

eRecording: the Good, the Bad and the Ugly

PRIA Annual Conference

Panel of “Experts”

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eRecording Overview

- What is eRecording Anyway?
 - eRecording is a method of delivering and returning documents electronically from a submitter to the recorder
 - The actual recording is still done by the recorder in their own particular software system

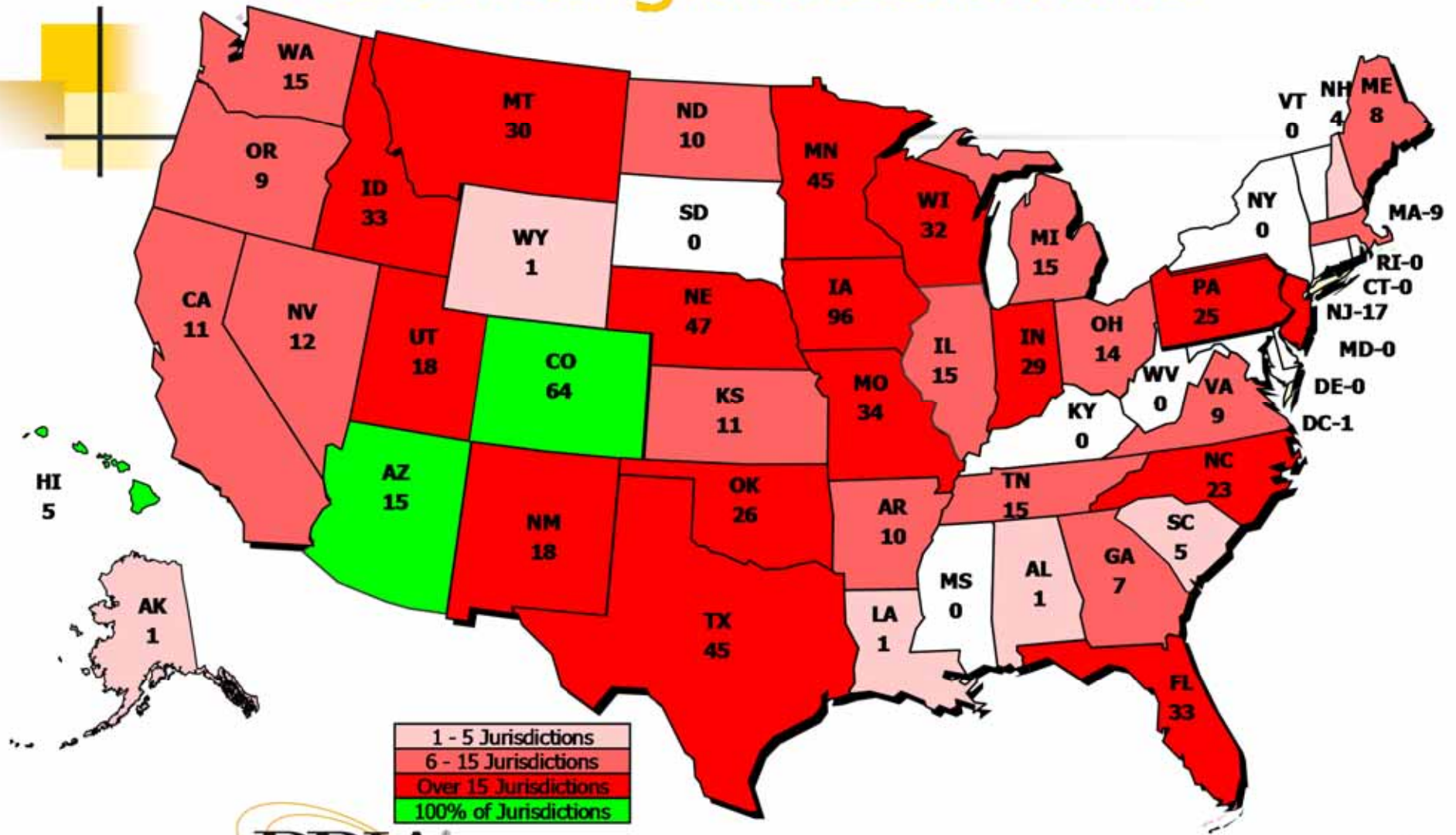
eRecording Overview

- “Electronic FedEx” is a very helpful analogy
 - Carriers don't prepare documents
 - Carriers don't review documents
 - Carriers don't deliver documents for other carriers
 - Carriers just deliver documents

eRecording Overview

- Over 800 counties
- 40 states
- Over 50% of the US population

eRecording Jurisdictions



819 Jurisdictions are accepting eRecordings

Updated August 2012



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eRecording Overview

- eRecording is coordinated with other industry standards
 - PRIA / MISMO Alliance Agreement
 - Written agreement that manages IPR issues
 - Version 2; coordinated between PRIA Technology Committee and MISMO Core Data WG
 - Version 3; PRIA is fully incorporated into the MISMO Reference Model

eRecording Overview

- This coordination reduces implementation effort and provides a path for improved data quality

eRecording Overview

- Models of eRecording
 - Model 1: paper originals/wet ink signatures
minimal data (if any)
 - Model 2: paper originals*/wet ink signatures*
indexing data
 - * = “usually” but not required
 - Model 3: fully electronic documents,
including signatures & notary
 - Can produce Model 1 & Model 2 style submissions

eRecording Overview

- How can they do that?
 - Model 1 & 2 get their images from scanning
 - Model 3 gets its images from rendering data and a template (style sheet)
 - Both have an image and data
- Models describe how a document began
 - Models have little impact on recording

Submitter Benefits of eRecording

- Speed
- Lower costs
- Document Control / Tracking
- Fee Rejections
- Rejection Resolution
- Reporting

Submitter Challenges of eRecording

- Current Geographic Coverage
- Document Type Acceptance
- Document Imaging Requirements
- County Indexing Requirements
- County Setup Requirements

Finding an eRecording Vendor

- Geographic Coverage
- Ease of System Usage
- Customer Service Availability
- Customer Communications
- Service Fees
- Payment Options
- System Integration Capabilities

Recorder Benefits of eRecording

- Speed
- Lower cost (less staff time spent)
- Rejection resolution
- Faster, more assured money
 - Go ACH Debit only!
- Back to customer faster (typically hours versus days)

Recorder Challenges of eRecording

- Getting more eRecording volume
- Talking geographically local recorders into participating
- Recording death certificates (void void)
- Going out and talking to possible submitters
- Getting firms to accept ACH debit payment

More Challenges for Recorder

- eRecording is NOT nirvana
 - Staff will have to pay attention
- Don't expect submitters to do your indexing for you
 - Your rules aren't the same as another county's
- Mistakes will happen
 - You will have to reject documents
- Convince staff they won't all lose their jobs!

eRecording Vendors for Recorders

- Be equal opportunity receiver of eRecording vendors
- Test first!
- Be able to get in touch with someone from the eRecording vendor
- Vendor pays on behalf of all their submitters

Submitter Implementation Use Case

- Global Debt Registry
 - RegTrac --Registers and Tracks chain of ownership for mortgage and non-mortgage debt
- Requirements
 - Automate process of recording documents
 - Assignments
 - Lien Releases
 - Reduce time to record
 - Electronic delivery over snail mail
 - Acceptance time for submitted documents in 'real time'
 - System and Cost efficiency
 - Mail and courier costs
 - ACH removes need for paper check handling

Challenges

- Variables in local jurisdictions impact timely recording--and the level of specificity is ever-changing
 - Proactive assistance when emerging jurisdictions convert to e-recording
- Lost or delayed docs create risks of intervening liens and could cause claims risks, customer service problems, and reputational risks
 - Favor eRecording where possible

Submitter Implementation Use Case

- Functions Needed
 - Document Preparation
 - Fee Calculations
 - Delivery
 - Recordation
 - Return Receipt
- Handle all eRecording Models
 - Model 1 - Transfer of images to and from recording office
 - Model 2 - Images and document data to and from recording office
 - Model 3 - Fully digital process: electronic signatures, eNotarization, ePayment, B2B submission, recording and return

eRecording Pros & Cons

- Pros
 - Timeliness
 - Reduced costs
 - eRecording vendor charge vs. mailing costs
 - Instant remediation
 - Electronic payments
 - Risk Management
 - Retention of originals
 - Tracking is expedited: No need to 'GPS' paper documents
- Cons
 - System integration with possibility of issues and down time
 - eRecording not available everywhere!

Thanks! Now Ask Us Anything!

- Mark Ladd
 - Simplifile, 801.223.1066, mark.ladd@simplifile.com
- Karl Trottnow
 - First American, 216.430.7665, ktrottnow@firstam.com
- Carol Foglesong
 - Orange County (FL) Comptroller's Office, 407.836.5982, carol.foglesong@occompt.com
- Rachael Sokolowski
 - GDR Acquisitions, 781.646.8877, rachael.sokolowski@globaldebtregistry.com