

Case Study: Minnesota's Electronic Real Estate Recording Task Force

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ERERTF history

- Formed in 1999 as a collaborative, volunteer effort
- Legislation and funding
- Lots and lots of planning
- Phase 1 testing underway
- Phase 2 testing slated for late 2003
- Completion and report to legislature in 2004

Stakeholders and TF members

- County Recorders, Auditors and Treasurers
- Legislators
- Fannie Mae and banks
- Title companies
- Lawyers and realtors
- GIS community
- State agencies (e.g. Department of Transportation)
- Minnesota Historical Society
- Notaries
- Faculty from Minnesota Law Schools.

What is recording?

- Recording is the act of entering deeds, mortgages, easements, and other written instruments that affect title to real property into the public record.
- The purpose of recording is to give notice, to anyone who is interested, of the various interests that parties hold in a particular tract of land. Recording determines the legal priority of instruments that affect title to a particular tract of land.

What is in a real estate record?

- Buyer and seller
- Property description
- Legal rights
- Finances and mortgages
- Authorizations – signatures
- Historical context – past and future
- Aggregation of traditional forms

What is an EREER system?

A publicly owned and managed county system, defined by statewide standards, that does not require paper or “wet” signatures, and under which real estate documents may be electronically:

- Created, executed, and authenticated;
- Delivered to and recorded with, as well as indexed, archived, and retrieved by, county recorders and registrars of title; and
- Retrieved by anyone from both on- and off-site locations.

Why is EREER important?

- Huge and increasing volume of filings
- Decreasing budgets for government
- Very slow and highly inefficient paper workflow between automated activities
- Secondary mortgage market demand for digital records
- Increasing complexity of property rights and descriptions
- Legislative mandate to develop common technical and information architectures

What are the models?

- Level 1: images and minimal metadata
- Level 2: images, metadata, digital or digitized signature
- Level 3: so-called “smart” documents in XML format, following recognized standards

Technology is not the problem

- Getting along
- Ordinary challenges to re-engineering
- Extraordinary political challenges to re-engineering
- Resources
- Setting standards
- Structuring “unstructured” documents
- Allocating costs and benefits

What are the standards?

- MN Electronic Real Estate Recording Task Force
- Mortgage Industry Standards Maintenance Organization (MISMO)
- Property Records Industry Association (PRIA)
- Legal XML
- GIS community
- Vendors (e.g., Ingeo)

What are the recordkeeping issues?

- “Title insurance is vital insurance.”
- Preservation: formats, media
- Positioning: Standards and architecture
- Information assets: data re-use and enhancement
- Soft skills: project management, education, collaboration

Where to learn more ...

- MN ERERTF
<http://www.commissions.leg.state.mn.us/lcc/erertf.htm>
- MISMO <http://www.mismo.org>
- PRIA <http://taskforce.cifnet.com/priaus/>
- Legal XML <http://www.legalxml.org/>
- MN Technical Architecture
<http://www.ot.state.mn.us/architecture>