

NNA 2018
LAS VEGAS
THE SKY'S THE LIMIT



NATIONAL NOTARY ASSOCIATION



Understanding the Nations First eClosing Initiative

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It Began With a Vision



Building The Legal Infrastructure

- 1998 eCommerce in Govt. Act
- 2000 UETA
- 2005 eNotary Act & eRecording Act
- 2007 eNotary Rules & eRecording Standards

We Built it – Then We Had to Get Them To Come: Laying the Ground work



Using eSignatures

Target Audiences

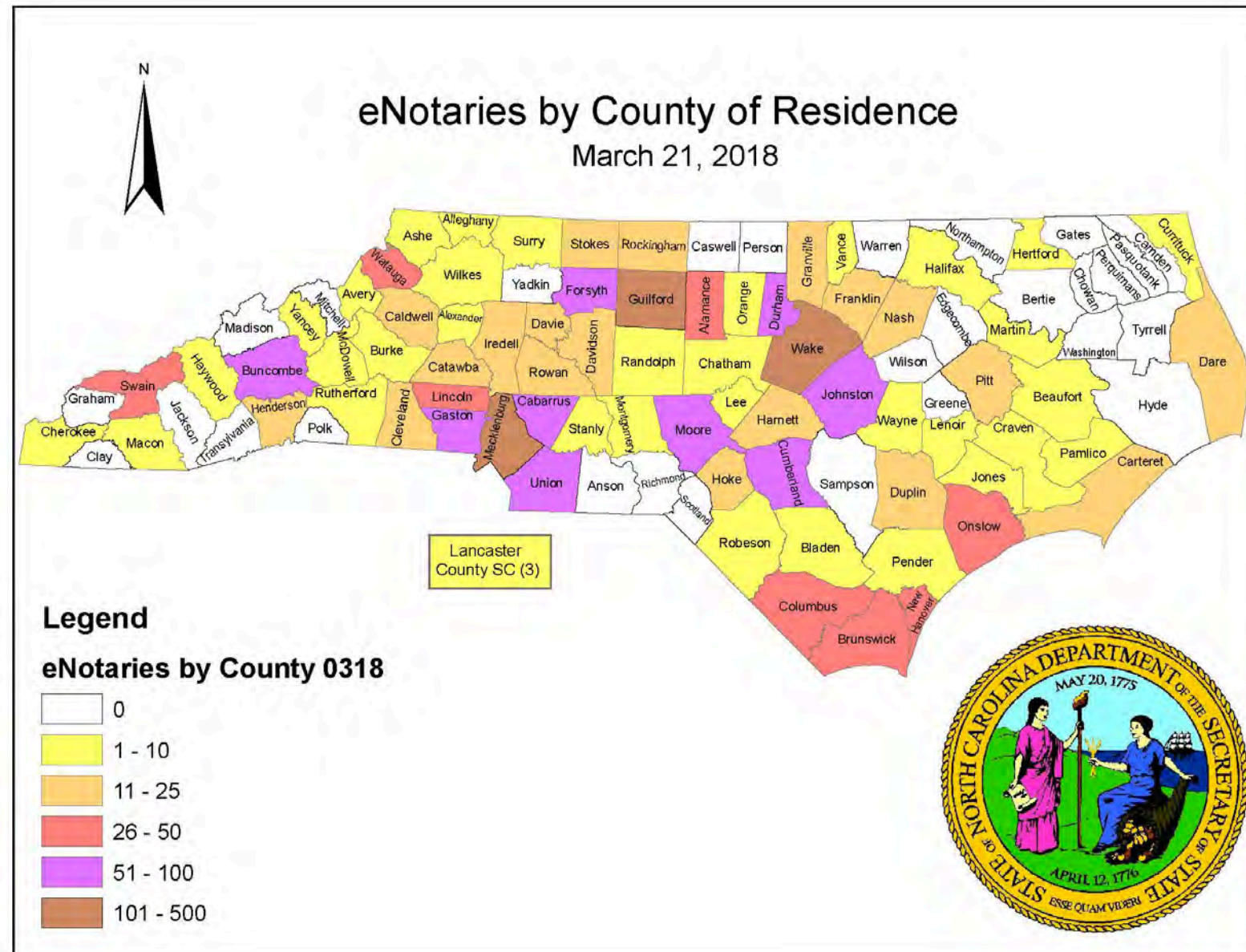
- Private sector
- Public sector
- Legal community
- Universities & college systems
- Surveyors
- Banks

N.C. eSignature Vendor



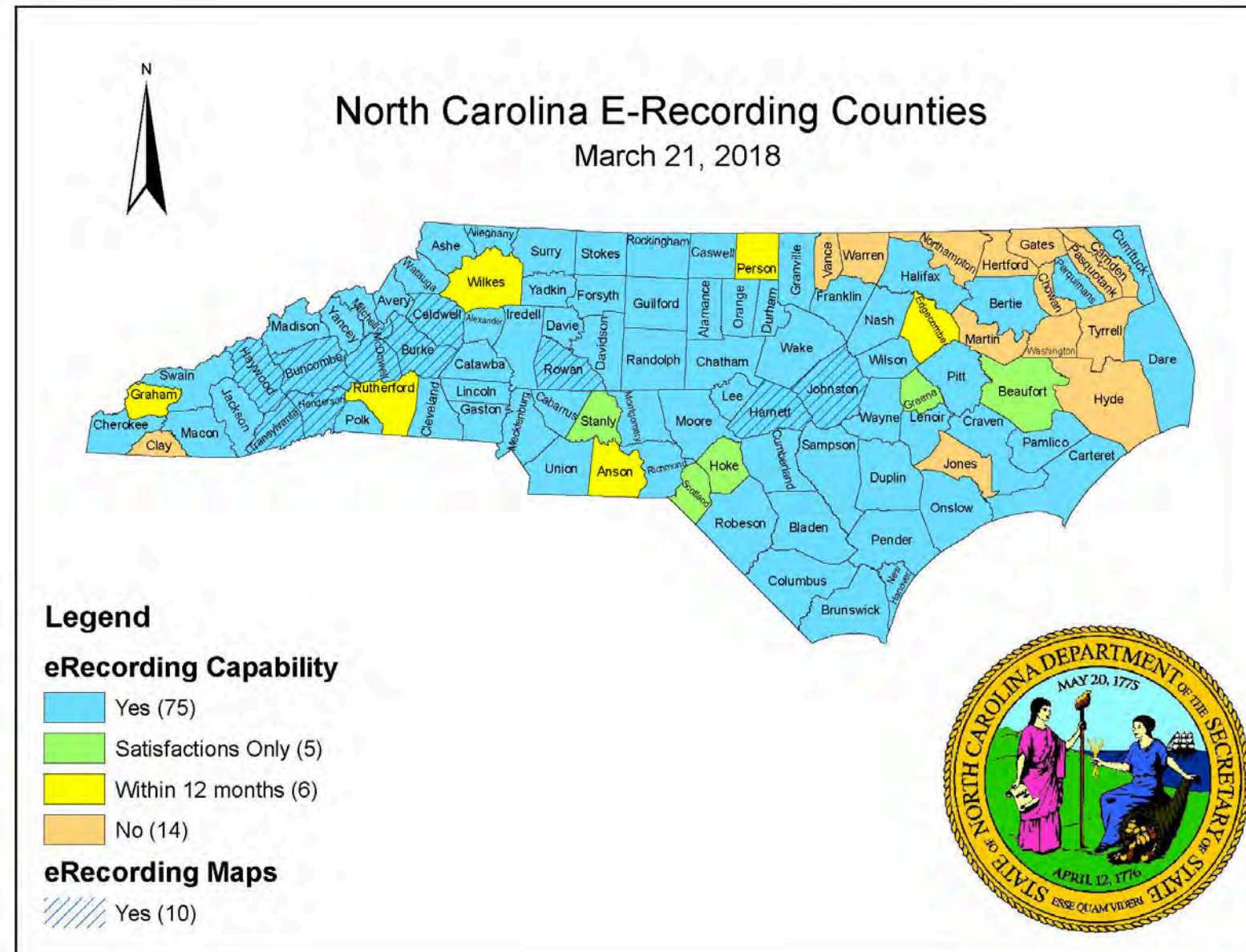


Growing the Pool of eNotaries





Converting Counties to “E”





Promoting eCommerce Through Pilots

- eRecording maps
- eNotarizing lobbyist expense reports
- eSignatures on state employee reimbursements
- 40 + eRecording “Kick-Offs”
- **eRecording satisfactions – mortgage industry**
- CLE programs for attorneys (FREE)
- eCommerce and eNotary brochures



Then Tragedy Struck



The Boom, The Bubble, The Burst!

- Recession struck
- Mortgage industry tanked
- The promise of the eMortgage faded FAST
- It took nearly a decade to recover



We Stayed True to the Vision

- The eMortgage was lost so we focused on building the individual parts:
 - eNotary
 - eSignature
 - eRecording



Perseverance & Patience

- Visited every county
- Partnered with vendors
- Trained eNotary instructors
- Taught thousands of hours of CLE's



Mortgage Industry Begins to Recover

- New regulations (TRID etc.) took center stage
- Technological advances were still on the back burner



2015 Finally arrives

- Nearly 10 years have passed since eNotary & eRecording laws passed in N.C.
- 60 Counties are now eRecording
- 1,500 eNotaries are registered
- Statewide eSignature solution has taken root
- We have educated thousands on benefits of “E” (attorneys, county officials, business leaders)



One Pilot Reignites A Movement



Consumer Finance Protection Bureau

- CFPB announced an eClosing pilot program
- 5 technology vendors participated
- 7 creditors participated
- Hybrid eClosings were featured



2015 CFPB Pilot Conclusions

- eClosings empowered consumers
- More efficient for consumers
- Consumers were less rushed
- Consumers were more informed
- The director encouraged the industry to pursue eMortgage closings!



North Carolina Was Ready!



It Was Time To Spring Into Action!

- One well-connected attorney with a vision
 - N.C. Commissioner of Banks
- One well crafted message from Secretary Marshall
- Approached each stakeholder group and shared the vision
 - Technology vendors (eClosing, eSignature, eRecording)
 - Real Property section of the Bar (attorneys)
 - N.C. Bankers Association (local lenders)
 - Title company executives
 - N.C. Association of Registers of Deeds



Agenda – 1st Meeting August 2016

- N.C. eCommerce legal infrastructure
- CFPB pilot results
- General overview of eClosing – Freddie Mac
- Understanding the eClosing process
- GSE's investing in eNotes – Fannie Mae
- Case law/court decisions
- Why North Carolina is ready

Attendees

- North State bank
- Uwharrie Bank
- State Employees Credit Union
- Real Estate Section, N.C. Bar
- N.C. Bankers Association
- N.C. Commissioner of Banks
- Real Estate Lawyers Association of North Carolina
- Chicago Title
- Fidelity National Title
- Investors Title Company
- Federal Home Loan Bank of Atlanta
- Freddie Mac
- Fannie Mae
- Hunoval Law
- Brady and Kosofsky Law
- Hutchens Law Firm
- Simplifile
- Worldwide Notary
- N.C. Assoc. of Registers of Deeds
- eOriginal
- DocMagic
- CSC Global



An Industry Champion Emerged

- North State Bank, Ken Sykes, President
- The concluding question was:
 - Is there a path forward for eClosing in N.C. today?



The Answer

- A resounding

YES



2nd Meeting Agenda – October 2016

- Industry insights into eClosing
- Lender generated closings
- Process to get started
- Full eClosing demos – DocMagic & eOriginal
- eRecording demo
- Identifying obstacles
- Awareness/participation campaign
- Media campaign



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- N.C. Commissioner of Banks
- Real Estate Lawyers Association of North Carolina
- Chicago Title
- Movement Mortgage
- Fidelity National Title
- Investors Title Company
- Federal Home Loan Bank of Atlanta
- Freddie Mac
- Fannie Mae
- Hunoval Law
- Brady and Kosofsky Law
- Hutchens Law Firm
- Simplifile
- Worldwide Notary
- N.C. Assoc. of Registers of Deeds
- eOriginal
- DocMagic
- CSC Global
- CFPB
- eRecording Partners Network



Momentum Was Driven By Industry Professionals



3rd Meeting Agenda – November 2016

- Industry updates
- N.C. Real Property Section update
- Updating title
- Everything we need to know about eClosing
- What attorneys must do to be equipped for eClosing
- Freddie Mac review process for eClosing systems
- Fannie Mae – On-boarding lenders & eClosing systems
- eSignature discussion w/ Federal Home Loan Bank ATL



Attendees

- North State bank
- Uwharrie Bank
- State Employees Credit Union
- American Security Mortgage Corp.
- N.C. Commissioner of Banks
- Real Estate Section, N.C. Bar
- N.C. Bankers Association
- Real Estate Lawyers Association of North Carolina
- Chicago Title
- Fidelity National Title
- Investors Title Company
- Federal Home Loan Bank of Atlanta
- Freddie Mac
- Fannie Mae
- Hunoval Law
- Brady and Kosofsky Law
- Hutchens Law Firm
- WorldWide Notary
- Pavaso
- Simplifile
- Arkansas Dept. of Secretary of State
- N.C. Assoc. of Registers of Deeds
- eOriginal



It All Came Together On May 5, 2017



N.C. First Electronic Mortgage Closing

- May 5, 2017 in Hickory, NC
 - North State Bank – Lender
 - Hunoval Law – Law firm
 - DocMagic – eClosing solution provider
 - Investors Title – Title company
 - Worldwide Notary – eNotarization solution provider

Roll Video

Need to embed this video here:

<https://www.youtube.com/watch?v=eVxCcnf3eNM&t=2s>



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Department of the Secretary of State

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State Employees Credit Union

Jen Zagofsky
Director, Product Management
DocuSign

An Advisory Committee Was Convened



Advisory Committees Work

- Develop 1st eMortgage guide in the country
- Advise on the national & local advances in eClosing
- Evangelize North Carolina's success
- Help attract willing participants to North Carolina



Key Strategies



Partnering With The Pros

- North Carolina Commissioner of Banks
 - Resolution supporting eClosing
- North Carolina Bankers Association
 - Industry reach, influence & contacts
 - Staff & other resources



Coalescing Around a Single Vision

- The North Carolina Way
 - Preserve our process
 - Determine our own destiny
 - Lead the nation



Managing Divergent Interests

- Vendor relations
- Lender relations
- Legal representation



Creating National Awareness

- National eMortgage Stakeholders Meeting – August 10th, 2017
 - National lenders
 - Local lenders
 - Financial regulatory agencies
 - Law firms, title companies



eMortgage Stakeholder Meeting Agenda

- Why North Carolina now?
- Walk through eClosing
- Transitioning to eClosing
- GSE survey findings
- Legal & regulatory considerations
- Cost benefit analysis of eMortgages
- Live eClosing!



So What's Next?



Let The Revolution Begin!

- Publish 1st eMortgage Guide
- Attract National Lenders
- Make eMortgages available to all Tar Heels
- Lead the Nation in eMortgage Closings



Speaker Contact

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