

Property Records Industry Association



eRecording 101

IT JUST WORKS!

NACRC Legislative Conference

March 6, 2010

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Welcome!

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



Housekeeping

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



Dispel Myths; Get Facts

- Rumors abound
- Talk to the people in your area 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

- *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

- *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 470 counties in 34 states doing it**



Myth vs Fact

- *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 changing a law and the discussions that process involves

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

Action Step	Paper Documents	Electronic Documents
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
TOTAL TIME	2 to 52 days	≤25 minutes



Myth vs Fact

- *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

- But not too much



Models of eRecording

- 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

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



Electronic Signatures

- 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?)

- 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

- 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

- 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?

“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

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

Excerpt from an article published in September 1948



eRecording requires

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



eRecording Benefits

- 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



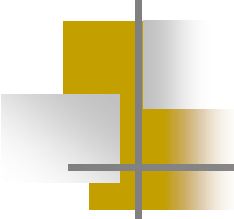
Things I Wish I'd Known

- 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?

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



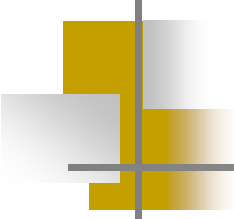
#2: Set up a test first with each new submitter

- 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

- 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

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



#5 Don't sweat the indexing

- 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

- 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

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



Striking a Balance

- 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!

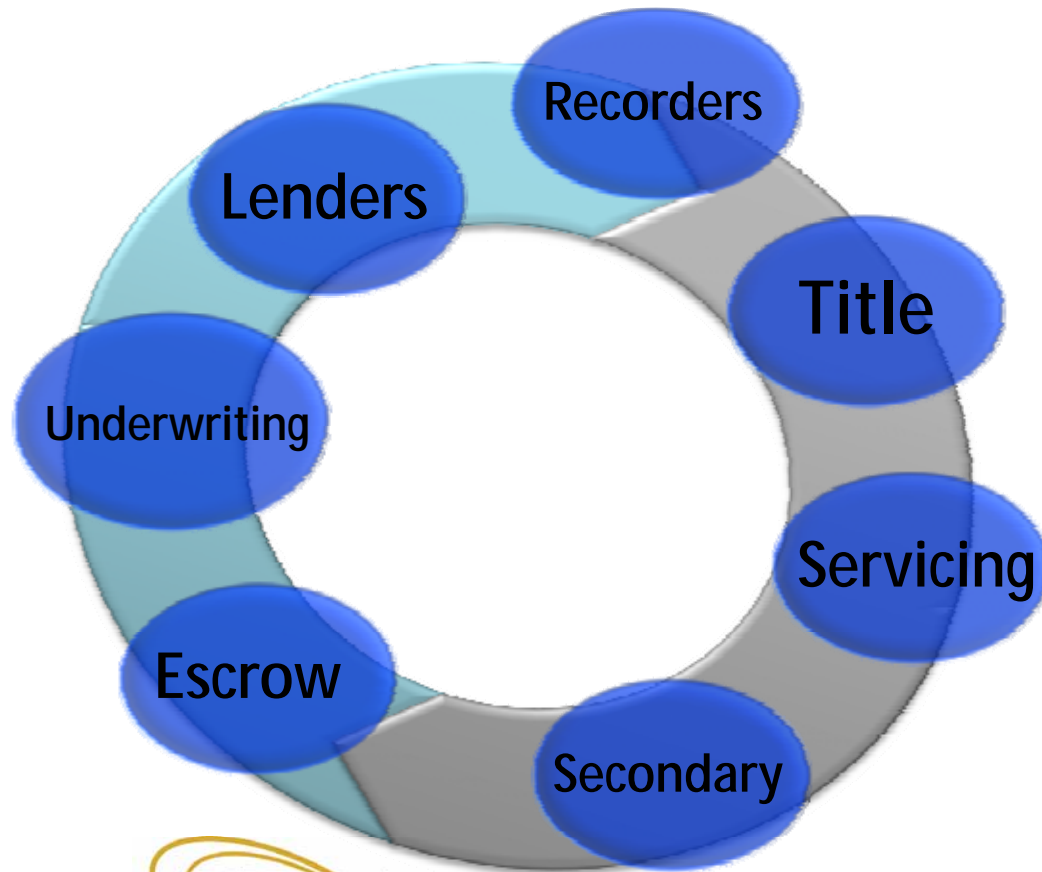
- Others have cleared the path
- Find vendors who play well with others
 - Most of them do – it's in their interest
- Don't over-think it



Join the Team

- Become a PRIA member
 - <http://www.pria.us/joinpriaus.htm>
- Attend the PRIA Annual Conference
 - June 24-26, 2010
 - Chicago, IL
 - <http://www.pria.us/>

We're All In This Together





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