eClosings and the Proliferation of RON

Presented by

Zachary Kammerdeiner, Title Counsel, CATIC

Ashley Sadler, Business and Compliance Strategist, CATIC

Agent Driven. Insuring Results.®

CATIC

eClosings and the Proliferation of RON

Today's Agenda

1. Introduction
2. eClosings
3. Remote Online Notarization ("RON")
4. Next Steps

CATIC

Live Free or Die.

Introduction

"The Year of the Digital Mortgage"

The national conversation in 2018

Seeking Alpha α

Quicken takes U.S. retail mortgage crown

Feb. 5, 2018 5:57 AM ET | By: Yoel Minkoff, SA News Editor

- Best known for its Rocket Mortgage, Quicken Loans overtook longtime leader Wells Fargo (NYSE:WFC) to become the largest retail mortgage lender in Q4 with $25.1B in direct-to-consumer home loans.

CATIC

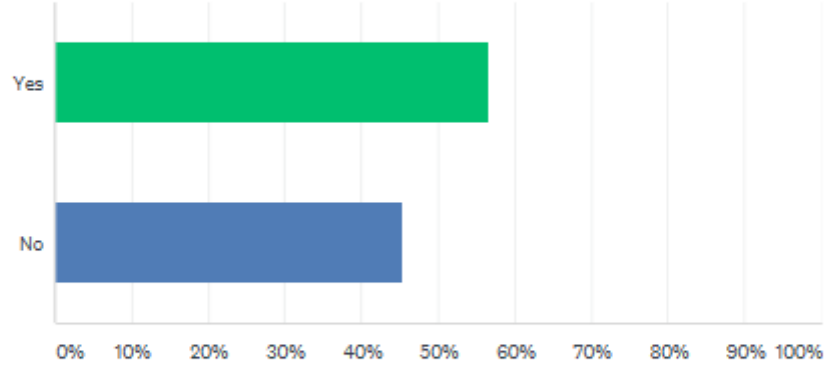
What Say You?

CATIC's October 2017 eClosings Survey

Q2

Do you think that an eClosing process will be beneficial to your clients? Why or why not?

Answered: 282 Skipped: 19



ANSWER CHOICES	RESPONSES	
Yes	56.74%	160
No	45.39%	128
Total Respondents: 282		

CATIC is keeping you on the leading edge of real estate practice.

eClosings

"When you're finished changing, you're finished."

-Benjamin Franklin

eClosings

What are the basic characteristics?

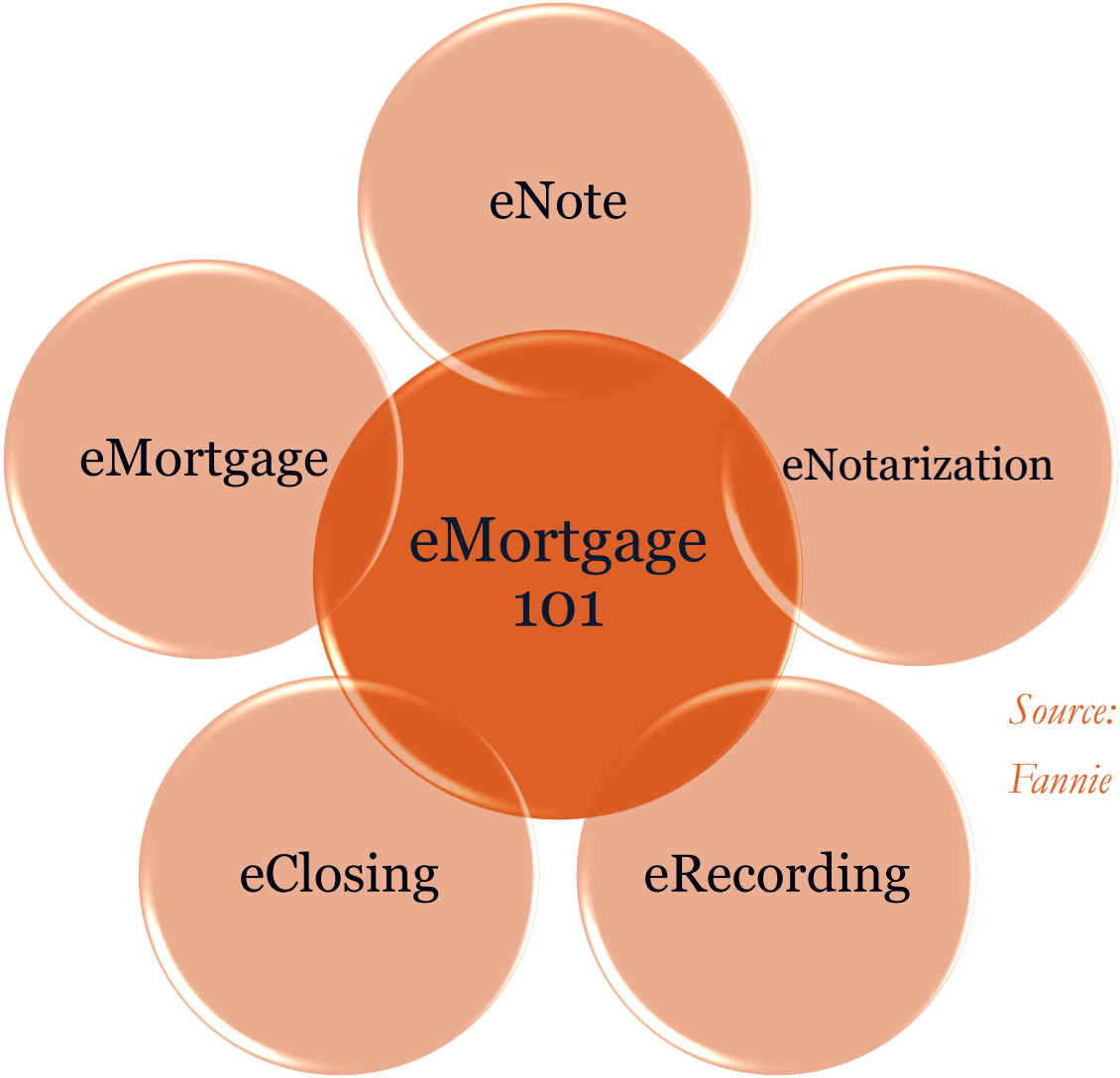
- **Note signed electronically (Required)**
  - ✓ **Federal e-Sign Act (15 U.S.C. 7001)**
  - ✓ **New Hampshire: Uniform Electronic Transactions Act (N.H. R.S.A. 294-E:7)**

- **"Holy Grail" is fully paperless, digital closing**

- **eClosings delivered by technology solutions called "eClosings platforms"**

eClosings: Hybrids

Does an eClosing have to be fully paperless?



Source:

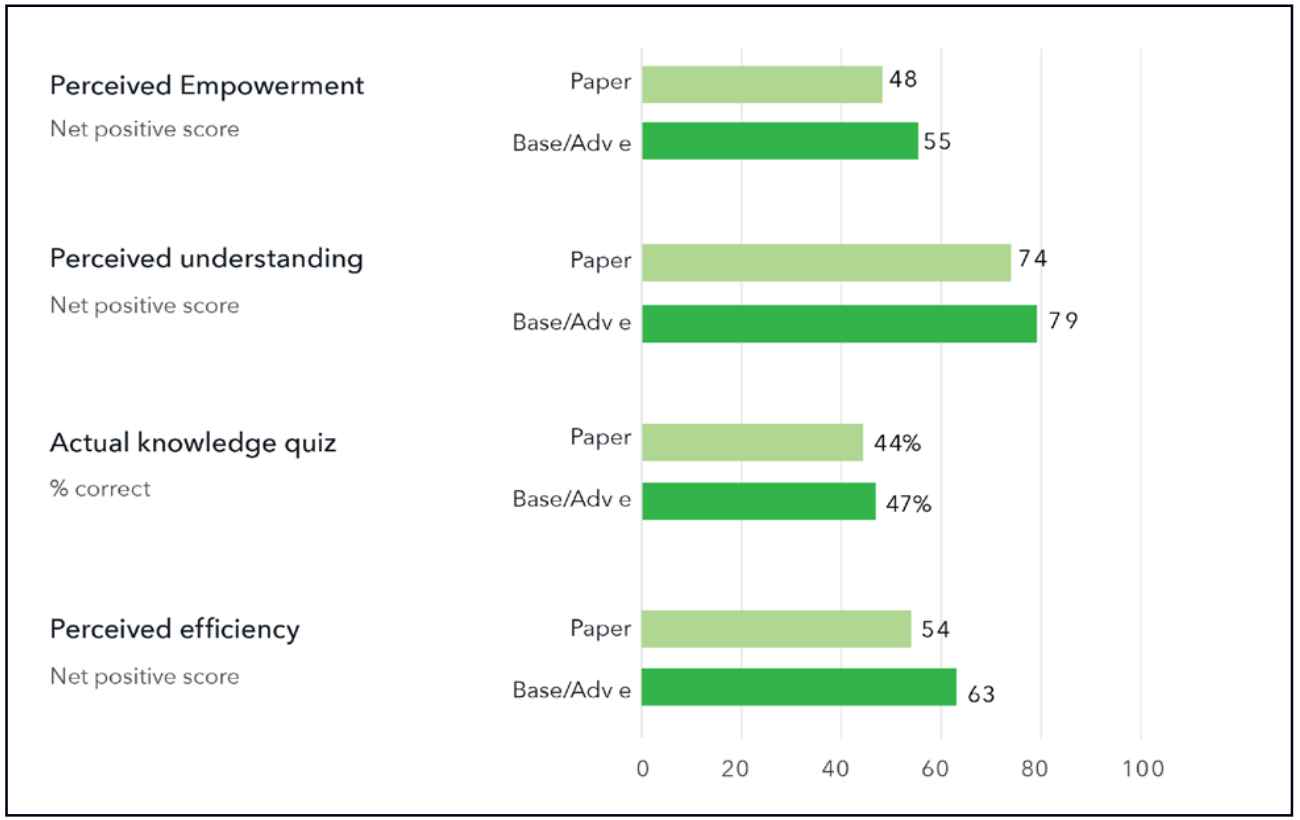
Fannie Mae/Freddie Mac

CFPB 2015 eClosing Pilot

Was an eClosing process determined to be better than a paper process?

Richard Cordray

ECLOSING VS. PAPER SUMMARY ANALYSIS



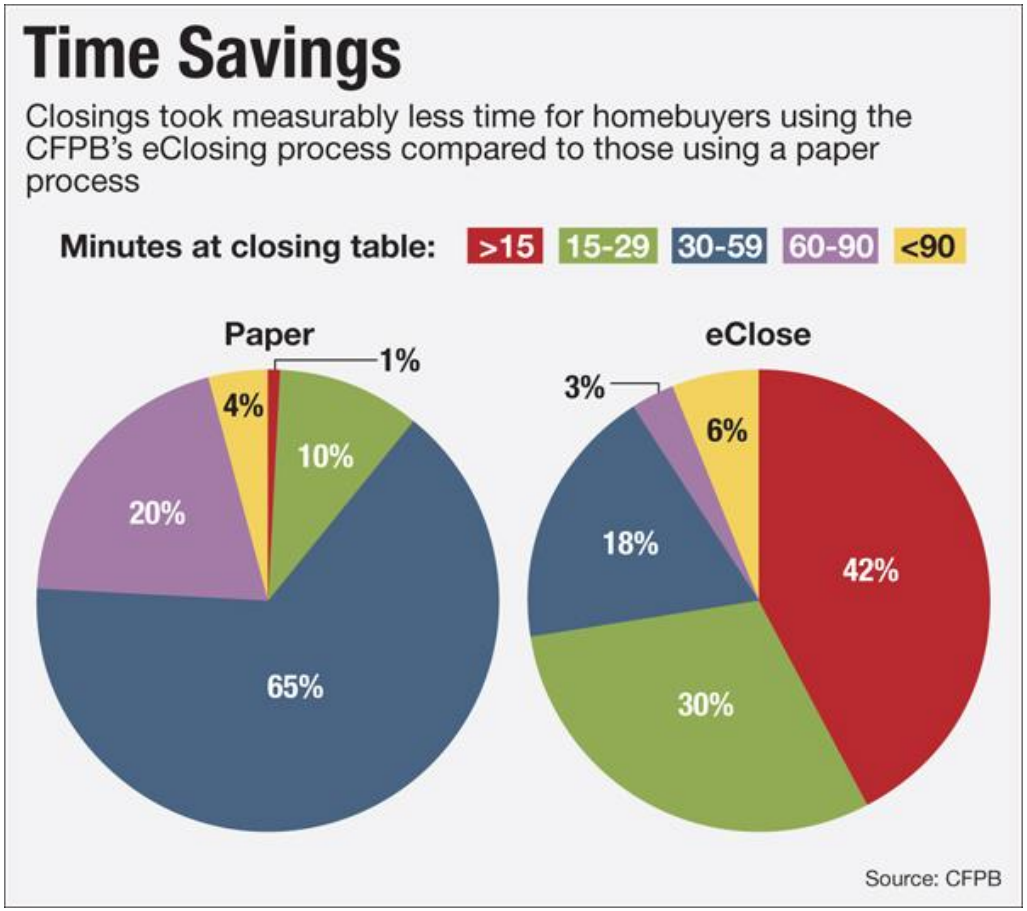
CATIC

CFPB 2015 eClosing Pilot (continued)

Was an eClosing process determined to be better than a paper process?

ECLOSING VS. PAPER SUMMARY ANALYSIS

Richard Cordray



CATIC

North Carolina SOS eClosing Pilot

What does an implementation of eClosings look like?

Elaine F. Marshall

- North Carolina an "attorney state"
- Conclusions of Pilot:
  - ✓ More Efficient
  - ✓ Consumers Felt Empowered
  - ✓ Consumers Felt More Informed

CATIC

North Carolina SOS eClosings Pilot

From Aspirational Vision to Commercial Reality

CATIC

Remote Online Notarization

Otherwise affectionately known as "RON."

Remote Online Notarization

Who is this "RON" you speak of?

RON

Notary and person signing in different locations

eNotarization

Notary and person signing in same location

CATIC

Remote Online Notarization

Where has RON been legally authorized?

- **RON is legally recognized in the following states:**
  - ✓ **Indiana**
  - ✓ **Montana**
  - ✓ **Nevada**
  - ✓ **Texas**
  - ✓ **Virginia**

- **RON bills are pending in about nine other states**

- **RON bills expected to be introduced in about 16 additional states in the upcoming legislative sessions**

CATIC

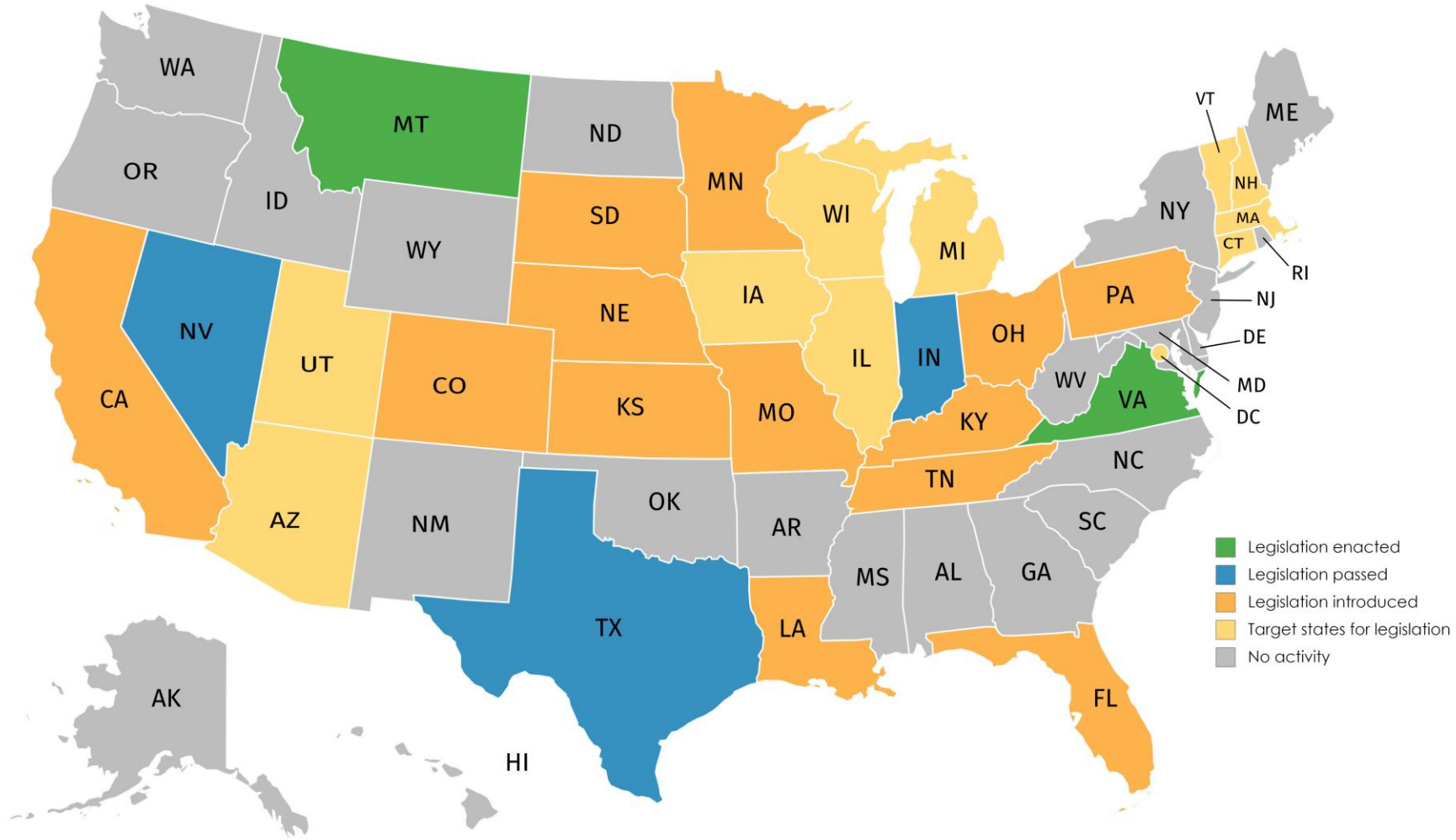
Remote Online Notarization

What are the concerns with RON?

- The Full Faith and Credit dilemma
- Security Concerns (e.g., identify proofing)
- "Direct business" may become easier (no title agent)

50 STATE RON STRATEGY

Are you ready?



CATIC

Next Steps

Where do we go from here?

The eClosings Universe is Expanding

Who are the players?

NotaryCam
Online.Anytime.

simplifile
e·recording made simple

DocMagic

pavaso

REDFIN

BLACK KNIGHT
FINANCIAL SERVICES

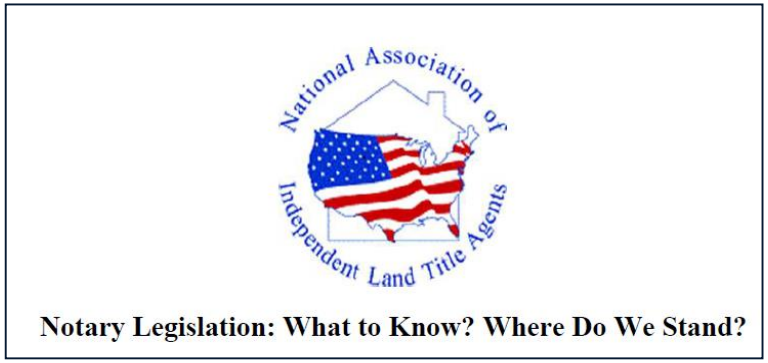
Notarize

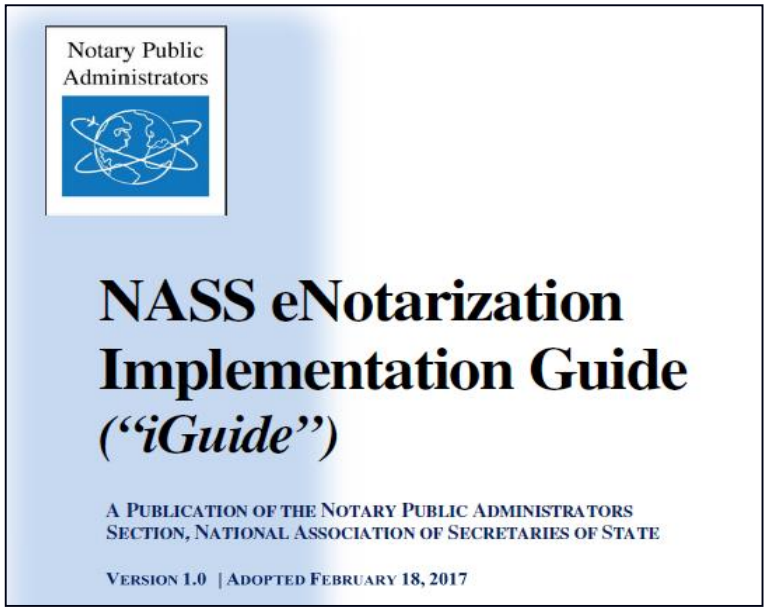
CATIC

SKYSLOPE®

Suggested Resources

What should I looking at today in order to prepare for tomorrow?





CATIC

Questions

CATIC Thanks You

101 Corporate Place, Rocky Hill, Connecticut
860-529-8855

www.CATIC.com

ZKammerdeiner@catic.com
ASadler@catic.com

Agent Driven. Insuring Results.®

CATIC