Why eRecording?

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The benefits of eRecording for lenders, title companies, and law firms

Recording refers to the act of receiving, processing, and safekeeping official public information in accordance with local, state, and federal law. Most recorded documents deal with the ownership and transfer of personal and real property. The act of recording is important because it establishes an archive of documents that ensures the rights and entitlements of property owners.

In this white paper, we will examine the recording process in both paper and electronic formats and discuss how submitters of land records, including lenders, title companies, and law firms, can benefit from adopting an electronic document recording process.

The paper process

Recording generally consists of two connected processes: document origination and document recording. Two to three working days are commonly required to record and process a document, although some recording offices have been known to take months due to large paper backlogs.

Though the actual process may vary slightly between jurisdictions, depending upon local laws and practices, a typical paper recording process is as follows:

Create the document

There are numerous document creation methods, but preparing a land record in paper format requires special care. The format of each document must match the business rules and recording criteria for the specific county where it will be recorded. This necessitates maintaining multiple forms or templates and making sure the correct form is used in the preparation process.

Review the document

Once all of the appropriate information is included in a document, the document submitter reviews it for accuracy and completeness. The document submitter corrects the document and reviews it once again.

Sign and notarize the document

When a document passes the review, the appropriate people sign and notarize it. With the signatures and seals, the document is now ready to be delivered to the recording office.

Calculate and attach payment

Recording offices require that payment accompany each document. Incorrect payments may result in a rejected document and a delayed recording.

Transmit the document

Document delivery may take several forms, based on the proximity of the recording office and the urgency of the filing. Some businesses employ full-time couriers who deliver documents for recording several times throughout the day. Others may mail their documents or send them via a delivery service like UPS, FedEx, or courier. All of these methods involve time, money, and personnel.

Receive acknowledgement

Once the recording office has processed the request, a member of the office staff will generally return the original document and recording receipt to the originator or designated receiver—a process that may take several months. Electronic recording (eRecording) is the process of digitally creating, submitting,

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Electronic document recording

and recording legally binding land ownership records. The process of eRecording involves more than just converting a paper document to an electronic image for storage. The process encompasses the use of several technologies that enable those involved to create, sign, transmit, record, index, archive, and return the original document—sometimes without ever touching a piece of paper.

With eRecording, many or all of the steps take place electronically—perhaps even automatically. It is possible to complete the entire process in just minutes, with fewer document errors and no transcription errors.

An electronic process changes a submitter's recording workflow as follows:

Create and review the document

For documents that originate on paper, such as loan closing documents, the typical origination workflow remains the same. The document submitter physically prepares and reviews the documents as usual.

But where possible, such as with loan satisfactions and assignments, eRecording permits the creation of a digital document from a preapproved template. Individual templates can be configured to meet the submission requirements for a specific county. The process is simply a matter of filling in the blanks. The templates maintain the proper formats and request all the necessary information. Use of these templates can greatly reduce errors in document creation and increase document acceptance at the recording office.

With digital documents, the necessary parties can also conduct document review online. Rather than moving

The improved process:
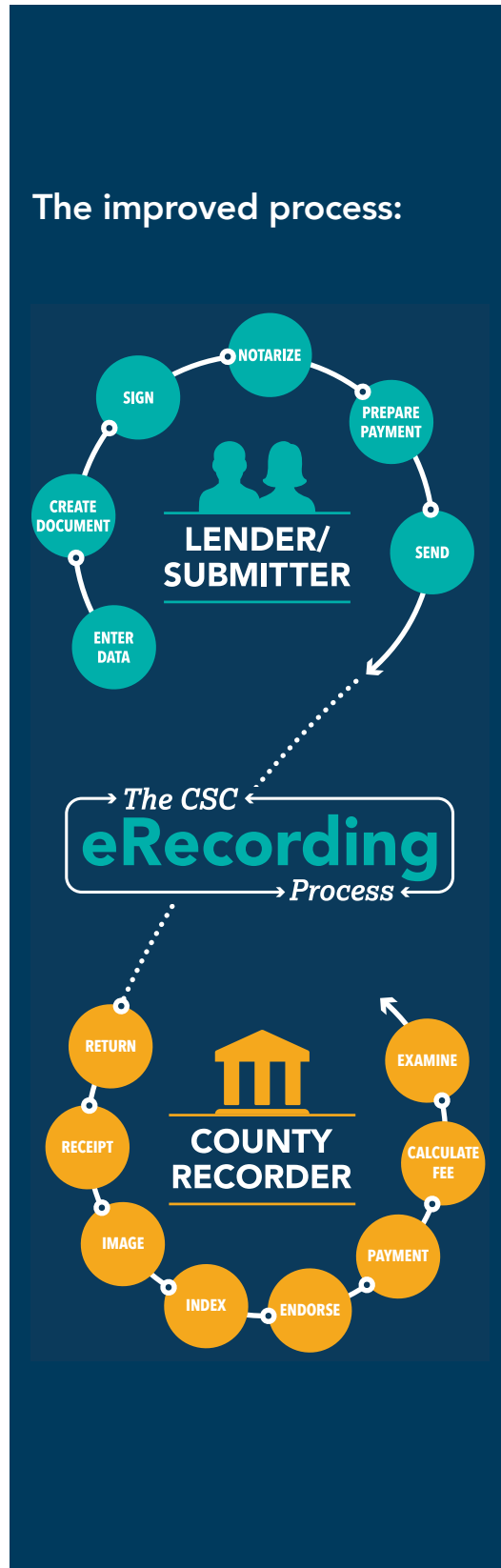
the document from desk to desk, the individuals involved can simply call up the document on their computers and review the information.

Sign and notarize the document

With digital documents, your eRecording application will embed digital signatures and notaries, effectively eliminating the steps of manually signing and notarizing documents.

With documents that have been manually prepared, the responsible parties still sign the document to verify acceptance of the contents. The signed document is then signed again by a notary public, creating a notary stamp. Finally, the physical document is scanned into the electronic recording application, creating an electronic image. From this point, the process of recording a document that was manually prepared vs. a digitally created document becomes virtually the same.

Examine document, calculate fee, and attach payment

The CSC eRecording solution analyzes and checks the completed document using the specific recording office's criteria. If there are no errors, the completed document is ready to be transmitted to the recording office.

Using the recorder's fee schedule, the document preparation system will calculate the appropriate charges. This takes the guesswork out of fee calculations, greatly reducing the number of documents rejected because of incorrect fees.

Transmit the document

While the previous steps are easier with digital tools, the most noticeable benefits occur in the remaining steps: the delivery and recording of the prepared documents.

When transmitted electronically (generally over the Internet) to the desired county recording office, the completed document arrives in seconds. This eliminates the necessity and expense of couriers or other delivery mechanisms and removes one of the major time constraints.

Receive acknowledgement

Once the recording office has processed the request, it returns an authenticated copy of the electronic document and the receipt to the recipient. The return takes place using the same transmission medium as the incoming transaction, usually the Internet.

The bottom line

By minimizing time requirements, reducing costs, and increasing acceptance and accuracy, everyone involved is more productive and better able to do their jobs.

With the data processing capabilities of today's computer systems, the entire recording and filing process can take place in seconds, not hours or days. The complete turnaround time from submission to return is effectively reduced to minutes instead of months. In addition, the process is more accurate, with fewer rejections due to incorrect formats, incomplete information, or incorrect fees.

What to look for in an eRecording provider

An eRecording service provider should enable a submitter to:

- Reduce costs of labor, postage, courier services, and materials
- Shorten the time between filing and recordation
- Ensure secure delivery and receipt of documents
- Eliminate fee payment errors
- Improve document tracking
- Reduce errors and rejections
- Reduce the consumption of fuel, paper, and other resources

In addition, your provider should ensure that its applications comply with existing and emerging standards. For example, CSC is actively involved with PRIA and MISMO. We also support industry standards such as those from the World Wide Web Consortium, MBA, NACRC, IACREOT, and REFSMO.

Finally, look for a product that integrates with loan servicing, title, escrow, document management, and recording applications, and offers end-to-end capability that can adapt to virtually any submitter's system output. The result? A customizable, compliant, and fully automated process that reduces costs, saves time, and lowers your rejection rates.

ⓘ About CSC

CSC® provides eRecording solutions that establish an electronic bridge between submitters of real estate documents and county offices, enabling documents to be prepared, submitted, recorded/rejected, indexed, and returned quickly, efficiently, and electronically. We are proud to offer the nation's largest eRecording network, covering more of the U.S. population than any other provider. Our secure, web-based eRecording solution allows submitters and recording offices to save time, reduce costs, and eliminate payment errors. An Internet connection, a PC,

and a printer/scanner are the only requirements to eRecord. It's easy to set up and simple to use. Since 1899, CSC has provided due diligence and transactional solutions to the world's largest financial institutions, corporations, and law firms. We have led the electronic document recording industry since its inception, and CSC can eRecord in counties across the United States, representing approximately half of the U.S. population.

Call 1 866 652 0111 or visit erecording.com to learn more about CSC's eRecording solutions.

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