

stewart®



Background of Stewart Title and U.S. National Title Services

- Stewart Title with U.S. National Title Services with its strategic partnership focuses on large-scale commercial and multi-state transactions.
- Stewart Title has been in business since 1893 and has 6,000 employees in a national and international network. Stewart Title has the same financial rating as Chicago Title & Trust. www.stewart.com
- Clients title commitments and policies are issued under Stewart Title and all underwriting, escrow transactions, and closings are direct with Stewart Title. Both the underwriting and escrow services are handled by one designated closing specialist.
- Out-of-state transactions and closings can take place in the Chicago office or as designated by client. All escrow transactions are directly controlled by Stewart Title and fully integrated with Wells Fargo Bank.
- Clients of U.S. National Title Services receive not only the personal attention and flexibility, but in addition, have direct access to decision makers on a local basis and providing the benefits and resources of one of the nation's largest title underwriters.
- Stewart Title has a major strategic partnership commitment with U.S. National Title Services to develop and increase market share from the Chicagoland real estate development and legal community. Stewart's new dynamic leadership has assembled experienced title professionals to execute their strategic partnership and commitment with U.S. National Title Services.
- Our office has provided title services for Heitman, The John Buck Company, Fifield, Mesirow Institutional Real Estate, Waterton, Callahan Partners and Walmart and work closely with the major real estate law firms that represent these clients and their other clients.

- U.S. National Title Services and Stewart are committed to develop and build a strategic relationship that is unique within the title services industry. A strategic relationship that recognizes the trust and confidence of past performance of its clients on an individualized basis.
- Stewart and U.S. National Title Services' complex underwriting decisions are decided on a local office level avoiding delays as to home office approval. This enables our core commitment to provide an immediate response or to find a solution, for all types of transactions.
- In many instances, title insurance services are considered a commodity, especially in Illinois, where the rates are extremely competitive. However, there are times when unique or unexpected issues come about and time sensitive solutions are required and the value of a relationship and personal interaction with decision-makers provide a difference in the results in the representation to clients.
- The Chicago office is a national accounts office having full and immediate authority including manuscript indemnities, policy contracts, and mechanics liens underwriting.
- Clients have one dedicated integrated team in dealing with all technical matters and avoiding the multiple underwriting approvals and multiple parties to deal with.

- We work proactively to ensure full coordination of timelines and integration of accounting with all parties for a smooth, seamless closing transaction. Our specialists organize the document work flow and accounting for the closings that are unique to each finance organization. In coordination the closing, we understand the sensitive timelines of these lending institutions and how to work within their unilateral requirements.
- Some states have regulated or filed rates and we attempt to work within the state regulations but look to deliver the most competitive premiums.
- U.S. National Title Services with Stewart provides specialized electronic resources that reduce the review and analysis for attorney efficiency and record document communication. It offers technology for every aspect of underwriting and tracking process resulting in effective time management as to record documentation and retention.
- Our historical and market knowledge as to the understanding of the reputations and personalities beyond the documents allow us to push forward and step in and expedite various issues that enhance the process when the circumstances present itself.
- Business philosophy avoids miscellaneous charges such as update fees, later date fees and services and are recognized as national and multiple transaction status to reduce escrow and closing fees.

Unique Underwriting Solutions

- We were able to resolve an underwriting issue for our client who was not able to obtain title from an alley vacation for the City's ordinance had not been passed. The client had to open a construction loan and would lose its commitment unless the title policy covered the total property including the proposed alley vacation. We were able to provide a solution that allowed the client to open the construction loan within the time sensitive construction loan requirements for a full title commitment.
- Our client was rejected in connection with a UCC policy in the middle of a closing where we were not the underwriter, we were able to substitute Stewart Title's UCC policy within 24 hours which allowed the closing to schedule on time.
- Stewart was working on a large construction project that had a hard deadline for closing. One of the items our client needed was a partial release of the existing mortgage. The existing lender required a date down to their policy in order to provide the release, but due to a recent subdivision and other recordings, the underwriter was taking too long to deliver and was causing a delay. Overnight we were able to issue a "piggyback" endorsement to their existing loan policy so closing could move ahead as scheduled.
- We work with multiple counsels to structure a strategy. The transaction was structured as a ground lease to the developer who in turn will own and build the project, then convey/sublease air-rights parcels. In so doing, the initial ground lease is not subject to transfer tax, nor is a later sublease, as IL statutes subject only assignments of lease to real estate transfer tax. Furthermore, the IL Plat Act does not apply to leasehold property so the resultant "vertical subdivision" may be developed without first having to submit a subdivision plat for departmental approvals and recording.

Unique Underwriting Solutions (cont'd)

- Our client, a nationwide institutional property holder entered into a contract to purchase an apartment complex in Washington, D.C., the properties jurisdiction was subject to the Tenant Opportunity to Purchase Act (TOPA). TOPA was designed to protect affordable housing by giving renters the right to purchase if the property goes up for sale. We worked with our client to understand the process and guidance as to the compliance of the local statute with particular concern as to how to eliminate any potential renters to exploit errors in compliance in order to hold up the sale and proceed with a title commitment for purchase.
- Our office handled a Chicago purchase and construction loan transaction that involved the transfer of development rights from an adjacent property owner to our proposed insured. In so doing, we were able to insure, as a separate parcel in Schedule A, the development rights for additional dwelling units and floor area ratio, and to insure in an ALTA 3.0 Endorsement against loss or damage if the land was not classified as a Planned Development designating a maximum number of dwelling units to include those enumerated within the transferred development rights.
- We've insured multi-state, large, single family homes portfolios and provide a simplistic and unique approach to premium cost and administration of acquisition, financing, and title needs.

Construction Escrow Specialties Department

- Construction escrows are administered and controlled by Chicago national office. Each project has a service communication planned commitment as to timelines and document flow. Escrow processing includes Individualized progress reports including, before each draw the client will receive escrow progressing email informing them of any recordings new to the property as well as the Project Trial Balance report, Held Items report, outstanding waivers, and pending payments report.
- We understand the role in working with the financial joint venture partners to become an intermediary point of contact for all parties involved in the project.
- Out-of-state projects will be administered and controlled in the Chicago national office and disbursements prepared and sent to the local office; or disbursements will be drawn to subcontractors and then sent to general contractors to collect waivers. Our commitment is a maximum 24-hour turnaround time for funded disbursements or communication responses.
- Josh Hurd heads the Construction Escrow department and have more than 15 years of experience in the title industry. Josh has developed relationships and service commitments with major developers as well as general contractors and subcontractors. They both work diligently with all parties to examine the draw documents and disburse funds timely to maintain contractor relationships.
- Our escrow management team works proactively as an intermediary between your contractor and lender. A team based approach headed by Josh Hurd is assembled with the ownership, contractors, and lenders coordination.

Our Dedicated Team

- U.S. National Title Services' commercial team works and is integrated with Stewart's multi-experienced title professionals, who you and your attorneys would immediately recognize from past experiences at Chicago Title and Near North National Title such as:
- Jeff Dahlen, who heads Stewart's national office in Chicago has more than 28 years of experience in the industry. He has extensive background in all aspects of the title insurance industry including management of high profile national commercial title services offices and handles Walmart and Costco account nationwide. He navigates complex transactions, challenging title issues, and unique scenarios with his vast knowledge of title insurance underwriting and has a hands-on approach which makes him receptive as well as enterprising.
- Megan Toborg has more than 25 years of experience in the real estate industry. She has extensive background in HUD and other residential federal and state financing programs. She has worked on many complex commercial transactions across the country and specializes in multi-site, multi-state portfolio transactions ranging in size from 1 site to 400 sites. She has handled myriad forms of transactions including bond, defeasance, construction, bankruptcy, joint ventures and beneficial interest transfers. Megan designs and implements a strategy of proactively working with the client and attorneys in anticipating title issues even before the transaction is initiated. She acts as an advocate for the parties to help provide a trusted partner to navigate any hurdles that may arise.

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