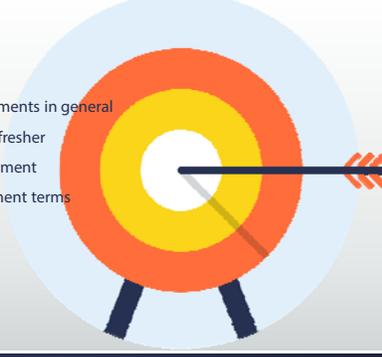


Goals

- Increased knowledge of commitments in general
- Title review and endorsement refresher
- Introduction of the 2016 commitment
- Understanding of 2016 commitment terms



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What is a Commitment?

- Offer of insurance
- Terms on which the company is willing to issue the policy if the requirements are met

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What is a Commitment Not?

- Abstract of Title
- Opinion of Title
- Representation of the status of title
- An informational product

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Title Commitment Preparation

Timing

Process

- Tract book
- Tax searches
- Judgment searches
- Court proceedings
- Vesting Deed and underlying documents





What makes up a Commitment?

Schedule A [Exhibit A-2]

- Commitment Date
- Interest(s) to be insured
- Estate described in commitment
- Vesting
- Legal Description

SCHEDULE A

1. Commitment Date: July 31, 2015
2. Policy to be issued:
 - (a) ALTA Owner's Policy 2006
Proposed Insured: Bobbie Buyer
Proposed Policy Amount: \$375,000.00
 - (b) ALTA Loan Policy 2006
Proposed Insured: Test Lender, its successors and/or assigns as their respective interests may appear
Proposed Policy Amount: \$250,000.00
 - (c) 2nd ALTA Loan Policy 2006
Proposed Insured: To Be Determined
Proposed Policy Amount: \$50,000.00
3. The estate or interest in the Land described or referred to in this Commitment is:
Fee Simple
4. Title to the estate or interest in the Land is at the Commitment Date vested in:
Sally Seller
5. The Land is described as follows:
Lot 1 in Block 3 in Logan Square subdivision in Section 1, Township 1 North, Range 1 east of the third principal meridian, in Cook County IL.

END OF SCHEDULE A



What makes up a Commitment?

Schedule B-I Requirements [Exhibit A-3]

- Documents to be recorded
- Payment of purchase price, transfer tax, mortgage tax, title invoice, funding of loan
- Authority documents

SCHEDULE B, PART I REQUIREMENTS

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Notice: Please be aware that due to the conflict between federal and state law concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or issue any transaction involving Land that is associated with these activities.
6. The "Good Funds" section of the Title Insurance Act (216 ILCS 160/26) is effective January 1, 2010. This Act places limitations upon our ability to accept certain types of deposits into escrow. Please contact your local Title Office regarding the application of this new law to your transaction.
7. Effective June 1, 2009, pursuant to Public Act 95-688, satisfactory evidence of identification must be presented for the notarization of any and all documents notarized by an Illinois notary public. Satisfactory identification documents are documents that are valid at the time of the notarial act, are issued by a state or federal government agency, bear the photographic image of the individual's face, and bear the individual's signature.
8. The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premiums must be paid at that time. An Owner's policy should reflect the purchase price or full value of the Land. A Loan Policy should reflect the loan amount or value of the property, as collateral. Proposed Policy Amount(s) will be increased and premiums charged consistent therewith when the final amounts are approved.

END OF SCHEDULE B, PART I



Additional Items to Consider

- ✓ Local requirements
- ✓ Deed Transfer Taxes, Leasehold Transfer Taxes, and/or Mortgage Taxes
- ✓ Resources
 - ChicagoNCS.ctic.com
 - NTIweb.com
 - Real Estate Laws & Customs by State Chart

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Title Review

Schedule B Matters

- ✓ Waiving (removing) specific exceptions
- ✓ Endorsements insuring over specific exceptions

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Title Review

Surveys

- ✓ Confirm the property to be insured
- ✓ Identify title issues only disclosed by survey
- ✓ Confirm ability to issue certain endorsements, such as zoning, access, contiguity, location & survey

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Title Review

Specific Requirements / Endorsements

- Extended Coverage
- Zoning [Exhibits B-1 through B-3]
 - ALTA 3-06
 - ALTA 3.1-06 (with or without parking)
 - ALTA 3.2-06 (Land Under Development)
- Access [Exhibits B-4 through B-6]
 - ALTA 17-06 (Direct Access)
 - ALTA 17.1-06 (Indirect Access)
 - CLTA 103.7 a.k.a. Land Abuts
- ALTA 19-06 (Contiguity) [Exhibit B-7]

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Title Review

Specific Requirements / Endorsements

- ALTA 18-06/18.1-06 (Single or Multiple PIN, respectively) [Exhibits B-8 and B-9]
- ALTA 25-06 (Survey) [Exhibit B-10]
- ALTA 9-06 REM (Lender) [Exhibit B-11] or 9.2-06 CCR (Owner) [Exhibit B-12]
- ALTA 9.6-06 (Lender) [Exhibit B-13] or 9.9-06 (Owner) Private Rights [Exhibit B-14]
- ALTA 6-06 (Variable Rate) [Exhibit B-15]
- ALTA 8.2-06 (EPL for Commercial Property) [Exhibit B-16]
- ALTA 22-06 (Location) [Exhibit B-17]
- Revolving Credit [Exhibit B-18]

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2016 ALTA Commitment

New commitment accomplishes two things:

- ✓ Better organization
- ✓ Better definition and clarity of the commitment itself

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New NOTICE language on the cover page (Exhibit A-1) **2016 ALTA Commitment**

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.



Commitment to Issue Policy (Exhibit A-1) **2016 ALTA Commitment**

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, Chicago Title Insurance Company, a Florida corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within one hundred eighty (180) days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

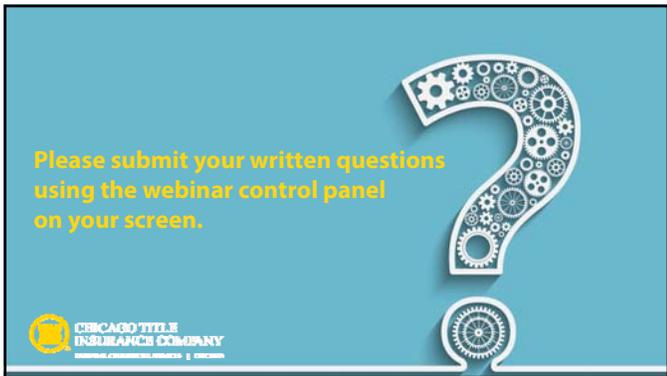


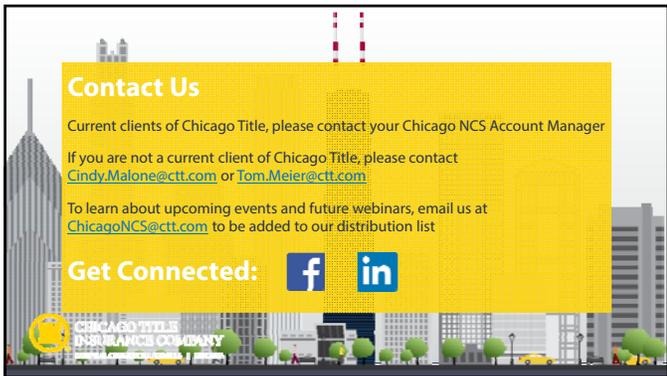
Schedule A [Exhibit A-2] **2016 ALTA Commitment**

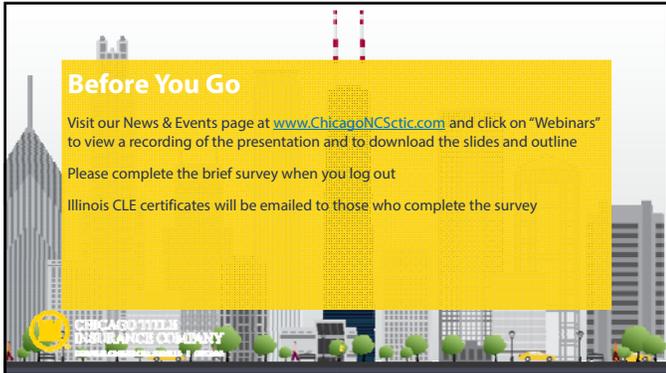
- ✓ "Commitment Date" (as opposed to "Effective Date")
- ✓ Policy to be issued
 - Proposed Insured (owner and/or lender)
 - Proposed policy amounts
- ✓ Estate described in commitment
 - No change - will continue to describe fee simple, leasehold, easement, etc. designations
- ✓ Vesting
 - Only change is "Commitment Date"
 - Some states will include a derivation/source of title clause
- ✓ Legal Description
 - Slight change in wording
 - Sometimes attached as an exhibit









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Visit our News & Events page at www.ChicagoNCSCtic.com and click on "Webinars" to view a recording of the presentation and to download the slides and outline

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