

Property Records Industry Association



# eRecording 101

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IT JUST WORKS!

Webinar 12/2/2009

Carol Foglesong & Mark Ladd



# Welcome!

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- We'd love to have you join us – regularly!
  - Become a member
  - Attend our conferences



# Housekeeping

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- A word from our lawyers...
  - This call is governed by the PRIA IPR & Anti-Trust policies. These policies are posted on the PRIA website ([www.pria.us](http://www.pria.us)). By participating in this call you agree to be bound by those policies.



# Dispel Myths; Get Facts

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- Rumors abound
- Talk to the people in your state who are in fact already eRecording (submitters, title agents, attorneys, recorders)
- Do you understand exactly how email works?
- Tackling the biggest myths



# Myth vs Fact

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- MYTH: You have to be a serious tech-head to get started; it's a very complicated process
- FACT: PRIA, the county land records software vendors, and the submitter assisters have taken care of the tech-heavy portion; eRecording is NOT complicated for you



# Myth vs Fact

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- MYTH: eRecording is something new; therefore it's scary and bleeding edge
- FACT: It's been happening around the country for over 10 years (started in Orange County CA); there are now over 450 counties in 32 states doing it



# Myth vs Fact

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- MYTH: It takes too much staff time
- FACT: Once it's set up, it takes so much less time. Any new process always takes time; think about a law change and those discussions

# The Recording Process

## Paper vs. Electronic

### ■ Traditional “Paper” Recording

- Document package prep
- Document scanning
- Data Entry (customer info, fee calculations, payment info, index data)
- Endorse checks
- Check/Cash handling
- Verify image quality
- Verify data entered
- Print document and mailing labels

### Paper (continued)

- Affix labels or imprint on docs
- Prep documents for return
- Mail/return process

### ■ Electronic Recording

- Receive document electronically
- Verify data & images match
- Record document
- Return document electronically



# Paper vs eRecording Time Chart

<b>Action Step</b>	<b>Paper Documents</b>	<b>Electronic Documents</b>
Prepare documents	5 to 10 minutes	5 to 10 minutes
Execute/sign/notarize	10 minutes	10 minutes
Calculate fees	5 minutes	5 minutes
Delivery	½ day to 5 days	30 seconds
Recorder processing	½ day to 21 days	60 seconds
Return delivery	½ day to 5 days	30 seconds
Update title files	½ day to 21 days	15 seconds
<b>TOTAL TIME</b>	<b>2 to 52 days</b>	<b>≤25 minutes</b>



# Myth vs Fact

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- MYTH: eRecording is susceptible to fraud
- FACT: And paper recording is safe? How do you know who signed that document? What happened to the document between signing and sending to the recorder – or after the recorder received it?



# A Little Techie Stuff

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- But not too much



# Models of eRecording

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- Model 1 = image only
  - Usually from paper original
- Model 2 = image plus some data
  - Usually from paper but not exclusively
- Model 3 = integrated electronic images, data & signatures
  - Can produce model 1 & 2 recordable docs



# Electronic Signatures

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- We use them regularly in “real life”
  - Check-out counters
  - FedEx / UPS deliveries
  - On-line transactions
  - Tax Returns



# Electronic Signatures

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- It's all about intent:

“Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the *intent* to sign the record.

- The law is technology neutral – we should be too



# Metadata (meta what?)

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- Term has many meanings
- The electronic envelope & cover letter
  - Do you save paper envelopes?
  - Do you store original documents?
  - Do UETA, ESIGN or URPERA require any changes?



# Security (Reality) Check

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- How is the content of documents secured today?
- How do documents get delivered to the courthouse today?
- Security is important but let's be practical about it.





# eRecording & Light Bulbs

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- How does coal buried underground become light in your home or office?
  - Smart, hard-working people and industry standards
- eRecording is the same
  - Smart, hard-working people and industry standards



# History Repeating Itself?

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“Some months ago ‘The Mortgage Banker’ published the opinions of a number of authorities on the question of using ball point pens in mortgage work...



# History Repeating Itself

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...What they had to say wasn't very favorable for the pen."

Excerpt from an article published in September 1948



# eRecording requires

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- A bit of faith; suspend your disbelief
- Change; it's always happening
- Willingness to work it



# eRecording Benefits

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- Reduces recording time / Improves throughput
- Reduces errors due to re-keying of data
- Reduces costs to all parties
- Improves productivity
- Reduces document fraud (encrypted eRecords)
- Standardizes processes and formats
- “SMART” documents feed processes and systems
- Uses open and non-proprietary systems and formats
- Improves customer service and satisfaction



# Things I Wish I'd Known

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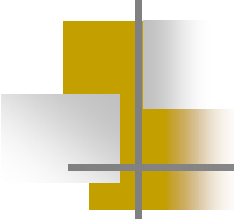
- Started in 2004
- Much smarter now
- What we worried over wasn't worth worrying over
- Set up simple rules and stick to them



# #1 How to pay or get paid?

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- ACH Debit
- Use it for paper recording and for eRecording
- Don't mess with escrow accounts
- Clearer audit trail for submitters and recorders



## #2: Set up a test first with each new submitter

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- Every new submitter needs a practice run so they can truly “see” what it will look and feel like at their office

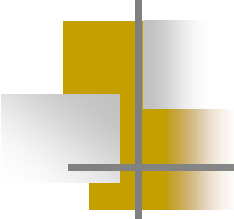




## #3 You may have to “sell” it

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- Depending on your state, you may need to “sell” the concept of eRecording to:
  - Your own finance people
  - Your attorney
  - Your customers (whether that’s the folks at the closing table or the firms sending in the documents to be eRecorded)
  - Your staff



## #4 Send it and take it anyway you can make it happen

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- Accept all models of eRecording along the continuum
- Don't hold out for nirvana model 3



## #5 Don't sweat the indexing

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- No 2 counties do it the same way
- How should submitters know what is needed where?
- Go for
  - A) Doc Type
  - B) Good Image
  - C) One no-contest-clearly-connected name



# eRecording is Green

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- eRecording = the green solution
- Your customers don't want or need all that paper; it gets lost or misfiled
- Efficiencies for all due to speed of electronic transmission



# Policy vs. Technology

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- Whatever the issue, there are usually multiple, proven technology alternatives
- The biggest stumbling blocks are always policy and traditions



# Striking a Balance

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- Don't just "pave over the cow path"
  - We can improve the process
- Don't over-engineer it either
  - We don't regulate the manufacture of paper and pens
  - We don't restrict access to the courthouse entrance



# You Can Do This!

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- Others have cleared the path
- Find vendors who play well with others
  - Most of them do – it's in their interest
- Don't over-think it



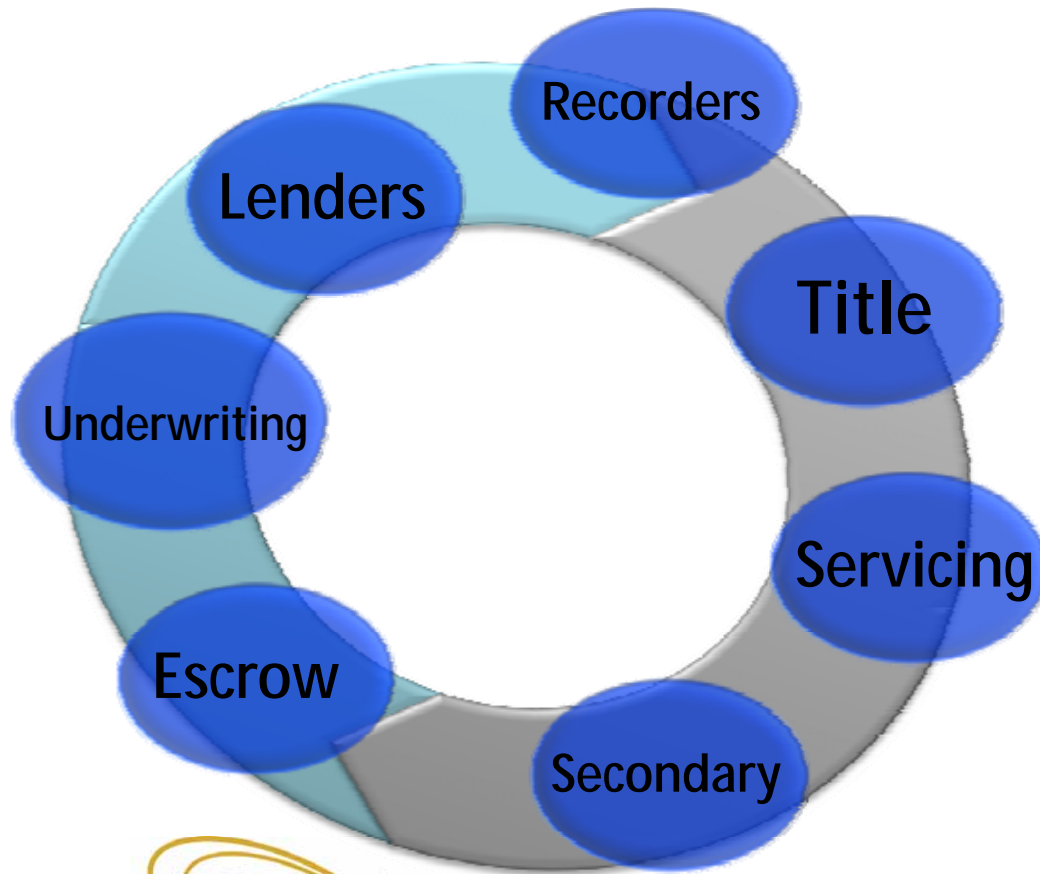
# Join the Team

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- Become a PRIA member
  - <http://www.pria.us/joinpriaus.htm>
- Attend the PRIA Winter Symposium
  - March 3-5, 2010
  - Washington Marriott
  - [http://www.pria.us/conferences/dc2010/washington2010\\_temp.html](http://www.pria.us/conferences/dc2010/washington2010_temp.html)



# We're All In This Together





# Webinar Leaders

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