



Electronic Document Recording Solutions

inside ingeo

News in Brief

Q2 2007

Ingeo Systems, Inc.

1300 North 200 East, Suite 118

Logan, UT 84341

Telephone: 435-755-9837 * www.ingeo.com

INGEO TOPS 200 COUNTY MARK

Ingeo's Electronic Document Recording Solution is now reaching 200 counties nationwide. "With the addition of the Iowa Portal and the alliance with our newest partner, Kuvera, Ingeo has topped the 200 mark for counties receiving real estate documents electronically for processing," said Karl Klessig, Ingeo's CEO. "To date, our reach extends to counties in 22 states."

Ingeo is aggressively growing the business and expects to add another 50 counties by year-end. "It's amazing that a year ago Ingeo counted only 55 counties on our 'enabled' list," Klessig said. "With our expansion strategy, we're looking forward to achieving even greater results by next year at this time."

NATIONAL NOTARY ASSOCIATION CALLS FOR MANDATORY COMPLIANCE FOR E-RECORDING

National Notary Association (NNA) Executive Director Timothy S. Reiniger recently outlined the parameters of the legal requirements for notarizing electronic documents.

In a letter he states: "It has been brought to our attention that, in the preparation of electronic land records, a system put in use by ACS and Rekon Technologies has been using a 'batch electronic notarization' process whereby a Notary attempts to notarize multiple electronic documents without satisfying the security tenets required by law for such notarial acts..."

"Through its use of a process that does not appear to allow the Notary to retain complete control of the notarial act performed and the

KUVERA PARTNERSHIP EXPANDS INGENO'S EXPOSURE IN COLORADO COUNTIES

An integration partnership between Ingeo and Kuvera Enterprise Solutions expanded Ingeo's reach in Colorado to 17 more counties. "The partnership between Ingeo and Kuvera combines the strengths of each company," said Karl Klessig, Ingeo's CEO. "Kuvera provides Ingeo with a single integration effort that opens all their counties to Ingeo's submitters."

Colorado is the only state with a Public Trustee (PT) requirement for processing deeds of trust for all releases. "Kuvera provides the interface with the PT Offices and the application for moving the documents on **(Continued on page 3)**

tools used to perform those acts, the purported 'automated' electronic notarization process could be misunderstood by the public to carry the same force as a legal notarization, which it does not."

Using citations from the California Code as representative of other states, the letter listed the threefold concerns of the NNA: "First, if the notarial act is not performed by a Notary Public, but by an electronic process that does not allow the Notary to review the documents for completeness, the process violates Cal. Gov. Code 8205. Second, if the process does not allow for a face-to-face meeting before a Notary, the process violates Cal. Gov. Code 8202; Civil Code 1189. Third, the Notary's **(Continued on page 3)**

MORTGAGE BANKERS ASSOCIATION GIVES PROJECTIONS FOR NEXT THREE YEARS

The Mortgage Bankers Association recently released its "Mortgage Finance Market Commentary No. 26: Housing Downturn Continues Unabated." The document posted on the MBA Web site gave the following projections for the next three years:

- We expect home sales to reach bottom in the final quarter of this year, but the recovery will be gradual.
- Total existing home sales for 2007 will decline by 5.8 percent from 2006 to 6.09 million units. Sales will be relatively flat in 2008 and increase by about 2 percent in 2009.
- New home sales will decline by about 17 percent from 2006 to 872,000 units. After a double-digit decline in 2006 and a similar projection for 2007, new home sales should edge up in 2008 by 1.2 percent and another 3.4 percent in 2009.
- Home prices for new and existing homes are expected to decline this year, with median prices falling about 2 percent to 2.5 percent. Prices should remain flat in 2008 but gain about 2 percent to 3 percent in 2009 as housing demand strengthens.
- **Residential purchase mortgage originations will decline about 10 percent in 2007 to \$1.31 trillion.** Purchase origination is projected to be relatively flat in

2008. As home sales and home prices are projected to rise in 2009, purchase originations should grow by about 4 percent in 2009.

- **Refinances will decline about 7 percent to \$1.26 trillion in 2007 from 2006.**

Refinancing of adjustable-rate mortgages at their reset dates should support refinance activity in 2007 and beyond. The tightening lending standards will significantly curtail activity in the subprime segment of the market, but we don't expect it to considerably affect the prime mortgage market. Nevertheless, as mortgage rates continue to edge up with the stronger economy and increased demand for funds, refi activity will decline significantly in 2008 and 2009

- **Total mortgage production will be down about 9 percent to \$2.57 trillion this year and another 11 percent next year.**

The projected increase in purchase origination in 2009 should help offset the expected large drop in refi origination, causing a decrease in total origination of about 6 percent.

- As the yield curve becomes steeper, we expect the ARM share of conventional-

purchase mortgages to increase from the current rate of 11 percent to about 15 percent to 16 percent over the next two years.



INGEO OFFERS CUSTOMERS MORE SERVICE ENHANCEMENTS

Ingeo strives to constantly enhance customer satisfaction through its program of continuous improvement. In addition to migrating the DataCenter to Salt Lake City earlier in the year, the company recently instituted more innovative improvements.

All systems are now hosted on new multiprocessor hardware that provides the highest levels of performance. There are multiple redundancies to ensure protection on all servers and multiple redundant pipelines to

the Internet. The new DataCenter also offers increased memory and speed in addition to continuous back-ups.

Another efficiency improvement is Ingeo's bulk printing tool for submitters. Recorded documents returned to mortgage lenders can now be printed by date range and, if desired, only the first page can be selected. The pilot program has been praised by two major submitters and will be a standard feature in the future.

NNA COMPLIANCE (CONTINUED FROM PAGE 1)

seal and journal are the exclusive property of the Notary and must remain under the exclusive control of the Notary at all times (Cal. Gov. Code 8207); an employer cannot, for example, require a Notary to surrender a seal and journal if the Notary leaves the employer's business, even if the employer purchased the seal and journal for the Notary (Cal. Gov. Code 8214.1)."

The letter also cites California's Civil Code section 1633.11(a) that enables "Notaries in California to use an electronic signature, and the state has, as of the date of this letter, prescribed a specific process for acquiring an electronic notary seal manufactured by an approved vendor (as per Government Code Section 8207, as amended by Chapter 828, Statutes of 1990)."



National
Notary
Association

Karl Klessig, Ingeo's CEO, pointed out that Ingeo is 100 percent compliant and has been working with the states and the NNA for years to ensure the legality of all electronic documents recorded through Ingeo's system. "Our theme is 'full compliance' from legal to accuracy to turn-around and return," he said. "We do this better than anyone else."

KUVERA / INGEO (CONTINUED FROM PAGE 1)

to the County Clerk and Records' Offices for recording," said Jeff Wille, Kuvera's president. "This is a natural partnering relationship between Kuvera and Ingeo that benefits both organizations. Ingeo brings to Kuvera's counties a greater volume of documents and Kuvera offers Ingeo's submitters easy access to the majority of Colorado's population.

When the liens are satisfied, the lender releases the obligation and Ingeo pushes the documents from the submitter to Kuvera. Then Kuvera moves them along to the PT Offices for review and approval before sending them on to the County Clerk and Records' Offices for processing.

Initially Kuvera opened Boulder County to Ingeo with 16 other counties to follow. "Kuvera has eight of the 10 front-range counties in the state, which represent the highest concentration of population," explained Wille. "Currently, we have 17 counties in the state and they cover more than 50 percent of the population. We're working to bring on more in the future."

The partnership with Kuvera increases Ingeo's reach into Colorado. Previously the company provided electronic document recording services to Denver, Delta, Eagle and Routt Counties. "Now we submit to 21 counties," Klessig said. "And we're looking forward to even more."

INGEO PARTNERS

ACS	Fidelity Information Services	Logan Systems	SouthTech Systems
AmCad	Fidlar Software	Manatron	TD Services
Aptitude Solutions	First American	NewVision Systems	TriMin Systems
Business Information Systems	Global 360	Optical Storage Solutions	TylerWorks/Eagle
Communications Intelligence Corp.	Hart InterCivic	Rekon Technologies	
Cott Systems	Kuvera Enterprise Solutions	Reconveyance Professionals, Inc.	
Exigent Technologies	Landata Systems	SIRE Technologies	

INGEO AVAILABLE COUNTIES

Maricopa, AZ	Champaign, IL	Tulsa, OK
Yavapai, AZ	Cook, IL	Allegheny, PA
Los Angeles, CA	DuPage, IL	Lancaster, PA
Orange, CA	Rock Island, IL	Philadelphia, PA
Riverside, CA	Winnebago, IL	Bexar, TX
San Bernardino, CA	Iowa Portal (89 counties)	Brazoria, TX
San Diego, CA	Sedgwick, KS	Collin, TX
San Mateo, CA	Wyandotte, KS	Dallas, TX
Alamosa, CO	Middlesex North, MA	Denton, TX
Arapahoe, CO	Macomb, MI	Harris, TX
Archuleta, CO	Oakland, MI	Hidalgo, TX
Baca, CO	Ottawa, MI	Midland, TX
Bent, CO	Crow Wing, MN	Nueces, TX
Boulder, CO	Hennepin, MN	Parker, TX
Conejos, CO	Martin, MN	Tarrant, TX
Delta, CO	McLeod, MN	Webb, TX
Denver, CO	Pope, MN	Wichita
Douglas, CO	Renville, MN	Salt Lake, UT
Eagle, CO	Scott, MN	Fairfax, VA
Gilpin, CO	Wabasha, MN	King, WA
Jefferson, CO	Boone, MO	Snohomish, WA
Kit Carson, CO	Lincoln, MO	Brown, WI
La Plata, CO	St. Louis City, MO	Chippewa, WI
Larimer, CO	Washoe, NV	Columbia, WI
Mineral, CO	Merrimack, NH	Dane, WI
Otero, CO	Camden, NJ	Eau Claire, WI
Pueblo, CO	Cape May, NJ	Kenosha, WI
Routt, CO	Cumberland, NJ	Milwaukee, WI
Weld, CO	Gloucester, NJ	Outagamie, WI
Washington, DC	Monmouth, NJ	Ozaukee, WI
Bay, FL	Ocean, NJ	Portage, WI
Brevard, FL	Passaic, NJ	Racine, WI
Broward, FL	Union, NJ	Rock, WI
Duval, FL	Durham, NC	St. Croix, WI
Hillsborough, FL	Mecklenburg, NC	Washington, WI
Orange, FL	New Hanover, NC	Waupaca, WI
Palm Beach, FL	Delaware, OH	Winnebago, WI
Polk, FL	Richland, OH	