adopted use of the Inx Digital Pen which uses innovative technology that allows the capture of both electronic and wet-ink signatures for any and all documents in our closing packages at any location. At the same time, the pen is a great fraud reduction tool.

The Inx Digital Pen gives us the power to close securely at any remote location while offering decreased processing times. Within seconds of the

signing being completed, executed documents are uploaded to title software which can immediately be accessed by our lenders customers, buyers and sellers with the appropriate permissions. This saves us valuable time since we no longer need to locate, scan and email documents to the appropriate party for final review.

On top of having documents instantly uploaded, we also will have "wet-ink" signatures on all documents that can later be used for any lenders that require original signatures. At the same time, date and time stamped pen strokes are linked to GPS signing coordinates and enable signing location confirmation. Any other documents or photos that verify identity can also be uploaded as well with a click of the button. After completion, the final,

executed Inx digital closing package is discreetly wrapped in a tamper evident seal that offers more security.

We'd love to show you how this great technology can work for you. Call Demetrius Cole, Closing Department manager, at 708-386-7900 (ext. 1345) to get started!

# In Other News

## Know Before you Owe Finalized

In late April the Consumer Financial Protection Bureau finalized an amendment to its “Know Before You Owe” mortgage disclosure rule that addresses when mortgage lenders with a valid justification may pass on increased closing costs to consumers and disclose them on a Closing Disclosure.

The Know Before You Owe mortgage disclosure rule took effect Oct. 3, 2015. The Bureau’s rule created new Loan Estimate and Closing Disclosure forms that consumers receive when applying for and closing on a mortgage loan. The Bureau heard feedback from the industry that they needed clarification on when creditors may pass on increased costs to consumers and disclose them on a Closing Disclosure.

Specifically, a timing restriction on when the creditor may use a Closing Disclosure to communicate closing cost increases to the consumer could prevent a creditor from charging the consumer for those cost increases despite a valid reason for doing so, such as a changed circumstance or borrower request. In response, in July 2017 the Bureau proposed an amendment removing that particular timing restriction. After considering public comment on the proposal, the rule is now finalized and in effect.

Visit [consumerfinance.gov](http://consumerfinance.gov) to review the final rule.

## ALTA Applauds Reps. Duffy and Perlmutter for Bill Requiring CFPB to Issue Useful, Timely Regulatory Guidance

The American Land Title Association released the following statement in response to the introduction of HR 5534, the Give Useful Information to Define Effective Compliance Act (GUIDE Compliance Act), a bipartisan bill introduced by U.S. Reps. Sean Duffy (R-WI) and Ed Perlmutter (D-CO):

“We thank Reps. Sean Duffy and Ed Perlmutter for introducing bipartisan legislation that would require the Consumer Financial Protection Bureau to issue useful guidance to the consumer financial laws it regulates,” said Michelle Korsmo, ALTA’s chief executive officer. “Having the CFPB provide more clarity to the regulations it enforces, such as the Real Estate

Settlement Procedures Act (RESPA), allows ALTA members to better serve consumers and deliver peace of mind to homebuyers every day.

“Regulations create the rules of the road for consumers and business, and when everyone understands the rules, markets operate more efficiently. Regulations should support business activity in ways that maximize benefits for consumers, and we believe this bill helps achieve this.”

## What Do Consumers Really Want from the Mortgage Process?

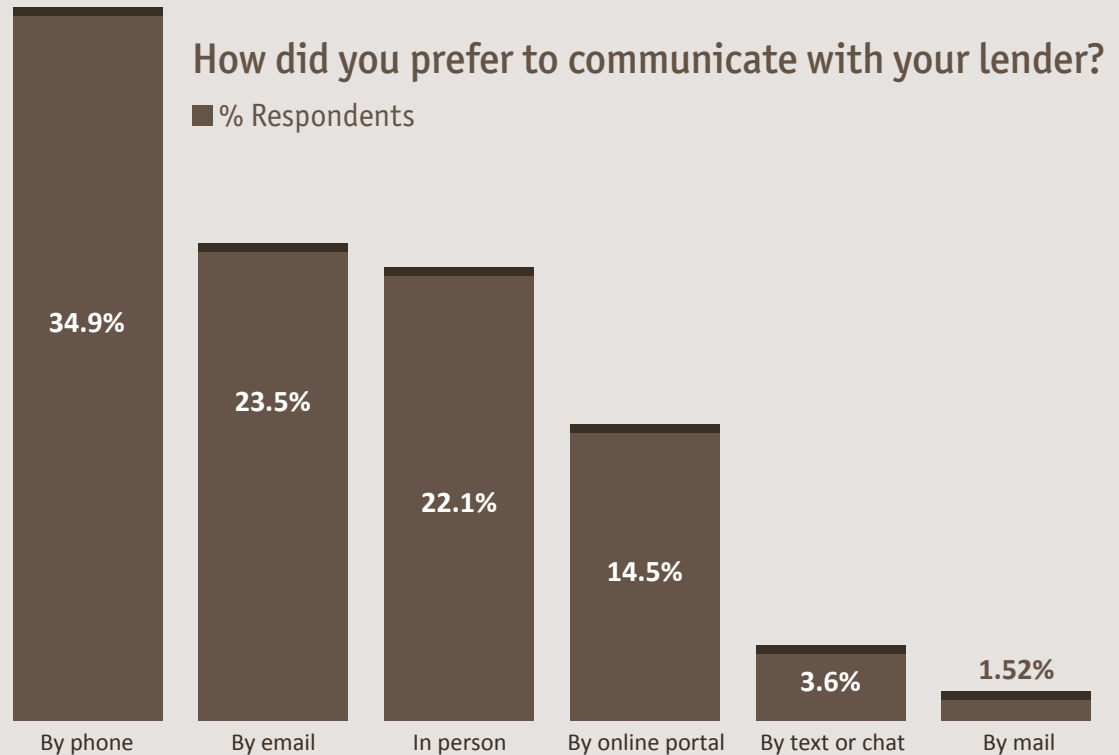
Consumers are getting more comfortable with a digital mortgage process but still want someone to hold their hand and explain things to them when buying a home, according to Ellie Mae’s second annual Borrower Insights Survey, cited in a blog post by ALTA.

The majority (61 percent) of respondents expected to be able to apply for and complete a mortgage application fully online, while a combined 57 percent still prefer to communicate with the lender via phone or in person.

Without a doubt, technology can be used as a catalyst to spend less time on the process and paperwork, allowing title and settlement companies to focus on delivering an efficient and secure closing. But don’t forget that personal touch. It has always been a big part of our business, and that has not changed.

## Record-Setting Canadian Real Estate Market is Sending CRE Investors South of the Border too

While foreign investment in U.S. commercial real estate has declined considerably from its 2015 peak, spurred by a strong dollar, inflated



Ellie Mae surveyed 3,006 U.S. adults who are current homeowners and renters above the age of 18. With a focus on driving a true digital mortgage experience, Ellie Mae was interested in learning about borrower expectations and experiences with online components of the mortgage process. Overall findings showed that borrowers across all generations are expecting digital options to be part of their loan process, but would still like the capability and flexibility of speaking to a lender, when needed.

real estate pricing and Chinese regulatory pressure to slow the flow of outbound capital, Canada has reclaimed its place as the top source of foreign capital last year, Bisnow reported.

Real Capital Analytics data revealed Canadian investors bought nearly \$21 billion in U.S. real estate in 2017, a 51 percent increase over the previous year. More Canadian investors are turning to the U.S. for opportunities even as investment in Canadian real estate has been on a blistering pace the past two years.

# What we've been up to



In April, Frank Pellegrini took part in a panel discussion at The Fund Member Summit, sponsored by Attorneys' Title. With Frank is Old Republic's Anne Anastasi. Frank told the attendees, "One thing I'm very proud of in Northern Illinois is there is a lawyer for virtually every buyer and seller in every transaction. We don't do residential real estate without a lawyer advocating for each party."

We held our second staff game night in May. Natasha Wojcicki (left) and Maria Cristiano take part in a cup stacking completion.

One of our game night activities was Amazing Race, organized by Maureen O'Donnell (second from left), who poses with the winning team: Wanda Mulsoff (left) and Yolanda Lufrano.

Prairie Title was well represented at the IMBA golf outing: From left: Van Hante, Tori Kosacz and Michael Guerin.



Frank and Mary met with Illinois Senator Don Harmon during ILTA's annual legislative day in Springfield.

Mary Pellegrini attended the National Settlement Services Summit in May. A main focus of the summit was eClosings.

We held a fantastic reception at our Oak Park office for Jesse Howard of the Oak Park Art League and his students as we opened Jesse's art installation at Prairie Title. Stop by our office and see Jesse's and his students' art when you get a chance.

## Pellegrini Helps WGN-TV Warn Consumers about Real Estate Wire Fraud

In June, Prairie Title CEO Frank Pellegrini appeared in a WGN-TV investigative report that warned the home buying public about real estate wire fraud. The FBI estimates there were 17,000 cases of wire fraud in 2017, and the problem is growing.

"It affects consumers and everyone in our business, realtors, lawyers, lenders and title companies," Pellegrini told the viewing audience.

Prairie Title, like title companies across the nation, has been taking steps to prevent wire fraud in real estate transactions, a phenomenon that has touched every corner of the residential real estate transaction market. For instance, Frank notes in the report that Prairie Title does not ever amend wire instructions once they are received by their client.

If you have questions about this important issue, feel free to contact Frank at 708-386-7900, or [frank@prairietitle.com](mailto:frank@prairietitle.com).

## Business email Best Practices to Prevent Fraud

- Do not use free email service
- Only utilize email services that provide Multifactor Authentication and ensure it is enabled at all times.
- All passwords should be complex. The accepted standard is at least eight characters long, contains uppercase and lowercase letters and as least one number and one symbol.
- Change your password at least every 90 days.
- Never wire funds based upon the content of an email only. Always assume email has been compromised and validate all information over the phone from a known good contact number.
- Use a registered private domain.

## Prairie Title's Cole Earns IEP Designation

Demetrius Cole, Closing Department manager for Prairie Title, has earned the prestigious Illinois Escrow Professional designation from the Illinois Land Title Association. IEP designation requires extensive course work and examinations.

"We are proud of Demetrius for achieving IEP status," said Frank Pellegrini, Prairie Title CEO. "He is a valued member of our team and the IEP designation helps assure customers that Demetrius is at the top of his profession."