

Property Records Industry Association



PRIA Land Summit

February 29, 2012
Washington, DC



Opening Remarks

■ Kay Wrucke, PRIA president



Agenda

- Overview of the summit
 - We are all in this together!
- Brief introductions: Panelists
- Ground Rules and Goals
- Overview of the past, the present, and how to move forward
- Statements of panelists, limited to 5 minutes each
- BREAK (3:15-3:30)
- Discussion
 - Lead by Mark Monacelli and Rachael Sokolowski as Q&A
- Next Steps and Closing Remarks



Property Rights

- Renowned economist Hernando De Soto's principle is that no nation can have a strong market economy without an information network that records ownership of property...



Property Rights

- The financial crisis wasn't just about finance-it was about a staggering lack of knowledge.
- Without standardization, the values of assets and relationships are so variable that they cannot be used to guarantee credit, to generate mortgages...



World Bank's Mission

- To reduce poverty in the International Community
- *Transparent property rights are an essential component for individual prosperity and economic growth*



What today is not about...

BLAME



What today is about...

- Putting the issues on the table
- Understand other stakeholders
- Can the industry work together to resolve them?



Overview of the past, the present, and how to move forward

■ Rachael Sokolowski

- Managing Director of Mortgage Services,
Global Debt Registry
- Co-chair, MISMO eMortgage Workgroup
- Co-chair, PRIA eRecording eXcellence
Workgroup

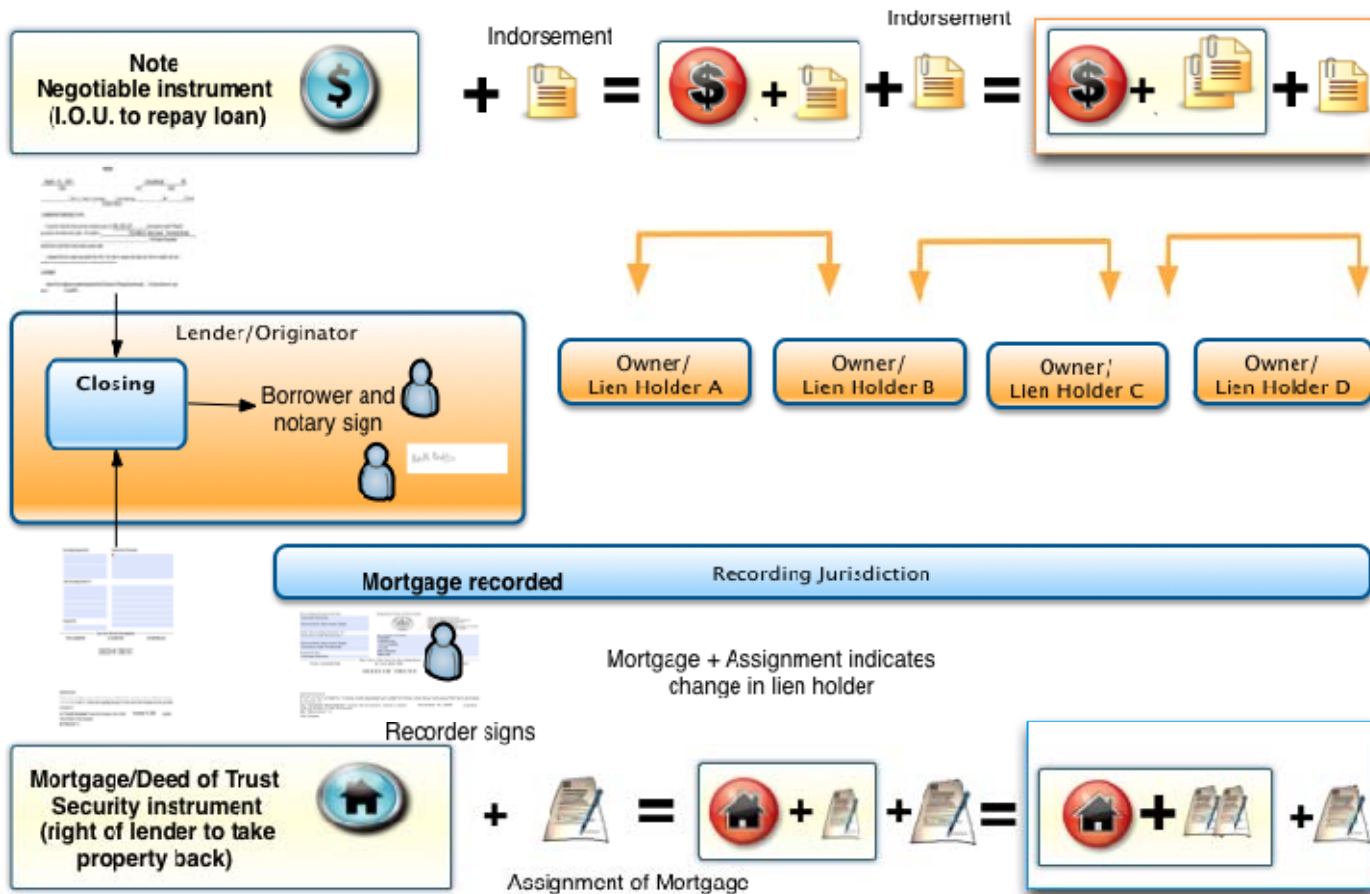


Where the industry was ...

- Think about mid 1990s and technology
 - Mosaic web browser released in 1993
 - Internet Explorer released in 1995
 - XML Recommendation 1998
- Refi-boom and new mortgage products created a tremendous amount of paperwork
- Recording jurisdictions fell behind
- Securitization had the need for speed

The Recording Process, then

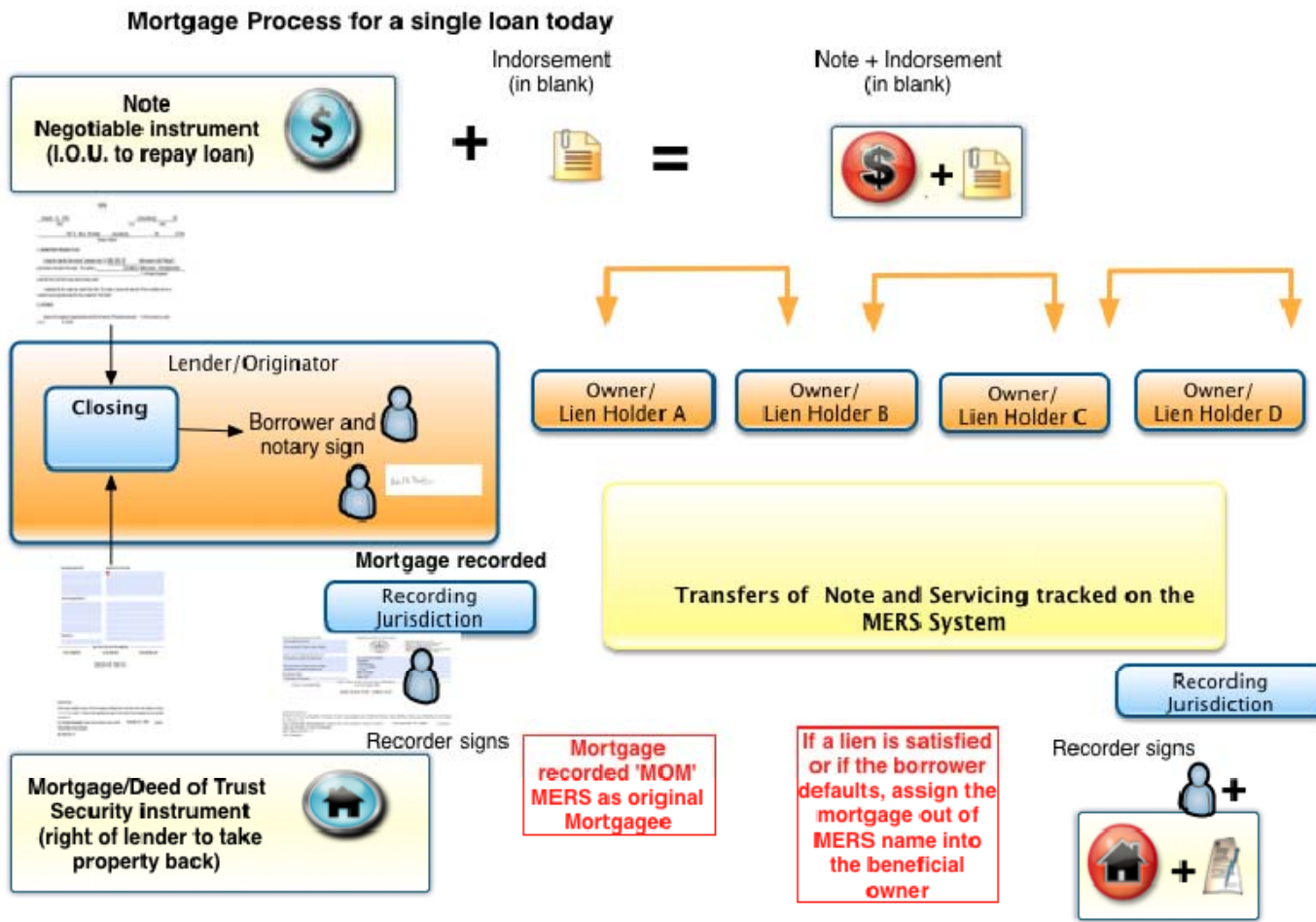
Mortgage Process in Securitization for a single loan before MERS



MERS overcame technology issues of the time

- XML did not exist
- MISMO did not exist
- PRIA did not exist
- eRecording did not exist
- eMortgages did not exist
- BUT ...
 - The need for an electronic system DID exist

The Process, now

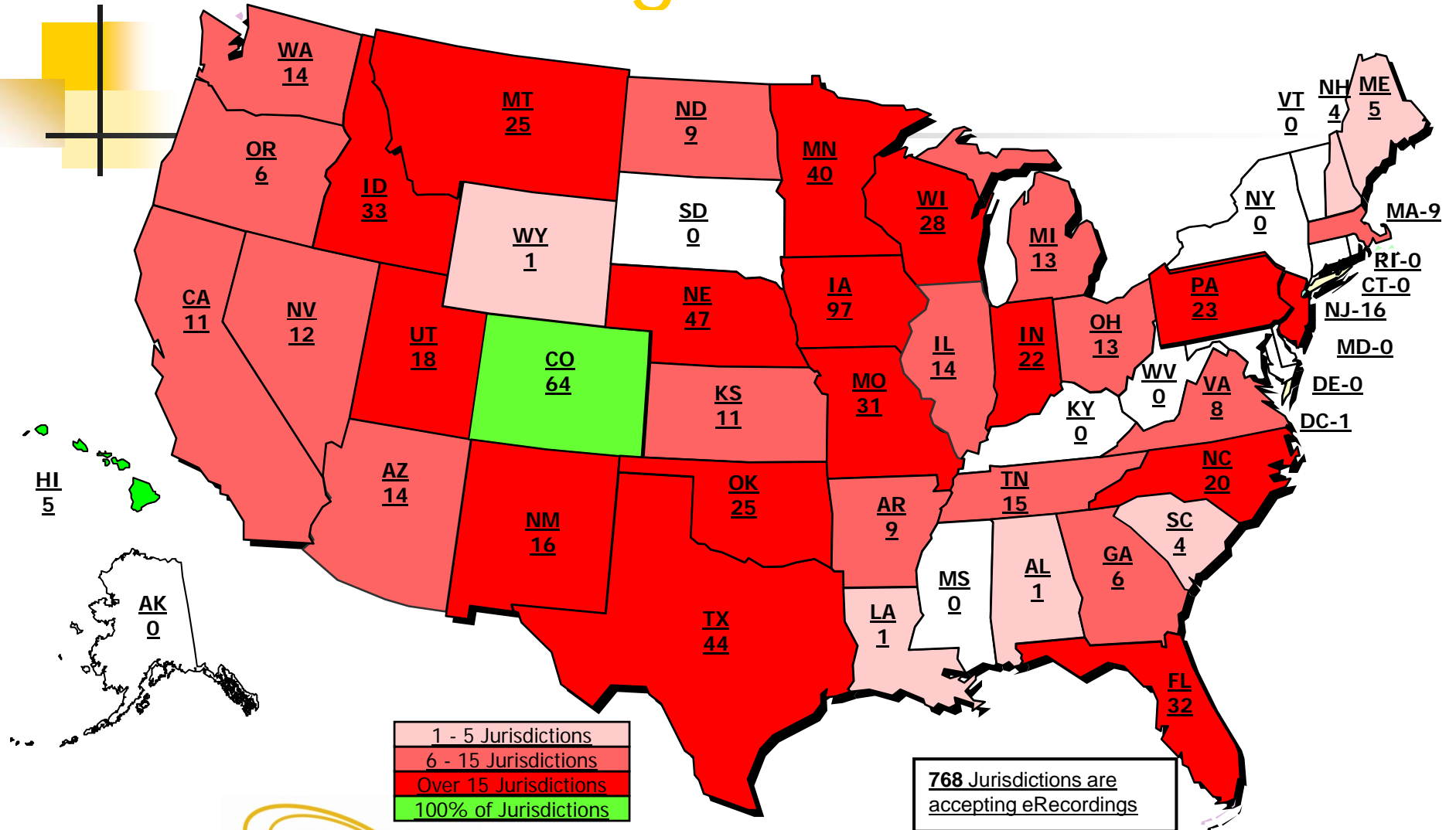




New times, new technologies

- Data information standards exist: MISMO and PRIA
- eMortgages are a reality
- eRecording exists

eRecording Jurisdictions



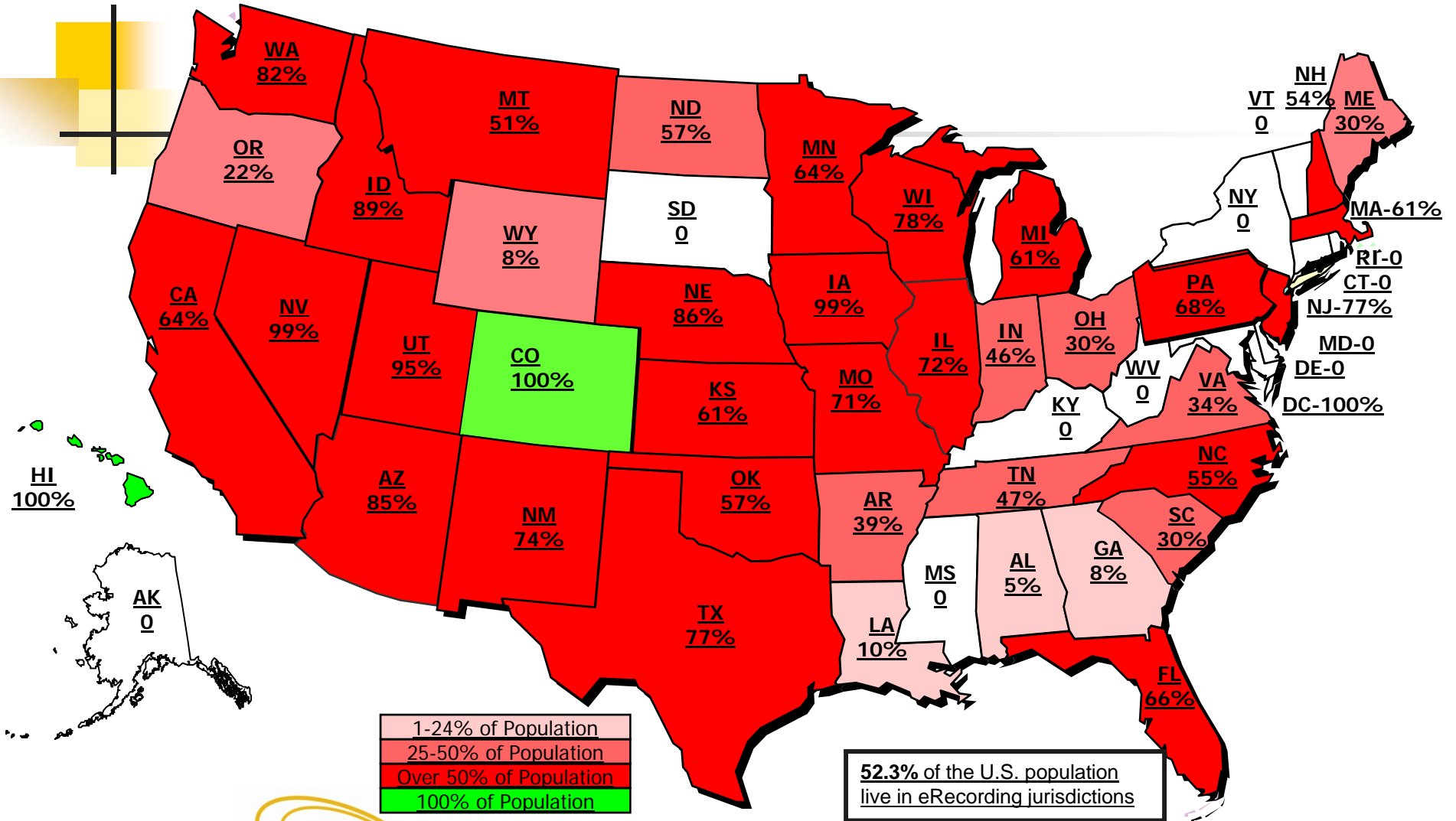
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Provided by Kurt Trottnow

eRecording Population Coverage



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Just a few issues...

- Foreclosures
- Patchwork quilt of 3,600 Recording Jurisdictions
 - Document Recording Barriers
 - Flat Fee/Record a Document
- Electronic and Paper Notarization
- Dodd/Frank Bill
- New HUD-1, Appraisal & Closing Requirements
- Mortgage/Land Fraud
- Access to Public Records
- eMortgages/eRecording
- Consumer confidence and transparency

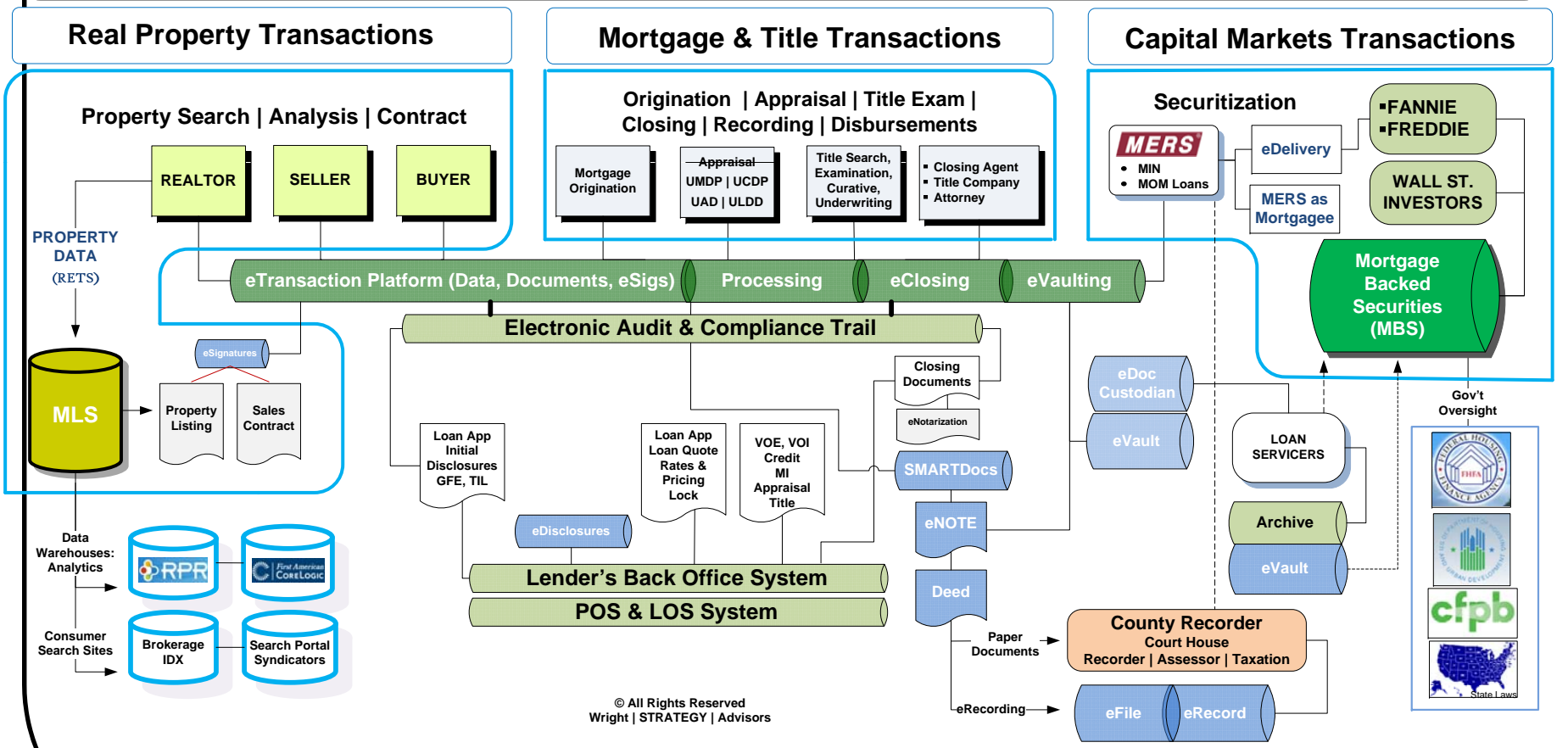
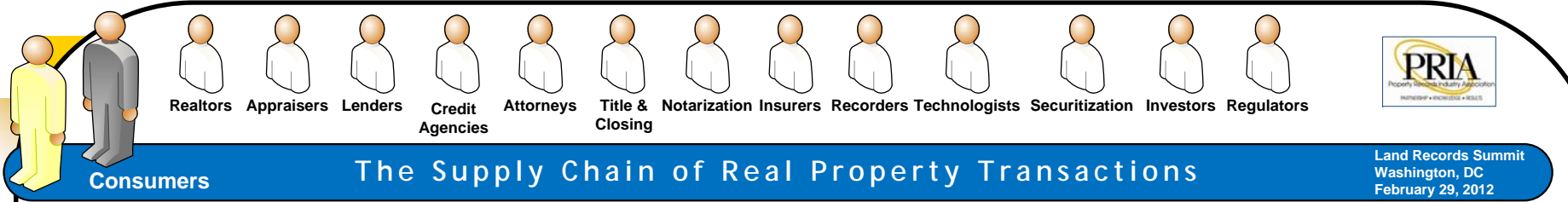


Just a few proposals

- National Mortgage Lien Registry
- National Federal Tax Registry
- National Land Records Registry
- FHFA Strategy for the future of Fannie/Freddie
- Future of MERS Proposals (Senator Corker's MERS 2)
- Various State AG complaints (MA, NY, DE)

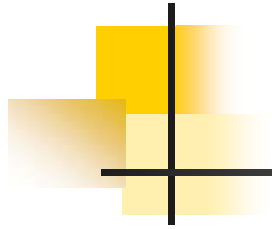
- **The industry is going to change!**
 - How do we get out of our silos & move forward together?

We're All in This Together



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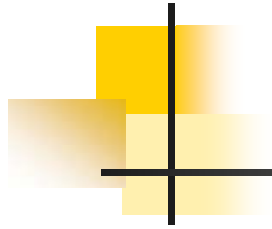
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PANELIST STATEMENTS



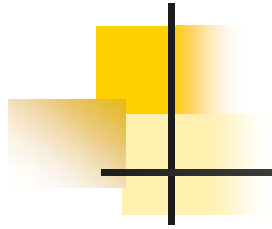
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BREAK!



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CLOSING REMARKS



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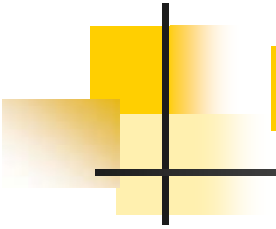
FHFA Fannie/Freddie Overhaul

- A sound, efficient system for document custody and electronic registration of mortgages, titles, and liens that respects local property laws...
- Developing standard terms, definitions, and industry standard data reporting protocol decreases costs...

Chairman Bernanke white-paper

- In regards to an on-line registry of liens-the current system for lien registration in many jurisdictions is antiquated, largely manual, and not reliably available in cross-jurisdictional form...,
- jurisdictions do not record liens in a consistent manor...

What will the Industry look like in 10 years?





Closing Remarks

Out of the ruins of the foreclosure crisis, that continues to grip this nation, comes opportunity...