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# 13 Document Recording Resolutions for 2013

Developing and Implementing a Recording Process for Paper and  
Electronic Land Records

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## WHITE PAPER

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Forward-thinking  
organizations are always  
looking for ways to  
improve, so make 2013 the  
year you reexamine your  
document recording  
practices.

# 13 Document Recording Resolutions for 2013

## Developing and Implementing a Recording Process for Paper and Electronic Land Records

The process of recording real estate documents in the United States is changing fast. As more and more recording offices adopt electronic document recording (eRecording) processes—the number is nearing 1,000 counties—paper document recordings are slowly becoming a thing of the past.

Is your organization prepared for this transition? What steps should you take in 2013 to embrace electronic document recording while continuing to manage paper submissions in jurisdictions that still require them?

This year, resolve to develop and implement a method of recording real estate documents that maximizes efficiencies and minimizes cost—no matter whether the documents are submitted electronically or on paper, and regardless of the jurisdictions in which they are recorded.

For some, this might seem like a daunting task. So to make it easier, CSC proposes the following 13 steps you can take in 2013 to examine your current processes, familiarize yourself with alternatives, and adopt a solution that will seamlessly integrate your paper and electronic workflows.

### 1. Take a hard look at your current processes.

Submitters of land records, including title companies, law firms, and financial institutions, all have different experience levels with eRecording and with the process of recording real estate documents in general. Whether your organization is an experienced eRecorder or is just venturing into the electronic recording territory, there is always room for improvement.

When you examine your current processes, take more than a passing look. Identify your strengths and weaknesses. Know where backlogs occur. Find out your average turnaround times, document rejection rates, and other pieces of data that can help you make critical improvements to your processes.

It may be tempting to “stay the course” and continue to follow a process that has worked for you in the past. But forward-thinking organizations are always looking for ways to improve, so make 2013 the year you reexamine your document recording practices.

### 2. Ask the right questions.

Companies that are currently eRecording documents should ask themselves:

- What new jurisdictions accept electronic documents? Do the jurisdictions where we currently eRecord now accept any additional document types?
- Do we have the right eRecording partner in place to help us accomplish our goals?

And for companies that currently submit all real estate documents on paper, the questions are even more important:

- Do any of the jurisdictions where we record paper documents now accept electronic records? Which document types could we submit electronically?
- Which eRecording service provider is the right fit for our company?
- How do we make our processes more efficient without increasing costs or headcount?

It's clear why every organization should be preparing and submitting documents electronically wherever permitted.

### 3. Understand the differences between paper and electronic property recording.

In both paper and electronic processes, recording refers to the act of receiving, processing and safekeeping official public information in accordance with local, state and federal law. A paper process requires that a document be physically created, reviewed, signed and notarized before the submitter calculates and attaches payment, transmits the document to the recording office, and waits for acknowledgement.

An eRecording process removes some or all of the manual steps involved in dealing with a paper record. Some documents, such as loan closing documents, follow the same paper origination workflow before being scanned and electronically submitted. With others, such as loan satisfactions and assignments, eRecording permits the creation of a digital document from a pre-approved template, and all steps in the process take place electronically.

But it's not just the need for or lack of a paper document that distinguishes these two processes, as outlined in the following tip.

### 4. Know the benefits of electronic recording.

Even more critical than the difference between electronic and paper recordings are the inherent benefits of the eRecording process:

- eRecording increases accuracy by gathering all information needed by each recording office, drastically lowering document rejection rates.
- eRecording eliminates the need and cost of cutting checks and mailing paperwork or using couriers or other delivery mechanisms.
- eRecording increases document security by removing unnecessary handoffs from the transmittal process and provides immediate visibility of recording status.
- eRecording reduces the timeline for recording a document from weeks or months to minutes or seconds, increasing your chances of winning the "race to record."
- eRecording enables companies to "go green" by reducing the consumption of fuel, paper and other resources.

With those differences in mind, it's clear that every organization should prepare and submit documents electronically wherever permitted.

### 5. Get a quick overview of legislation giving authority to the eRecording process.

If you're wary that the benefits listed in the previous section might be too good to be true, rest assured that there is legislation in place giving legal authority to the eRecording process:

- The Uniform Electronic Transactions Act (UETA) from the National Conference of Commissioners on Uniform State Laws in 1999 sought to establish the legal equivalence of electronic records and signatures with paper documents and manual signatures. All but a handful of states have enacted this act, and the ones that haven't have their own statutes pertaining to electronic transactions.
- The Electronic Signatures in Global and National Commerce Act (E-SIGN) from Congress in 2000 facilitated the use of electronic records and signatures in interstate and foreign commerce.
- The Uniform Real Property Electronic Recording Act (URPERA) from the National Conference of Commissioners on Uniform State Laws in 2004 modernized real property law by promulgating legislation that authorizes land records officials to begin accepting records in electronic form. A majority of states have adopted this legislation.

Any electronic recording process must follow these same legal requirements and industry standards in order to avoid document rejections.

For more information about any of these acts, visit the Property Records Industry Association website, [www.pria.us](http://www.pria.us).

## 6. Look into legal requirements and standards for eRecording to ensure that your process is compliant.

Historically, the legal requirements for paper recording varied by jurisdiction, and something as seemingly insignificant as incorrect margin sizes was often cause for rejection. Any electronic recording process must follow these same legal requirements and industry standards in order to avoid document rejections.

A good eRecording process (or partner, like CSC) will adhere to the requirements, standards and best practices of the following organizations:

- All federal, state and local laws
- XML standards
- W3C standards
- National Notary Association
- Mortgage Bankers Association (MBA)
- PRIA (Property Records Industry Association)
- NACRC (National Association of County Recorders, Election Officials & Clerks)
- IACREOT (International Association of County Recorders, Election Officials & Treasurers)
- MISMO (Mortgage Industry Standards Maintenance Organization)

## 7. Understand the different models of eRecording.

As counties have experimented with different methods of implementing electronic recording, they have developed several types of systems that can be used concurrently. These systems fall into three main levels, or categories:

- In a Level 1 process, documents are prepared, signed and notarized on paper, then scanned and electronically transmitted for recordation. However, the transaction data is not included in the transmission, necessitating manual data entry at the recorder's office.
- A Level 2 process also involves the creation of a paper document that is then scanned and transmitted, but this time the transmission includes a file with the transaction data. This eliminates the need for the recording office to manually enter the data into its system.
- In a Level 3 process, which is the most technologically advanced option, the process of electronic recording is fully automated. Documents are prepared, signed and notarized electronically, and the transmission includes both the document and data needed to automatically populate the recording office's system.

Since the goal of electronic recording is to save time and money, a Level 3 process offers the greatest efficiencies. However, not all recording offices offer a Level 3 recording process, and some offer it only for particular types of documents. By understanding the different eRecording models, your organization can determine whether you are taking full advantage of the eRecording resources available in the jurisdictions where you do business.

## 8. Find out where you can eRecord documents.

Whether you're currently eRecording land records or considering switching to an electronic process, it helps to determine whether eRecording is offered in all the jurisdictions where you regularly submit documents. If you only record documents in one or two jurisdictions, you may already have a relationship with the staff at your county recording office(s) and can make your inquiry directly.

Are all eRecording service  
providers created equal?

Certainly not.

However, if your organization records documents in multiple jurisdictions, there are more efficient routes to determining where you can eRecord. Start by identifying your document recording “footprint”—all the jurisdictions in which you currently record documents—and estimate your monthly volume, if possible. Then contact CSC for a customized county report and quote.

If you would prefer to research eRecording jurisdictions on your own, the Property Records Industry Association (PRIA) also maintains a list of many eRecording counties on its website, [www.pria.us](http://www.pria.us).

## 9. Identify which document types you can eRecord.

In order to start eRecording or to maximize your electronic recordings in the jurisdictions where you already eRecord, you’ll also need to know which document types are accepted electronically.

Many eRecording counties accept Level 3 (fully automated) recordings for post-closing documents like assignments, reconveyances or satisfactions. However, scanned documents are often still required for Level 1 or Level 2 processes.

Once you know where you can eRecord and are familiar with the acceptable document types in those jurisdictions, you’ll know whether you can completely eliminate paper from your process or whether you must maintain a process for paper recordings. In most cases, submitters will still be dealing with paper recordings in at least some jurisdictions—and that’s where our next few tips become very important.

## 10. Get to know the major service providers.

If you’re already eRecording, you know that many counties offer electronic document recording through an approved eRecording vendor. Rather than submitting documents through a form on the county’s website, submitters can partner with an eRecording provider for access to downloadable or web-based software that helps create and submit documents for recordation.

Your first step should be to identify the service providers who do business with the jurisdictions in which you need to submit documents. You can ask your contacts at the recording offices for recommendations, or check directly with a few service providers to see where they eRecord and which document types they support. Remember, you can contact CSC for a customized county report and quote.

## 11. Understand the differences between service providers.

Are all eRecording service providers created equal? Certainly not. When you’re selecting an eRecording provider (and even if you already have a partner, it pays to “play the field” once in a while) look for the following:

- Which provider has the lowest document rejection rates? Fewer rejections mean faster recordings, lower costs and greater efficiencies.
- Which provider’s system requires the fewest clicks and keystrokes to create and record documents?
- Which provider gives you comprehensive editing abilities for scanned documents, like adjusting to margins, darkening/lightening text, and “de-skewing” crooked text?
- Which provider enables you to edit all pages of a scanned document at once? Pages can really add up in loan closing documents, so this can be a tremendous time savings.
- Which provider can handle document recordings—both paper and electronic—in every U.S. jurisdiction?

Your goal should be to select a partner whose technology and service makes your process for paper and electronic recordings less costly and more efficient. Anything less is not good enough.

There is no better time than now to make these improvements to your document recording processes. Get ahead of the game. Audit and improve your document recording workflow now so that you can reap the benefits sooner rather than later.

## 12. Implement your process improvements.

Your next steps depend on your organization's unique situation and familiarity with the eRecording process. Perhaps you've been electronically recording documents for years but have managed to identify a few more jurisdictions and document types to incorporate into your eRecording process. Perhaps you're taking your first steps toward adopting an eRecording process.

Hopefully, you've also learned that you have the opportunity to integrate your paper and electronic documents into one comprehensive workflow by partnering with an eRecording service provider who can manage both processes for you—reducing your costs and turnaround times as a result.

What's important to remember is that there is no better time than now to make these improvements to your document recording processes. The number of counties adopting eRecording processes will only increase from here. Paper recordings will continue to decrease, but not so suddenly that you won't need an efficient process to manage them as well. Get ahead of the game. Audit and improve your document recording workflow now so that you can reap the benefits sooner rather than later.

## 13. Know where to go for more information.

For more information about some of the topics referenced in this white paper, visit:

- Property Records Industry Association (PRIA), [www.pria.us](http://www.pria.us)
- Mortgage Bankers Association (MBA), [www.mbaa.org](http://www.mbaa.org)
- American Land Title Association (ALTA), [www.alta.org](http://www.alta.org)
- Your local or regional mortgage banking, land title, real estate attorney, or other specialty association

Or, contact CSC at [erecording@cscinfo.com](mailto:erecording@cscinfo.com) or 866-652-0111 for more information about our services.

## About the Author

As former CEO of Ingeo Systems Inc. (acquired by CSC in 2011), Karl Klessig has provided expertise in marketing, business development, restructuring and financial and business management, as well as general turnaround services, to organizations and governments around the world. He has started and funded six companies and has been responsible for a number of business turnarounds, with particular emphasis on multinational environments. Karl is currently responsible for recording initiatives at CSC.

## About CSC

Corporation Service Company® (CSC®), a privately held company, is a leading provider of business, legal and financial services for many of the world's largest companies, law firms and lending institutions. Founded more than a century ago, our company enjoys a reputation for outstanding service and technology, thanks to our record of making business easier, less risky, and more efficient for our customers.

CSC made a commitment to the eRecording industry in 2011 with the purchase of Ingeo Systems Inc., the industry's first provider of electronic real estate document recording services. We were recognized by the 2012 Mortgage Technology Awards for our impact on the mortgage industry, and we have provided business solutions to the legal, corporate and financial communities for more than 110 years.





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