

ALL THINGS "E"

In order to talk cyber, the world has had to create a new vernacular to describe new electronic documents and processes, especially those surrounding a real estate transaction, which has historically been paper intensive. Below are definitions to help guide you through 2020 articles about all things "e".



eClosing: The act of closing a mortgage loan electronically. This occurs through a secure electronic environment where some or all of the closing documents are executed and accessed online.

Electronic Notary: Electronic notarization is a process whereby a notary affixes an electronic signature and notary seal (where required) using a secure public key to an electronic document. Some states issue an eNotary commission in addition to a traditional notary commission.

eMortgage: A mortgage loan where the critical loan documentation, specifically the promissory note (e-note), is created electronically, executed electronically, transferred electronically and ultimately stored electronically. This often includes a wet-signed security instrument.

eNote: An e-note is another term for an e-mortgage. An eNote is an electronic version of what was traditionally a paper document. An eMortgage is created when an electronic promissory note is produced. An eClosing produces an eMortgage if the promissory note is signed electronically.

eVault: Provides the ability to accept, receive, and securely store electronic mortgage documents post-closing and prior to investor delivery.

Hybrid closing: eClosing process where certain key documents (e.g., Note, Security Instrument) are printed to paper and traditionally wet-signed, while other documents throughout the process are signed electronically.

MISMO: The Mortgage Industry Standards Maintenance Organization (MISMO) is a not-for-profit, wholly owned subsidiary of the Mortgage Bankers Association® responsible for developing standards for exchanging information and conducting business in the U.S. mortgage finance industry.

Remote Notary: A legally commissioned Notary Public who is authorized to conduct notarizations over the internet via digital tools and a live audio/video call. All notaries, no matter how they perform their service, must watch as someone signs a document.

SMART Doc: An electronic document created to conform to a specification standardized by MISMO. A SMART Doc can lock together data and presentation in such a way that it can be system-validated to guarantee the integrity of the document. SMART is an acronym meant to explain the purpose of the document standard — to make documents securable, manageable, achievable, retrievable, and transferable.



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