



Giving Thanks

MY PERSPECTIVE

By Frank Pellegrini, Prairie Title CEO

It's that time of the year when leaves fall, we fall back to Central Standard Time, and we fall back on comforting holiday greetings: Happy Halloween! Happy Thanksgiving! Happy Holidays! Happy New Year! I really enjoy the festivities and camaraderie of the holiday season. We have a number of employees who dress up on Halloween (including Mary, my wife), we decorate the office for holidays and we have a holiday party to celebrate together all we have accomplished.

This year I'll be giving thanks while celebrating all the fall and winter holidays with this thought in mind: I am grateful to work in a great business with great people both inside and outside of Prairie Title, and I look forward to 2019 with the sense that activity in our industry will begin to tick upward.

At Prairie Title, we are working to further integrate technology into our workflow and continuously improving our customer service in anticipation of that day when real estate is booming again. I really do feel that day is coming in the not-too-distant future.

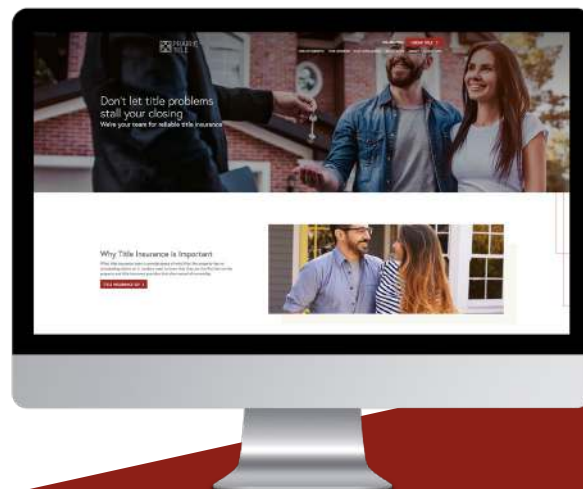
In other news, on September 26, an Illinois court was scheduled to hear oral arguments about the Temporary Restraining Order it had issued in late July enjoining the Illinois Department of Financial Regulation from implementing its new DS-1 disclosure form. Instead, the hearing was cancelled and the court will evaluate the motions from both sides before issuing a ruling. Stay tuned.

Later in this issue we've included some notes about reaching millennial home buyers, a frequent topic of discussion in our business. Reviewing that material made me think of an appearance I made on a local radio station during which the hosts asked for my views about what's keeping millennials from purchasing their first homes. Overwhelming student debt is one reason, as is a lack of affordable starter homes.

The hosts also asked me what I would say to millennials who are hesitant to buy a home. My one word piece of advice to them (assuming they can afford to) is: BUY!

In my view there is no better way to begin to accumulate wealth than to buy a home. Any time I have chance to pass that advice on to millennials, I do, and I would urge you to do the same.

An important note: As we publish we are just about a month from the next Election Day in Illinois. There are many important elected offices that will be decided on Nov. 6, including governor and the other statewide offices, most of the state legislature, U.S. representatives and county officials and judges. I mention this not to exhort you to vote for any particular candidates. I simply urge you to vote. Without an active electorate, the process simply does not work.



Have you Visited our New Web Site?

PrairieTitle.com has been revised and revamped, and we're really excited about the new look and feel. There's great information for you and for home buyers and sellers. Take a closer look at our new site on page 3.

Finally, former ALTA CEO Michelle Korsmo recently left that post after 10 highly successful years leading the title industry's trade group. Under Michelle's leadership, ALTA has doubled its membership and revenue and instituted a best-practices standard, among many other accomplishments. Michelle will be missed.

IN THIS ISSUE

1. **My Perspective**
Giving Thanks
2. **Reflections on Leadership**
Where do leaders come from?
3. **Residential and Commercial News**
Reaching millennial home buyers; condo deconversions.
4. **Five Fast Questions**
We ask Nicole Caputo and Maureen O'Donnell

Reflections on Leadership

By Frank Pellegrini

Leadership is not a matter of one's I.Q., academic degrees or a prestigious alma mater. It has nothing to do with an imposing physique or deep, well-resonated voice. Heredity, good luck or being in the right place at the right time don't factor in at all.

Leadership does not demand unquestioned loyalty. True leaders are followed by others enthusiastically; without threats, fears or insistence. Those led seek to follow true leaders because they want to, not because they are compelled to.

Leadership is not to be confused with triumph or success. Leaders have to face defeat; but, true leaders are never paralyzed by the prospect of failure. Most importantly, leadership grows from trust. A true leader earns and nurtures the trust of those led.

True leadership is hard to describe, but never mistaken. It is forged from deep conviction in one's values, unwavering ethos, sincere empathy for those led, honesty, and clear communication. Leadership, in its purest sense, cannot be given or bestowed; nor can it ever be taken or assumed. Leadership is honed and perfected through faithful adherence to certain essential, irrefutable and deep-seated principals.

Great leaders are entrepreneurial. They are excellent communicators. They are creative, empathetic, inquisitive, confident, inspirational, authentic and worthy of trust.

I was asked to guide a discussion on leadership at this year's American Land Title Association convention, and I began my preparation by asking myself whether leaders are



selected or do they emerge? I believe they emerge.

Here's how I began my presentation:

Let me begin by engaging your imagination. I ask you to transport yourselves briefly into a story that involves a ship, a fierce tempest at sea, the marooning of a handful of vulnerable souls, and a fight for survival. But, here's where you will need your imagination. You are one of those desperate souls stranded at sea in a tiny vessel floating on the breathtakingly vast ocean.

You occupy the lifeboat with twelve other passengers, a couple of paddles for rowing, a few bottles of water, a flashlight, and a woefully limited supply of sea rations. When you look around there is nothing but sea and sky. No birds, no wind, no perceptible current. How many of you, at this point, are pretty sure that you need a leader?

The next question is, who should that leader be?

Well, there are 13 of you one of you needs to assume that role ASAP. But who?

There is some good luck in the makeup of your crew. On board are the following persons: a graduate of the U. S. Naval Academy, a meteorologist, a marine biologist, an astronomer, and a career scientist with the National Oceanic and Atmospheric Administration. So, of the thirteen, nearly half have especially useful skills and experience that can be brought into play.

Prairie Title's Michael Guerin and Tori Kosacz attended the Young Professionals picnic sponsored by the Main Street Organization of Realtors.



Which of the 13 will emerge as the leader? And who do you think it will be?

The presentation is too long to include in its entirety in ASSURANCE. The next issue of In the News will include a link to the entire presentation which will also be posted to the Prairie Title web site.

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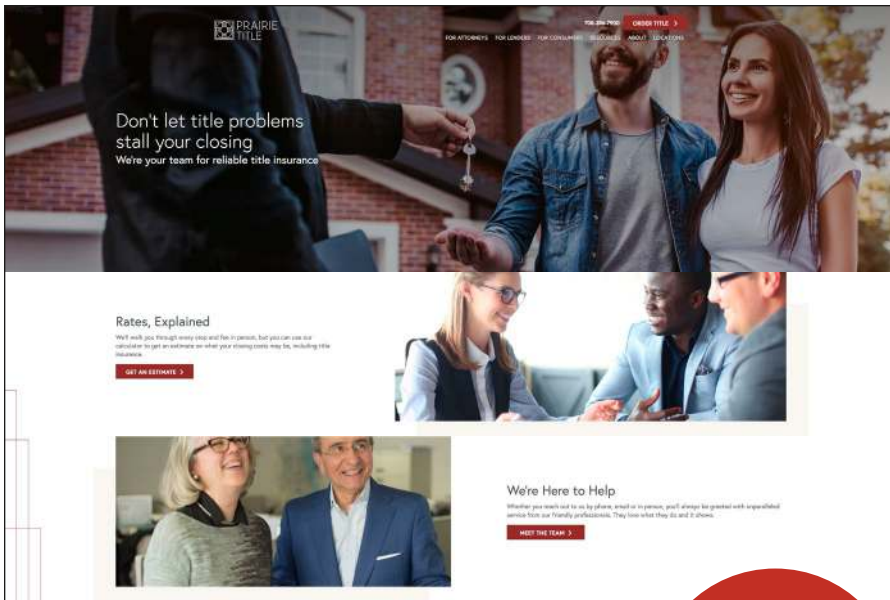
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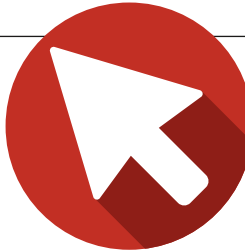
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Our revised web site has great information for attorneys, lenders and consumers, including our new rate calculator. Visit prairietitle.com today.



Commercial Corner

NAR Commercial Outlook: Expanding at a Strong Pace

NAR's latest Commercial Real Estate Outlook offers overall projections for four major commercial sectors and analyzes quarterly data. Highlights included:

- With economic output and employment trends continuing on an expansionary path, commercial fundamentals are expected to exhibit solid demand and increasing cash flows.
- Vacancy rates will likely provide mixed results, with multifamily undergoing growing availability from an expanding supply pipeline.
- Office and retail properties will likely see vacancies move sideways, while industrial spaces will find rent growth advancing at a steady pace.

Condo Deconversion Wave Hits Chicago

Condos are becoming rental properties at a brisk pace in Chicago, with more than 20 deconversions in the city over the two years from July 2016 to July of this year, *Bisnow Chicago* reports.

The deconversions have been in buildings ranging from quite small — fewer than 10 units — to more than 300 units, according to the midyear Condo Deconversion Report by Avison Young's Chicago office, citing Real Capital Analytics data.

Demand by investors for rental apartments is driving the trend, *Bisnow* notes. Also, as many older buildings are facing significant capital investments for repairs and upgrades, a deconversion might obviate the need for a special assessment.

Prairie Title has been involved in several condo deconversion projects in the Chicago area recently. For more information about how we can help you with a deconversion, contact Steve Gillum at 630-450-0093, or sgillum@prairietitle.com.

Reaching Millennial Homebuyers

Millennials are buying in larger and larger numbers, and a key question lenders are grappling with is "What is the best way to reach them?" At an *MReport* webinar titled *Hottest Buyers on the Block: Reaching Millennials*, presented by Ellie Mae, a panel of experts answered this question.

Millennials want certainty and efficiency when applying for a loan, which is why, according to the Ellie Mae survey, many millennials feel that more face-to-face interaction and faster processes would improve their mortgage application experience.

According to the *MReport*, these other approaches were noted:

- Mark Palim, VP, Deputy Chief Economist, Fannie Mae, noted that millennials seek out the advice of lenders, real estate agents, and friends and family more than information from online sources and other media sources, reinforcing the desire for face-to-face assistance rather than technology, adding to the sense of security they strive for.
- Marion McDougall, EVP and Chief Loan Administration Officer, Caliber Home



Loans, gave some suggestions to lenders on how to adapt to what millennials want out of a mortgage experience. For example, millennials expect multiple options when it comes to communication: text, chat on the phone, in-person, etc.

- Finally, according to Jorge Davila, VP, Direct Lending, Flagstar Bank, millennials wanted to select a lender first, to guide them through the buying process, before selecting a real estate agent. This he said was best achieved through an integrated, omnichannel mortgage lending experience, where every channel of communication is available in order to make the lending experience as smooth and customized as possible.

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 Maureen O'Donnell and Nicole Caputo.

Maureen O'Donnell, Title Examiner

Where were you born?

Oak Lawn, Illinois

What do you love most about the real estate business?

I would like to think that we play a small part in making people's dreams of homeownership come true. It's always nice to see the buyers come in for a closing all excited. It takes me back to the day me and my husband purchased our first home.

What's your favorite vacation spot?

Anywhere I travel with my family is my favorite vacation spot. I have been very lucky and have vacationed at some amazing places with them. I have great memories from our trips to Ireland, Disney World, Honduras and other spots.

Why do you like working at Prairie Title?

Everyone at Prairie Title is like my extended family. We do a lot of fun things together throughout the year. We have our holiday cookie exchange coming up, we have Easter brunch together on Good Friday, a Super Bowl party with tailgating food, we even had a couple of themed game nights this year. We work hard and play hard together.

What historical figure is most important to you?

Walt Disney. He was such a visionary, and a risk taker, very confident and determined to make his dreams become a reality, not to mention he was



a real estate mogul. Did you know that he bought his first 43 acres of real estate in Orlando under the pseudo name M.T. Lotts? The man was a genius! "All our dreams can come true, if we have the courage to pursue them." Walt Disney

Nicole Caputo, Closing Team Leader

Where were you born?

I was born in Chicago and grew up just a few blocks away from our North Avenue office.

What do you love most about the real estate business?

As a closer, the best part of the real estate business for me is seeing a buyer's excitement when she is handed the keys to her new home.

What's your favorite vacation spot?

I am a huge Disney fan. My husband, son and I are actually trying to plan a trip to Disney World with my parents, sisters and nieces and nephews.

Why do you like working at Prairie Title?

Everyone at Prairie Title works together as part of a team and they have made me feel welcome since I started here 3 years ago. I also like the variety in the work – no two closings are exactly alike so every day brings something different.

What historical figure is most important to you?

One of my favorite books growing up was *Little Women*. I've always admired the book's author, Louisa May Alcott.



Illinois Government News

Bifurcation bill vetoed by Governor

In an unexpected development, Illinois Governor Bruce Rauner vetoed S.B. 65, the so-called "bifurcation bill" after it passed through the house and senate during the spring legislative session. The bill would have limited the selection of title insurance and settlement services and the splitting of title policies in any residential transaction. Many in our industry consider that bill to be an improvement upon the current situation.

Perhaps the state legislature will attempt to override the governor's veto in the fall session, or revisit the whole issue next year.



Illinois Title Act changes in the offing?

A bill introduced by Illinois Rep. Jeanne Ives in late July would amend the Illinois Title Insurance Act to allow the Secretary of Financial and Professional Regulation to refuse, suspend or revoke the authority of attorneys to act as title agents in the same transaction wherein they represent a party to the transaction. It is quite unusual for a new bill to be introduced during a veto session of the legislature. We all need to keep a close eye on how this develops. You may consider contacting your representatives

in the General Assembly to voice your position.

At the same time, the Illinois Land Title Association has begun an effort to formulate recommendations for updates to the Illinois Title Act.



ILTA Committee Meets at Prairie Title

Members of ILTA's Title Act committee met at Prairie Title in September. From left, Noreen Burgeson of Acquest Title, Trish Kiddell, Title Underwriters, Mike Lane, Executive Director, ILTA, and Gary Spurling of Spurling Title. Several other committee members attended as well, including Prairie Title's Frank Pellegrini.