

Electronic Recording of Real Estate Documents

Local Recording Offices

**Records Department
Philadelphia, PA**

Electronic Recording of Real Estate Documents

- Joan Decker, Records Commissioner, City of Philadelphia, PA
- Topics
 - Levels of E-Recording
 - Issues Encountered
 - Current State
 - Future Plans

Electronic Recording of Real Estate Documents

- Levels of E-Recording
- Levels 1, 2, 3
 - Images
 - Images + Digital data wrapper
 - Completely digital document + digital data wrapper

Electronic Recording of Real Estate Documents

- Why were levels 2 and 3 selected?
 - Operational Efficiency
 - Industry Group Customers
 - Electronic Signatures
 - Consumers

Electronic Recording of Real Estate Documents

- Legal Issues
 - E-Sign, UETA, PA UETA
 - Notary Signatures
- Business Issues
 - Industry Groups
 - Financial Institutions
 - Title Insurance Companies
 - Consumers

Electronic Recording of Real Estate Documents

- What did we need to do?
- General Issue
 - Funding Initiative
- PA Issues
 - Initiate dialogue with State
 - Partner and network with industry associates

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PA Issues

- Revise Mortgage Satisfaction Act
 - Previously, in Philadelphia copy of original mortgage required
 - Current Options
 - Reference to original mortgage
 - Copy of First Page
- Revise Notary Public Act

Electronic Recording of Real Estate Documents

- Revise Notary Public Act
 - Prior version required stamp and embossed seal
 - Current version permits electronic seal
- PA UETA
- PA approves of Level 2 e-recording
 - “wet” signature
- Level 3 e-recording
- Requires that the PA Secretary of State publish a Notice in the PA Bulletin
- PA interprets as requirement to “regulate” Level 3 in-state e-notarization

Electronic Recording of Real Estate Documents

- Timeline
 - PA UETA – effective 1/15/00, except Section 307
 - E-Sign – 6/30/00
 - Revised PA Mortgage Satisfaction Act – effective 2/9/03
 - Revised PA Notary Public Law – effective 7/1/03

Electronic Recording of Real Estate Documents

- Philadelphia
- In-place
 - Level 3 electronic recording of satisfaction of mortgages
 - **IF e-notarized out-of-state** in a state that does not prohibit electronic notarization
 - Level 3, other document types to be added in the First Quarter of 2005
- Submitting companies interface with open platform and use PRIA standards

Electronic Recording of Real Estate Documents

- Soon to-be in Philadelphia
 - Level 2 electronic recording of deeds, mortgages, etc.
 - PA approved
 - No further regulations or PA Bulletin notices are required for implementation

Electronic Recording of Real Estate Documents

- PA Issues
 - **Level 3** (fully digital) e-recording of deeds, mortgages, etc. **e-notarized in-state**
 - Pilot Program
 - Requirements

Electronic Recording of Real Estate Documents

- Pilot Program
 - Level 3 In-State E-Notarization Requirements
 - PA notaries must be approved for **in-state e-notarization**
 - Recorders must be approved to participate in pilot
 - Must submit documentation about software vendor, including articles of incorporation
 - Must submit a Letter of Agreement with software vendor regarding in-state e-notarization
 - Must sign a Memorandum of Understanding with the State

Electronic Recording of Real Estate Documents

- Recorders
 - Must “register” approved e-notary at no cost
 - Can accept in-state e-notarized documents only if they contain an electronic notary signature from a federally recognized certificate authority
 - Must reject documents if e-notarized within State by a notary not approved by the State

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- Recorders, cont'd
 - Must report activity by non-approved notaries to the State
 - Must submit periodic reports, including statistics on the number of transactions by document type e-notarized by PA e-notaries

Electronic Recording of Real Estate Documents

- Summary
- PA
 - Level 2
 - In and out-of state, currently approved
 - Level 3
 - Out-of-State, approved if permitted by the State
 - In-State, will require approval to participate in pilot program about to be approved
 - Pilot Program, go-ahead expected soon

Electronic Recording of Real Estate Documents

- Interest in e-recording is high
 - PA Pilot Program
 - **Does not impose additional requirements on companies**
 - Please encourage your businesses and business partners to participate

Electronic Recording of Real Estate Documents

- Thank You
- Contact
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- Questions?