



**"WORKING TOGETHER"**  
Property Records Education Partners  
(PREP)



## Volume 73, August 2013



SIMPLIFYING RECORDS MANAGEMENT NEEDS  
FOR GOVERNMENTS AROUND THE WORLD

### Newsletter Sponsors



## In Paper War, Flood of Liens is the Weapon

(excerpted from [The New York Times 8/23/13](#))

One of the first inklings Sheriff Richard Stanek had that something was wrong came with a call from the mortgage company handling his refinancing. "It must be a mistake," he said, when the loan officer told him that someone had placed liens totaling more than \$25 million on his house and on other properties he owned.

But as Sheriff Stanek soon learned, the liens, legal claims on property to secure the payment of a debt, were just the earliest salvos in a war of paper, waged by a couple who had lost their home to foreclosure in 2009 - a tactic that, with the spread of an anti-government ideology known as the "sovereign citizen" movement, is being employed more frequently as a way to retaliate against perceived injustices.

Cases involving sovereign citizens are surfacing increasingly here in Minnesota and in other states, posing a challenge to law enforcement officers and court officials, who often become aware of the movement - a loose network of groups and individuals who do not recognize the authority of federal, state or municipal government - only when they become targets. Although the filing of liens for outrageous sums or other seemingly frivolous claims might appear laughable, dealing with them can be nightmarish, so much so that the F.B.I. has labeled the strategy "paper terrorism." A lien can be filed by anyone under the Uniform Commercial Code. ([Read complete article.](#))



If you'd like to advertise in this newsletter please contact: [stevie@pria.us](mailto:stevie@pria.us)

### In This Issue

- In Paper War, Flood of Liens is the Weapon
- News from PREP Chapters - SE Minnesota
- USFN Reflects on 25 Years of Change in Mortgage Banking
- Global Regulators Want Stricter Oversight of Mortgage Insurance Companies
- Pioneer Technology Announces Records System in Flagler County, FL
- Farmington, CT Accepting eRecordings
- ALTA News



## News from PREP Chapters

PREP Chapter meeting summaries are posted every two weeks. In this Newsletter edition you'll read about the [SE Minnesota PREP Chapter](#). And please go to

[PRIA's PREP webpage](#) anytime to see minutes and agendas from all PREP Chapters.

**SE Minnesota PREP Chapter:**

Co-chairs: Government, Kelly Callahan, [Kelly.callahan@co.freeborn.mn.us](mailto:Kelly.callahan@co.freeborn.mn.us) and Business, Jim Ohly, [jim@ohlylaw.com](mailto:jim@ohlylaw.com)

The SE Minnesota PREP Chapter met on August 7, 2013. The agenda included several topics, including: 1) Surveying and GIS: Lisa Hanni, Goodhue County Recorder, did a presentation on understanding the accuracies of surveying and use of GIS systems; 2) the Beacon System: Ryan Rasmusson, Freeborn County Assessor, gave an overview of real estate information that is available online at Freeborn County through their Beacon System. Additional search information is available with a subscription and annual cost is \$200.00; 3) Utilizing GIS Systems: Tim Fulton, Freeborn County GIS coordinator, presented the group with information that is available on their county GIS system. He highlighted the search options through Beacon that utilize GIS; 4) Legislative updates: Ramsey and Hennepin County deed tax statutes were reinstated by the 2013 Legislature. Effective July 1, 2013, State Deed Tax is .34% and Mortgage Registry Tax is .24%; 6) UCC Forms: the new UCC forms became effective July 1; 7) County Recorder Updates from Winona, Olmsted, Freeborn, Mower, Faribault, Goodhue and Steele counties; 8) Counties that accept eRecording documents: Olmsted, Fillmore, Wabasha, Mower, Winona, Faribault. (Check with your submitter as to document types accepted by these counties and make sure notary stamp is dark enough when imaging to eRecord and seals are darkened). The next meeting of the SE Minnesota PREP will be held on November 6, 2013. ([Read complete minutes on the SE Minnesota PREP/PRIA website.](#))

**Links to National News  
PREP Blog and PREP LinkedIn  
Update your Ads for the  
2013/2014 Year**

**Examples of PRIA's  
Products**

- ["The History of Public Records"](#)
- ["The Impact of Fraud on the Real Estate Industry"](#)
- ["How to get Ready for eRecording"](#)
- ["Access to and Sale in Bulk of Land Records"](#)
- [\(other PRIA Standards and Publications\)](#)

**PREP Chapter Meetings**

*Fall 2013*

- Metro Minnesota
- New York
- SE Minnesota
- Central Florida
- Pennsylvania
- Central Texas
- North Central Texas
- Washington State



**Contact Information**

Do you have questions or suggestions for this newsletter or any updated information on co-chairs, emails, phone numbers, etc. please contact us: [Carolyn Ableman](#) PREP Coordinator  
[Mark Monacelli](#) PREP Committee Government Co-Chair, Recorder St Louis County, Minnesota  
[Madeleine Nagy](#) PREP Committee Business Co-Chair, ALTA State Government Affairs

**USFN Reflects on 25 Years of Change in Mortgage Banking**

*excerpted from [Mortgage Orb 8/23/13](#)*

Challenging. It is a word that has become synonymous with the mortgage banking industry in recent years, and 2013 has been no exception.

With great challenges, however, comes opportunity to evolve, revolutionize and open new doors to the future. At its core, that has been the mission of [USFN](#) (USFN: America's Mortgage Banker Attorneys), which is celebrating its 25th anniversary year. Due to its longevity, the company is in the unique position of being able to take a step back and appreciate how far the industry has come. Recently, the company took the time to reflect on the hurdles faced by the industry and the successes it has achieved during the last quarter century, as well as to take a quick look into the future.

**A look back in time**

When the first meeting of the USFN board of directors was held in December 1988, the mortgage industry looked very different than it does today. While it may be a bit

[Join Our Mailing List!](#)

[Find us on Facebook](#)

[View our profile on LinkedIn](#)

of an exaggeration to call it the "Wild West," there was most definitely significant variation in the level of service and expertise that was available to industry servicing entities, from their state counsel. The mortgage industry was still in the process of "professionalizing," and a fractured and fractious landscape of part-time attorneys, state- and county-level specialists, and a large number of servicers and aspiring servicers made industry conferences chaotic and high-level coordination a seemingly impossible challenge. There was an enormous number of players, but there was not a corresponding amount of cohesion or centralized sources of information on the critical topics of the day. ([Read complete article.](#))



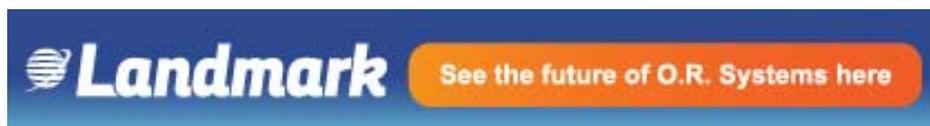
## Global Regulators Want Stricter Oversight of Mortgage Insurance Companies

*excerpted from the [Mortgage Orb 8/20/13](#)*

Mortgage debt should undergo regular stress tests, and mortgage insurers should be required to shore up their reserves in case there's another global economic downturn, a consortium of global regulators said in a report issued Monday.

The Basel Committee on Banking Supervision, including banking regulators from 27 countries, in tandem with the International Organization of Securities Commissions and the International Association of Insurance Supervisors issued a report calling for tougher underwriting standards as well as greater oversight of mortgage insurers.

The goal of the report's recommendations is to safeguard the housing finance system from collapse in the event one or more major mortgage insurance companies becomes insolvent as a result of bad mortgage loans. Should a major mortgage insurer fail, the costs of the bad loans would have to be absorbed by the lenders, more than likely during a period of economic downturn, thus creating "systemic risk" to the housing finance system. Such risk is what helped lead to the collapse of the subprime mortgage market in 2007, which in turn triggered the global economic crisis that followed. ([Read complete article.](#))



## Don't Forget to Attend the Southern California PREP Chapter Annual Conference on September 11, 2013

The Southern California PREP Chapter is holding its 3rd annual conference sponsored by First American Data Tree LLC, on **Wednesday, September 11, 2013**, in Orange County at the First American campus, located at 5 First American

Way, Santa Ana, California 92707, from 8:30 a.m. to 12:30 p.m., with check-ins starting at 8:00 a.m.

This year the dynamic panels will consist of: 1. County Recorders from Los Angeles, Orange, Riverside, San Bernardino, and San Diego counties; 2. Deputy District Attorneys from the Real Estate Fraud Divisions from Los Angeles, Orange, Riverside, and San Bernardino counties; and, 3. Wells Fargo - origination department representative.

Please RSVP to Jamie McCauley at [jmccauley@firstam.com](mailto:jmccauley@firstam.com) no later than **September 4, 2013**.

## **Pioneer Technology Group Announces Signed Agreement for Landmark Official Records System in Flagler County, FL**

*excerpted from [PR Web 8/28/13](#)*

The recording of land records is critical; practically all property rights and ownership depend on the accuracy of these records and the process by which they are recorded. County Clerks, Recorders and Registers of Deeds who perform this process are highly trained professionals dedicated to the highest standards of performance.

Unfortunately, outdated technology in County offices can result in inefficient recording processes and recording delays. These delays can have significant implications for clear property ownership, and also create opportunities for real estate fraud schemes that take advantage of "gaps" in the recording process. Now, new recording technology is allowing clerks to streamline this process, ensuring timely recording and providing better access to the real estate industry and the public. When the time came for Flagler County, FL to upgrade their recording system, the County Clerk's office selected the Landmark system from Pioneer Technology Group (PTG).

"I have known the team at Pioneer for almost 11 years," said Gail Wadsworth, Flagler County Clerk and Comptroller. "We are pleased to now use another one of their products because I know that they won't let me down." ([Read complete article.](#))

## **Town of Farmington, CT Now Accepting Electronic Submissions of Real Estate Documents**

Paula Ray, Town Clerk, announced today that the Town of Farmington has begun to electronically record ("eRecord") real estate and land use records. Electronic document recording allows recording offices to reduce costs, eliminate payment errors, receive prompt payment, and increase staff productivity. Document submitters also benefit from shorter wait times, fewer document rejections, faster rejection handling, and more secure transmission of documents.

"In the next year alone, we expect to improve turnaround times and reduce processing costs as a result of eRecording." The Town of Farmington has partnered with Corporation Service Company. The Town of Farmington's partnership with CSC will allow title companies, law firms, financial institutions, and

other real estate document submitters to electronically record documents quickly, easily, and securely. Any submitter with a computer, Internet connection and scanner/printer can now eRecord with the Town of Farmington. Documents are in full compliance with federal, state and local laws, as well as industry standards. ([See complete press release on PRIA's website.](#))

## **ALTA NEWS: Tips to Help Documentation of Recording Procedures**

Adopting appropriate policies and conducting ongoing employee training can ensure that a real estate settlement company can meet state, federal and contractual obligations governing the settlement process and provide a safe and compliant settlement.

Jerry Lewallen, president of eRecording Partners Network, said it's important for title professionals to document the recording process and designate someone who is responsible for recording documents. Implementing a tracking mechanism is helpful in providing a record of what documents were sent, when they were sent and method of delivery.

The use of electronic recording can aid in the implementation and documentation of procedures. Currently, nearly 900 jurisdictions in the United States accept eRecording. A list of jurisdictions accepting eRecording can be found on the Property Records Industry Association website: [www.pria.us](http://www.pria.us).

According to Jim Degaetano, national sales director for Ingeo Systems, there are five main steps to eRecording. The first step is when the document submitter prepares a document for submission to the county recorder's office or other appropriate agency. In order to be recorded, documents must comply with the standardized formatting requirements. The standards that apply to documents hand carried or mailed to the county recorder also apply to documents transmitted via eRecording. The document is scanned and converted into an electronic image, such as a JPEG or TIFF file. The submitter reviews the image for accuracy and then sends it to the eRecord site via the Internet.

Second, eRecording providers receive the document into their system. Each provider has a system for the submitter to load the documents. This process usually includes a secure login, selection of appropriate county of recording, entering a reference value (file number), selection of a document type (warranty deed, mortgage, etc.), uploading of recordable document, review of document and submission to the county or other agency.

The county recorder or equivalent then accepts the document and accompanying data (such as fees), reviews the document and either accepts or rejects the document. If the document is rejected, the eRecording provider will return the document to the submitter along with the reason why. Common reasons for rejection are failure to comply with the county recording specifications such as margins, failure to affix revenue stamps, incorrect county selections and incorrect fees.

After the document is recorded, it is returned to the submitter. The file-marked document is made available on the provider's website to be viewed or exported. The documents can then be saved or printed.

Last, there's the verification step. Common methods of verification are:

- Date and time of recording is noted in file

- Reports are created to show files that do not include recording information

Patrick Curry, president of Arkansas-based WACO Title Co. said eRecording provides his company an easy way to track what documents were sent to each county and when.

"eRecording also provides a single point of settlement for the payment of recording fees," he said. "If eRecording is not offered in your local county, contact the recorder's office and ask when it will be. Since most county recorders are elected, if you current recorder is not interested, look for a candidate who is interested in the use of technology. The time for getting a document eRecorded is typically hours while the paper process can take days to weeks."

Curry added that once a document is recorded, it is important to include that information in the order file.

"You would want to include the document number from the recording office, the date the document was recorded and the fees actually paid," he said. "At this point you would also want to compare the fees that were collected at the closing with the fees actually charged by the county."

## Links to National News

[New, Tighter Mortgage Rules: Who's Squeezed Most?](#) - "Five years after the housing collapse, the new Consumer Financial Protection Bureau is closing the barn door on the loose lending that caused the crisis."

[Access to Credit Continues to Tighten](#) - "The perfect storm of economic and regulatory conditions is shifting gears for underwriting standards in the mortgage lending environment."

[New Home Sales Plunge 13.4%](#) - "Sales of new homes plunged in July. The seasonally adjusted annual sales pace of 394,000 missed analysts' expectations of 487,000."

[FDIC Wages Legal Battle Against Former Bank Leaders](#) - "As the clock runs out on a three-year statute of limitations, agency has filed a flurry of lawsuits to recoup losses tied to bank failures during the financial crisis."

## Join the PREP Blog and the PREP LinkedIn Group

Almost every day, we post national news articles, and PRIA and PREP Chapter information on the [PREP Blog](#) and the [PRIA/PREP LinkedIn Group](#). You are able to stay in touch by subscribing to both sites and automatically receiving updates daily or weekly.

## Update your Ads for the 2013/2014 PRIA Year in all of PRIA's Newsletters (includes PREP)

Banner ads are now available for the two PRIA publications, *In Touch* and PREP's "Working Together" Newsletter. First right of refusal was offered to those companies purchasing banner ads in 2012-2013, but now additional opportunities are available for companies wishing to claim a banner ad spot for 2013-2014.

<b>Ad Position</b>	<b>Bundled Rate (annual)</b>
5th Banner (and Lower)	\$1,479

*In Touch* is produced and distributed 12 times each year, while PREPs "*Working Together*" is distributed 24 times a year. It's a lot of exposure with a wide audience, up to 12,000 readers, for just a few dollars.

To claim your spot [click here](#).

---

#### CONTENT DISCLAIMER

The views and opinions expressed in the media, articles, comments, or links in this publication are those of the speakers or authors and do not necessarily reflect or represent the views and opinions held by the Property Records Industry Association (PRIA) or its members. PRIA does not warrant the accuracy, timeliness or completeness of the information contained in this publication. If you have a complaint about something you have found in this publication, please contact PRIA by email at [info@pria.us](mailto:info@pria.us).

---

#### FAIR USE NOTICE

This publication may contain copyrighted material the use of which has not always been specifically authorized by the copyright owner. PRIA believes this constitutes a 'fair use' of any such copyrighted material as provided for in section 107 of the US Copyright Law. In accordance with Title 17 U.S.C. Section 107, the material in this publication is distributed without profit, to those who have expressed a prior interest in such information, for comment and nonprofit educational purposes.

[Forward email](#)



This email was sent to coordinator@pria.us by [ablewmanc@yahoo.com](mailto:ablewmanc@yahoo.com) | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

PRIA | 2501 Aerial Center Parkway | Suite 103 | Morrisville | NC | 27560