

**eNotes. eSigning. eVault.**

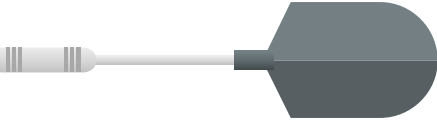


# Why Is MERSCORP Holdings Offering a Solution to Implement eNotes?

- MERS System Members (“Members”) asked for it
  - Members shared obstacles prohibiting adoption
    - Needed to get past thinking about implementing
      - Provides a quick-start solution for Members to take the first step in the digital mortgage process by implementing eNotes ... and then scaling
    - Wanted convenience
      - Allows Members to leverage existing MERS® System Membership, vendor management, and integration experience
- Experience with eNotes
  - Over 14 years experience operating the MERS® eRegistry

# Why eNotes?

Allows you to provide an improved borrower experience and be known as a leader in your field



Enforceable in all 50 states – no legal restrictions, no notarization



eNotes are the most important part of the digital mortgage – and you can easily integrate them into your current closing process



Provides you quick delivery into the secondary market



Save time and money by engaging in *just one* integration effort to become live with the MERS® eSuite!

eNotes. eSigning. eVault.

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# Implementing eNotes: Where Are You?



# What Does MERS® eNote Solutions Provide?

- eNote Creation
  - Create the MISMO SMART Doc® eNote
- Borrower Signing Capabilities
  - Borrower signing occurs in a digital closing room – branded with your company's logo
- eVault Services
  - Your organization will have its own electronic repository, or eVault, for delivery and management of eNotes
  - Perform key transactions in the MERS® eRegistry, including registration, transfer, and life of loan events, with just a few clicks



# What is the MERS® eRegistry?

- The national mortgage registry and legal system of record for identifying the controller (holder) and location (custodian) of the authoritative copy of registered eNotes
- All transactions on the MERS® eRegistry are system-to-system and are typically initiated via interfaces with an eVault



An electronic repository  
for delivery and storage  
of eNotes and other files

eVault



# Why Choose the MERS® eSuite?

## Convenience

- Engage in one integration effort with MERSCORP Holdings
- Go live with the MERS® eRegistry and MERS® eNote Solutions at the same time

## Seamless Vendor Management

- Leverage your existing relationship with MERSCORP Holdings
- One vendor, multiple solutions

## Trusted Partner

- Over 14 years of experience operating the MERS® eRegistry
- Competitive and transparent pricing



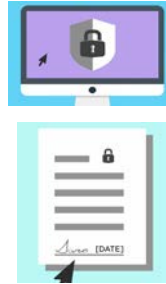
# Follow the eNote



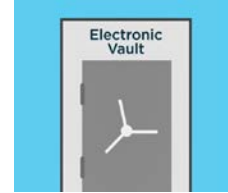
eNote is Created



Borrower Meets with Settlement Agent



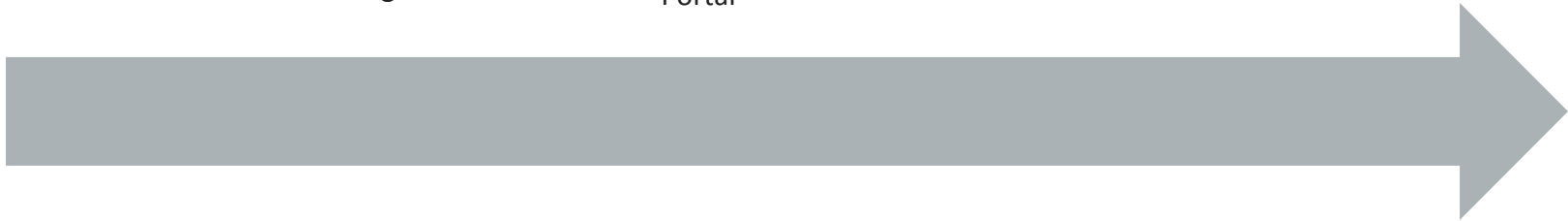
eNote is Signed in Digital Closing Portal



eNote is Stored and Managed in the eVault



eNote is Registered on the MERS® eRegistry, Delivered and Transferred

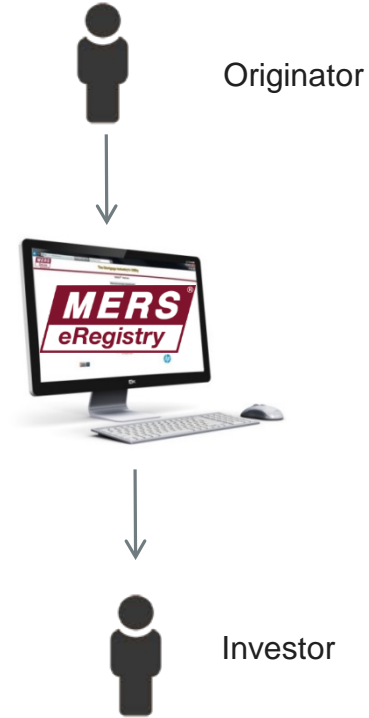
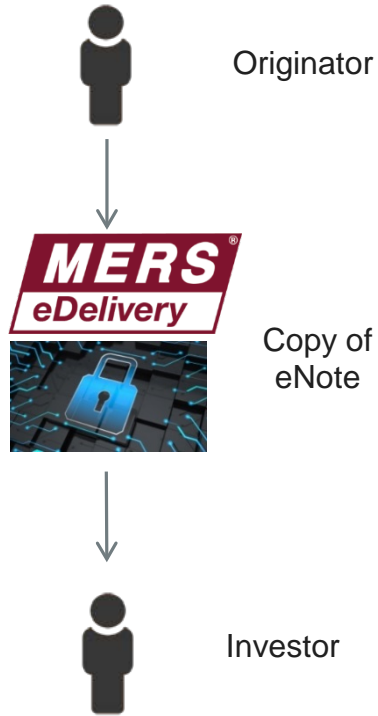


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# What Occurs When an Investor Purchases eNotes?



# An Audit Trail is Easily Accessible with MERS<sup>®</sup> eNote Solutions

Document History

Event History

Date	Signed Action	Recorded By	User	IP Address	Details
03/20/2018 11:54:43 AM EDT	Sent Completion Email	eCore Notification	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:43 AM EDT	Returned Document History Report	eCore Notification	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:42 AM EDT	Sent All Participant Completion Receipt	eCore Notification	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:42 AM EDT	Returned Watermarked Copy	eCore Notification	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:42 AM EDT	Sent All Participant Completion Receipt	SmartSign Web	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:42 AM EDT	Returned Watermarked Copy	SmartSign Web	eCore System Account <support@eoriginal.com>	N/A	
03/20/2018 11:54:41 AM EDT	✓ Created Signed Version	SmartSign Web	John Homeowner <jhomeowner.eo@gmail.com >	10.220.120.189	
03/20/2018 11:54:40 AM EDT	✓ Signature Areas Acknowledged	SmartSign Web	John Homeowner <jhomeowner.eo@gmail.com >	10.220.120.189	

OK

# Decrease Origination Costs, Increase Secondary Yield

- Use Fannie Mae's eMortgage Calculator to estimate your organization's savings

<b>Average Loan Size (\$)</b>	\$200,000
<b>Annual Loan Count Volume (#)</b>	12,000
<b>Total Annual Loan Volume</b>	\$2,400,000,000
<b>Average Note Rate (%)</b>	4.000%
<b>Average Market Price of Portfolio Being Funded (\$)</b>	\$103

[fanniemae.com/singlefamily/emortgage-calculator](https://fanniemae.com/singlefamily/emortgage-calculator)

Fannie Mae  
eMortgage Calculator  
Demo Calculator

- Origination Portfolio Projections
- Pre-Closing/Closing Operational Expenses**
- Funding Details
- Delivery/Funding Operational Expenses
- Additional eMortgage Production Volume Multiplier Benefits
- Benefit from Capability to Settle eMortgage Earlier
- Your Total Benefits

Projections: M. Calculations

<b>Prep of Loan Collateral File (\$)</b>	
Paper Mortgage \$30.00	eMortgage \$0.00
<small>Example of cost: 1 person at \$15 per hour for 2 hours = \$30.</small>	
<b>Loan File Mailings (\$)</b>	
Paper Mortgage \$100.00	eMortgage \$0.00
<small>Example of cost: 4 mailings at \$25 (or negotiated rate) each = \$100.</small>	
<b>Document Scanning (\$)</b>	
Paper Mortgage \$7.50	eMortgage \$0.00
<small>Example of cost: 1 person at \$15 per hour for .5 hour = \$7.50.</small>	

**Value of Operational Expenses Per Loan**  
\$293

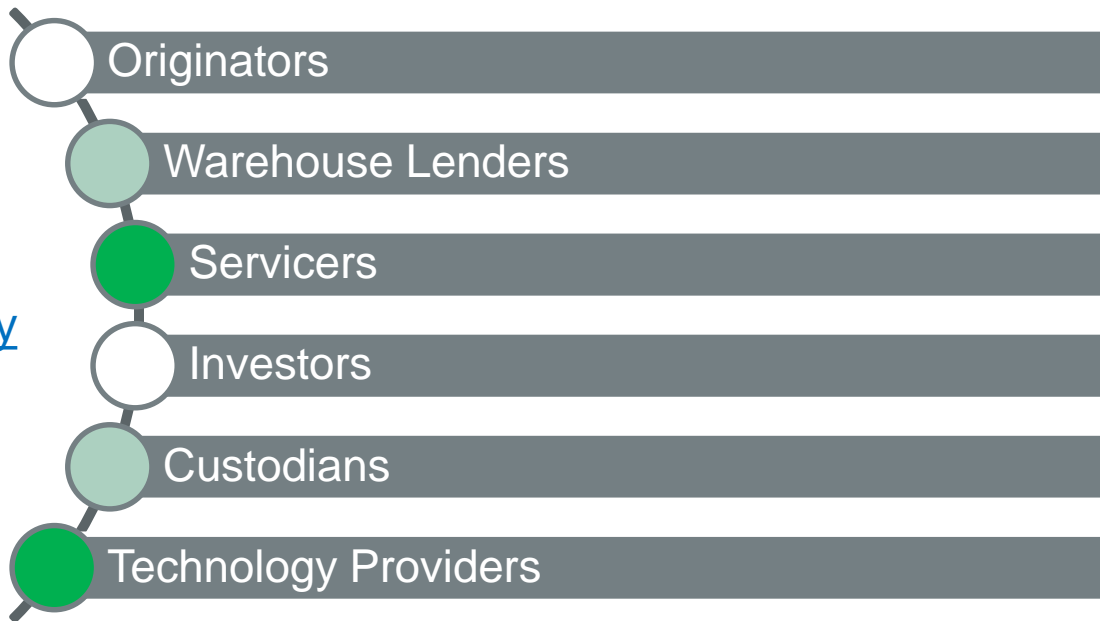
**Annual Savings Due to Operational Efficiencies**  
\$3,510,000

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# Who is Integrated with the MERS<sup>®</sup> eRegistry?



Visit  
[mersinc.org/eregistry](https://mersinc.org/eregistry)  
to view the list

# The Legal Foundation of eNotes

- To learn more about the mortgage industry infrastructure supporting eNotes and what the courts have said about them, download a white paper written by Margo Tank and David Whitaker, Partners at DLA Piper
  - *Enabled by Lenders, Embraced by Borrowers, Enforced by the Courts: What You Need to Know about eNotes*
    - Download at [www.mersinc.org](http://www.mersinc.org)





# Key Steps for Moving Forward

Be one of the first to allow your borrowers to conveniently sign eNotes!

01

Appoint an internal resource to lead this initiative

02

Communicate with trading partners to assess their readiness

03

Engage with MERSCORP Holdings by signing an addendum

04

Integrate and implement!

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We know  
eNotes.

You  
know us.

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What questions do you have?

# Visit Our Website to Learn More!



Visit [mersinc.org/eSuite](https://mersinc.org/eSuite) to:

- Watch the eMortgage video
- Download our eNote white paper
- Gain additional details on the MERS® eSuite
- Access articles about the benefits of eMortgages and eNotes