



CUREN

Automating TRID

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Origination (RESPA)

CFPB Integrated Disclosure reg

- More disruptive than QM/ATR
- Not only new forms but “dynamic” (58 business rules)
- Will eventually need to be “intelligent”
 - “Machine readable” format requirement
 - MISMO 3.3 & FHFA Uniform Closing Dataset, (UCD)
 - eSignable, eConsent, eReceipt

Origination (RESPA)

- Includes both upfront Loan Estimate, (LE)
- And Closing Disclosure, (CD)
- However most are concerned with 3 day “receipt of delivery” requirement of the CD
- Providing electronic “proof” of compliance
- Need to be concerned about **total** eProcess to be and show compliance

Origination (RESPA)

- More restrictive tolerance requirements
- Introduces “new” step to get more accurate closing fee information at time of app and before closing, (consummation)
- And new “pre-closing” step and process

Origination (RESPA)

10% cumulative tolerance

0 tolerance

- Fees paid to the creditor, mortgage broker, or an affiliate of either (§ 1026.19(e)(3)(ii)(B));
- Fees paid to an unaffiliated third party if the creditor did not permit the consumer to shop for a third party service provider for a settlement service (§ 1026.19(e)(3)(ii)(C));
- Transfer taxes. (Comments 19(e)(3)(i)-1

Origination (RESPA)

Getting the closing fees right

- MBA MISMO/ALTA fee mapping standard
- Many title systems providing
- Interface to companies like Closing Corp's SmartGFE & ERNST Publishing
- DocMagic's Closing Collaboration Portal
- eSign platforms with eForms capability

Origination (RESPA)

Record retention requirements

- CD & all related documents = 5 yrs
- Escrow Closing Notice, Partial Payment = 2 yrs
- All other evidence of compliance (Reg Z) = 3 yrs
- Future CFPB audit requirement to verify compliance of data (not document) and electronic audit trail not paper file. (self verifying)

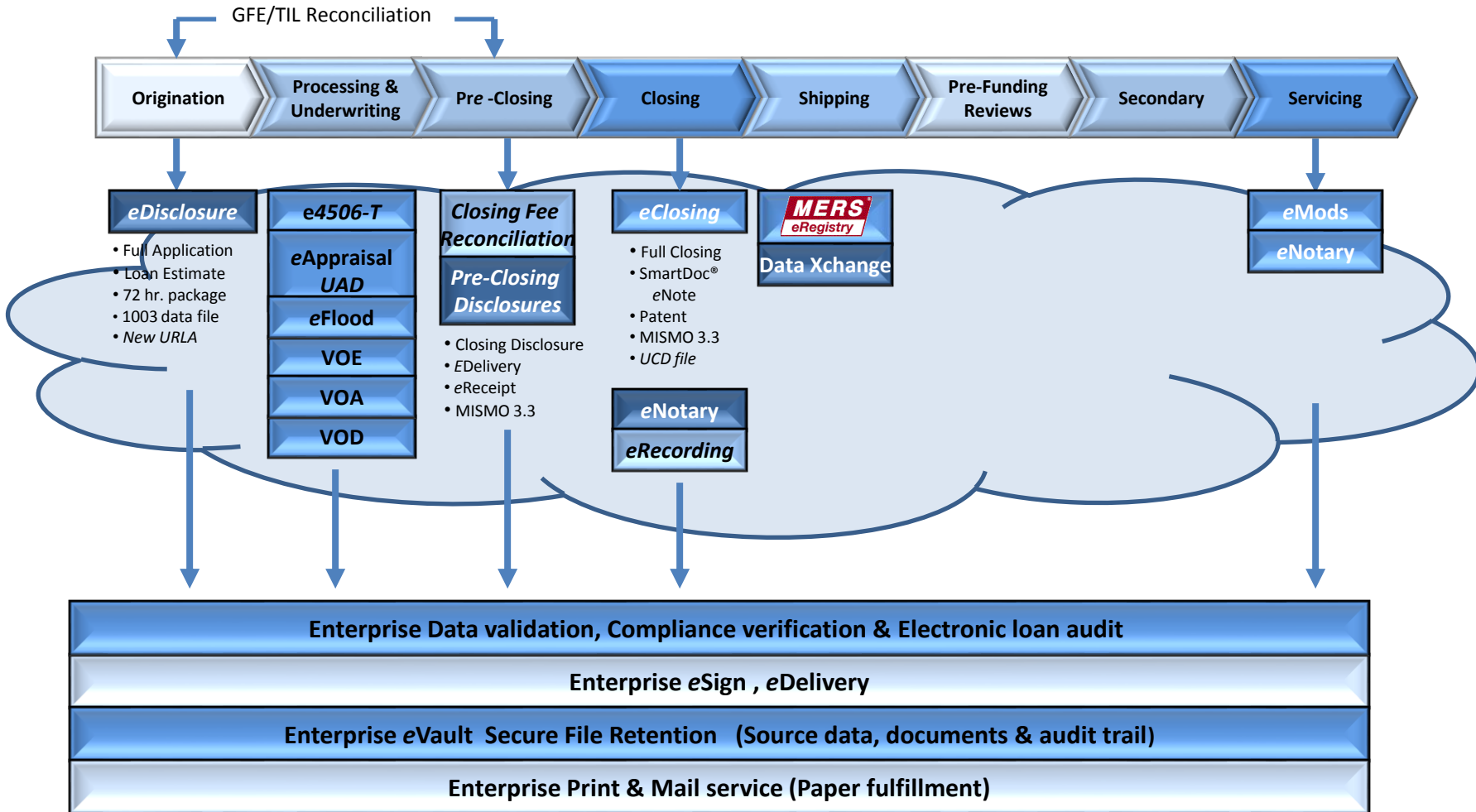


Consumer Financial
Protection Bureau

eClosing Pilot

- Response to TRID reg
- Demonstrate there are existing solutions out there without having to build yourself
- Deliver a better, overall “more educated & empowered” consumer experience
- Streamline the “e”ntire process

eMortgage Process Flow

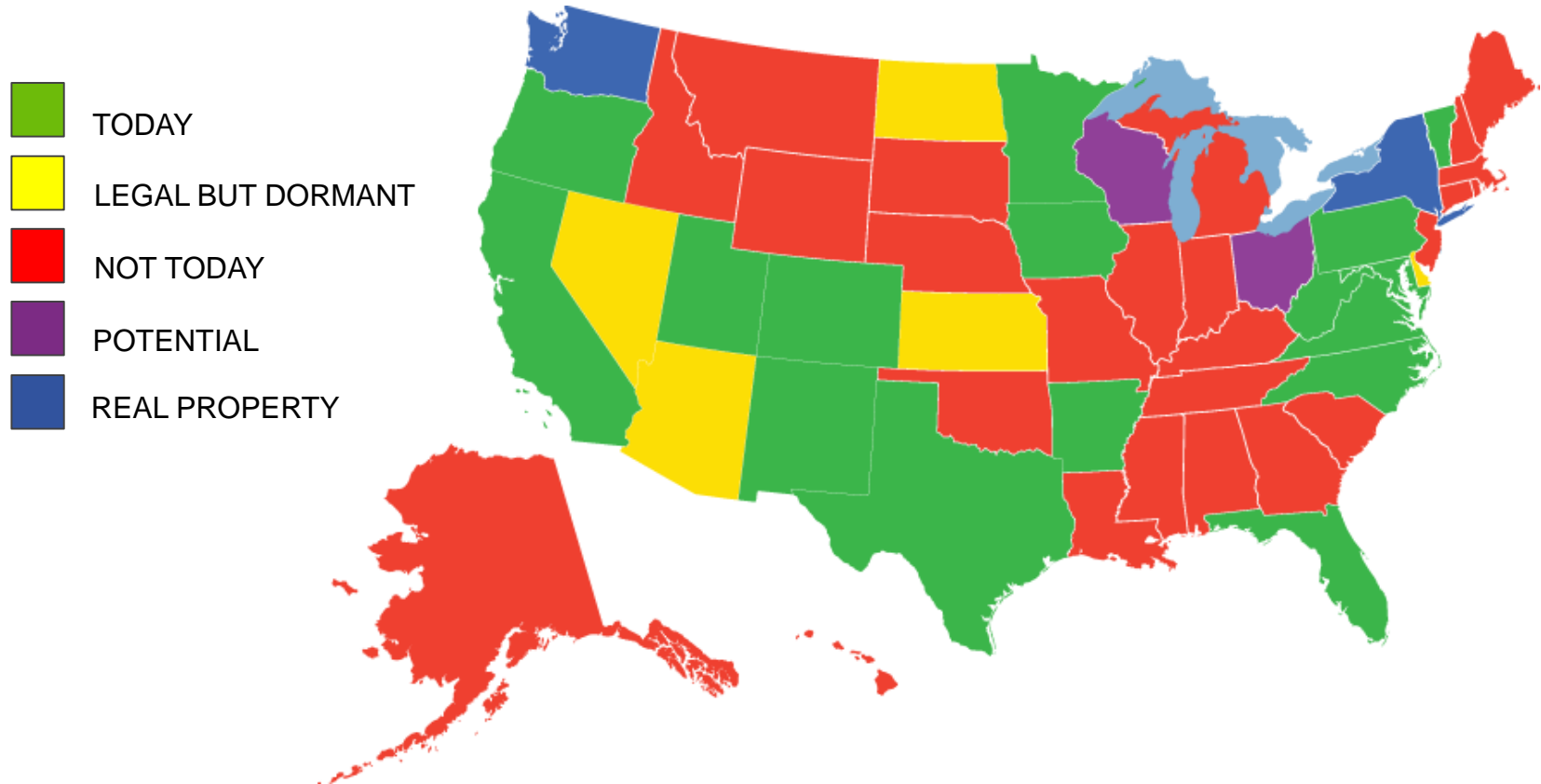


Enterprise End to End eServices

eRecording Stats

- Currently 1,249 counties accept
- 45 states participating
- Seven states are 100% (portals)
- Representing over 65% of total activity

eNotarization in the U.S.



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eNotary Stats

- 9 states have programs (notary registers with the state) -- AR, CO, IA, MN, NC, OR, PA, VA, WV
- 6 states are “hands-off” (notary not required to register with the state) -- CA, FL, MD, TX, UT, VT
- 6 states are legal but dormant -- AZ, DE, KS, ND, NM, NV
- 2 states permit e-notarization for land records only -- NY, WA
- 2 states decline to take a position – OH, WI
- 1 state, VA has long-distance video notarization
- In the rest of the states the state appointing authority has yet to recognize eNotarization for their notaries public

- The national eNote Registry
- Industry's response to e-document requirements imposed by UETA & ESIGN
- System of record to identify current Controller (holder) & Location (custodian) of the eNote
- Over 329,311 (March) eNotes registered
- Increasing at a rate of about 300 eNotes per week.

Servicing (RESPA)

National Servicing Standards

eDisclosure

- 14 days prior to delinquent referral to foreclosure attorney
- Copy of the mortgage note, (MERS eNote registry)
- Review of application within 30 days

Notices of servicing transfers

- Good-bye & hello notices

eClosing

- eMods
- MERS eRegistry (no more lost notes)
- Affidavits signed by notary, (eNotary, robo-signing)
- Electronic audit (evidence of compliance) for 3 years
- Audit to deliver “complete” servicing files w/i 5 days
- Data as well as documents

Making the case for “e”

	Implemented (2014)	Evaluating (2014)	Planned for 2014	2015 or Later	No Plans
Paperless origination & underwriting	70%	16%	5%	5%	5%
eDelivery of disclosures & other documents	63%	16%	12%	7%	2%
eAcknowledgement & eSignatures for disclosures	56%	16%	9%	12%	7%
eDelivery of closing documents to settlement agents	58%	19%	5%	14%	5%
eSignatures at the closing table	17%	28%	5%	24%	26%
Electronic delivery of closed loan documents to investors	63%	14%	5%	14%	5%
Complete eMortgage solution through all points of loan process	23%	26%	7%	33%	12%
Paperless communication with borrowers in servicing of non-performing loans	28%	19%	5%	9%	40%

Source: Xerox Mortgage Services 2014 Path to Paperless survey



DON'T TRID ON ME

Questions & Answers

