Introduction

The goal of this submission guide is to provide assistance for those in the title and real estate industry that desire to eRecord in Minnesota. We hope this will give a basic understanding of the partnership between public and private enterprise and the work involved to bring recording systems in Minnesota into the electronic realm.

The organization and website resources listed in this guide are evolving and will be kept as current as realistically possible. Your first step to eRecord is to consult with a Trusted Submitter of your choosing. An established relationship with an approved submitter will facilitate your ability to file documents electronically and will keep you abreast of the ever-changing dynamics of eRecording.

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I. **Brief History of eRecording in Minnesota**

After passage of the Uniform Electronic Transaction Act (UETA) in 1995, a group of county recorders and private industry representatives began discussions in 1999 to implement electronic recording of real estate documents in Minnesota. Shortly thereafter in 2000, the Electronic Signatures in Global and National Commerce Act was passed and the first Minnesota Electronic Real Estate Recording Task Force (ERERTF) was established by Chapter 391, Senate File 336 of the 2000 Regular Session. The ERERTF was comprised of members from the Minnesota Association of County Officers (MACO), representatives of title insurance industry trade organizations Minnesota Land Title Association (MLTA) and Minnesota Real Estate Services Association (MRESA), members of the Real Property Section of the Minnesota State Bar Association (MSBA) and Minnesota Bankers Association (MBA), and was chaired by the Secretary of State.

The ERERTF selected three initial document types that were approved and authorized for electronic recording under Model 3 in Minnesota. These three document types included: Assignment of Mortgage, Satisfaction of Mortgage, and Certificate of Release of Mortgage by a Title Insurance Company or Appointed Agent. After approval by the ERERTF, the standards developed for those document types were tested in five pilot counties – Dakota, Hennepin, Lyon, Renville, and Roseau – representing various demographic areas across the State of Minnesota.

In 2005, the ERERTF was renewed and reorganized by statute. In that same year, MACO – in collaboration with the MLTA and the MSBA, and with the support of the MBA and Minnesota Association of Realtors – successfully had legislation passed for a comprehensive, standardized, statewide recording fee for real estate documents. That legislation was, in part, a public and private recording industry response to the need to decrease the gap period in recording documents and to speed implementation of electronic recording in Minnesota. In recognition of county recorder concerns that individual county recorder offices lacked the funding resources necessary for implementing such improvements, that legislation included a specific allocation of a portion of the recording fee for all county recorders by establishing the Recorder’s Technology Fund and a Compliance Fund or Account to enable technology enhancements. Implicit in the language of the statutes and integral to the negotiation of that legislation is the directive that those funds be used for the development and implementation of eRecording, both facilitating the county recorder’s office to become current in technology as well as to be in compliance with the recording turnaround times also established in that legislation.

The 2nd ERERTF sunset in 2008, at which time the group was again reorganized and re-established as a state commission, the Real Property Electronic Recording Commission (ERERC), in conjunction with the passage of the Minnesota Real Property Electronic Recording Act (MN-RPERA), to continue to oversee and further promote the implementation and evolution of electronic recording in Minnesota.
of eRecording in Minnesota. The ERERC identified three barriers to substantial volume of eRecordings. The first barrier was electronic recording only under a Model 3, the second and third being the to-date undeveloped electronic processing of the required supplemental documents of the Minnesota Well Disclosure Certificate and the Certificate of Real Estate Value. In 2008, the ERERC approved pursuit of electronic recording under Model 2, and in 2009 approved doing so for all document types. The Well Disclosure Certificate was made available electronically statewide in 2009 (e-Well), and the electronic version of the Certificate of Real Estate Value was made available statewide in December 1, 2011.

The ERERC continues to work with groups to identify additional barriers to eRecording with a goal to achieve implementation in 100% of Minnesota counties by 2014, to provide a public forum for the discussion and resolution of issues that arise in implementation and further development, to provide education and national perspective to counties, eRecording vendors and submitters, and to ensure as much uniformity as possible in the eRecording process to preserve the integrity of the Minnesota land records systems.
II. Why Electronically Record – Universal Benefits:

- Ability to record documents in multiple counties without need for staff to travel, use mail delivery or courier services thus saving time and dollars

- Reduces volume of checks cut and/or dollar amount of escrow accounts maintained – secure transfer and accounting of exact dollars required per transaction

- Documents can be recorded immediately upon completion of transaction ensuring information available of public record is more current

- Reduces the recording gap period and the liability associated with the recording gap

- Provides instantaneous notice of recording rejects, allowing for timely correction and return

- Risk of document loss is eliminated

- Enhanced customer service through ability to provide requested recording information in a more timely manner

- Potential staff efficiencies and overall reduction in cost of doing business

- Possible computerized reporting reconciliation of all recording expense

- Possible computerized integration with back-end operations – recording information to flow directly to individual computer files
III. Certificate of Real Estate Value Form/eCRV

Purpose and Requirement

• Deeds conveying property should be recorded and if the sale price is more than $1,000 a Certificate of Real Estate Value (CRV) form must also be completed and filed

• The CRV is needed to document the terms of the sales transaction

• Data collected on the CRV includes Seller(s) and Buyer(s) name, address, phone number, social security number, date of deed or contract, purchase price, down payment, points or prepaid interest, current value of personal property, type of acquisition, type of property, planned use of property, buyer’s principal residence, and method of financing

• The information collected on the CRV is reviewed by the County Assessor and the MN Department of Revenue to verify the sales terms and ensure that fair and equitable property tax assessments are conducted statewide

• The Certificate of Real Estate Value form is required by Minnesota Statute 272.115

eCRV

• The MN Department of Revenue has implemented an electronic version of the current four-part paper CRV known as the eCRV

• The eCRV project was accomplished through the coordination and collaboration of the Department of Revenue, county personnel, real estate industry representatives, and the Minnesota Electronic Real Estate Recording Commission

• The eCRV form is available to submitters for all statewide sales and can be completed through the MN Department of Revenue’s website at http://www.revenue.state.mn.us/CRV/Pages/eCRV.aspx
• The completed and saved eCRV ID should be submitted with an e-Recording packet to the county

• The eCRV section of the website includes instructions and Frequently Asked Questions on the completion of the eCRV with further assistance available by emailing ecrv.support@state.mn.us or phone 651-556-eCRV(3278) from 8 am to 4:30 pm Monday through Friday
IV. Well Disclosure Certificate/e-Well Disclosure Certificate

Purpose and Requirement

- Well disclosure is the process by which the seller of real property provides information to the buyer and the Minnesota State Department of Health about the location and status of all wells located on the property

- The process is required by state law (Minnesota Statutes, section 103I.235) and applies to all types of wells

- A well disclosure is required when a deed or other instrument of conveyance is recorded, is dated after October 31, 1990, and a certificate of real estate value form is required for the transfer

- The well disclosure process can be accomplished in three different methods depending on the previous disclosures and the status of the well(s) located on the real property
  
  1) If the status of the wells located on the property has not changed since the last recorded deed or conveyance a statement must be added to the document stating, “I am familiar with the property described in this instrument and the number of wells on the described real property has not changed since the last previously filed well disclosure certificate.”

  2) If there are no wells located on the property the deed or conveyance instrument must have a statement added to the document stating, “The seller certifies that the seller does not know of any wells on the described real property”.

  3) If the well status has not previously been disclosed or the status of the wells located on the real property has changed then a Well Disclosure Certificate must accompany a deed or conveyance document before it can be recorded.

e-Well Disclosure Certificate

- Minnesota Department of Health staff and county recorders designed and implemented an electronic version of the paper well certificate, now referred to as an e-Well Disclosure Certificate (e-WDC)
• The e-WDC is available to all submitters of deeds and other instruments of conveyance and can be completed online through the Minnesota Department of Health’s website at https://www.health.state.mn.us/divs/eh/wells/eDisclosures/euserlogin.cfm

• When the e-WDC is completed online, the submitter will receive an e-WDC number which must be disclosed with the deed or conveyance instrument

• The e-WDC section of the website includes detailed instructions for completing an e-WDC with further assistance available by emailing health.welldisclosures@state.mn.us or phone 651-201-4587 or 800-383-9808 - Deaf and hard of hearing TTY 651-201-5797
V. Electronic Recording Timeline in Minnesota

History

- **1995 UETA** Uniform Electronic Transaction Act (Federal Law)
- **2000 E-SIGN** Electronic Signatures In Global and National Commerce Act (Federal Law)
- **2000 ERERTF** 1st Electronic Real Estate Recording Task Force established by statute. Members were included from the original PREP (Property Records Education Partners) group of MLTA/MRESA/MACO, the MSBA, the MBA and the Office of the SOS
- **2004 URPERA** Uniform Real Property Electronic Recording Act (Federal Law)
- **2005 ERERTF** 2nd ERERTF re-established by statute, formed with members from MACO, MLTA, MSBA, MBA, Association of MN Counties, MN Historical Society, and Office of the SOS
- **2008 MN-RPERA** The Minnesota Real Property Electronic Recording Act established by statute
- **2008 ERERC** Electronic Real Estate Recording Commission established by statute
- **June 2009** Electronic Well Disclosure Certificate (e-Well) implemented statewide by the Minnesota Department of Health
- **December 2011** Electronic Certificate of Real Estate Value (eCRV) implemented statewide by the Minnesota Department of Revenue

Electronic Document Models

- **Model 1** Fax or emailed document printed out at county and paper copy recorded and imaged. For security and recordkeeping integrity, Minnesota decided not to electronically record documents under Model 1.
- **Model 2** A Model II document is a combination of a paper document and digital information
- **Model 3** A Model III electronic document is a fully digitized document
Implementation

• Phase I  Model 3 for 3 doc types only in pilot counties
  ▪ Dakota, Hennepin, Lyon, Renville, and Roseau
  ▪ Additional counties became capable of recording Model 3 docs by the end of 2006
  ▪ 3 document types only:
    o Assignment of Mortgage
    o Satisfaction of Mortgage
    o Certificate of Release by Title Company

• Phase II  Model 2 testing and adoption of Model 2 standards to encourage and enable more submitters to eRecord
  ▪ Multiple document type list approved by ERERC July 16, 2009
  ▪ Any county with the technology can record Model 2 documents
  ▪ Adopted standards are published by ERERC on the Commission website
  ▪ Implementation of e-Well and eCRV

Trends in e-Recording

• Model 2 is live and available in over 40 Minnesota counties
• MLTA and MCRA workgroup working on troubleshooting to bring other counties into live eRecording
• Submission venues continuing to increase nationwide
• Maricopa County, Arizona, and Reno, Nevada over 90% of submissions are electronic
• Colorado, Hawaii, and Arizona have 100% of counties eRecording
VI. Electronic Recording Trusted Submitters

The following are Trusted Submitters that have been reviewed by the Electronic Real estate Recording Commission.

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<tr>
<th>Organization Name</th>
<th>Website</th>
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<td>Affiliated Computer Services, Inc.</td>
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The appearance on this list does not constitute an endorsement of any one service provider by the ERER Commission. Submitters seeking to be included on this list should indicate their interest to the office of the ERER Commission at: lcc@lcc.leg.mn (include ERERC in subject heading); fax: 651-297-3697; 100 Dr. Rev. Martin Luther King Jr. Blvd, State Office Building 72, St. Paul, MN 55155.

Electronic Recording Counties

Here is a link to a color coded map that reflects all of the counties known to be accepting documents electronically for recording: [www.mnererc.com/erecording-counties](http://www.mnererc.com/erecording-counties). The information is changing regularly. For more current information about a particular county, contact the county directly or consult with your Trusted Submitter.
VII. Conclusion

Thank you for exploring electronic recording in Minnesota. It is our sincere belief that the electronic recording of real estate documents is an integral part of the real estate transaction, not only in the execution, but in the recording, archiving and retrieval of real estate documents.

Electronic recording, once only a hope for the future is currently a reality and expectation of all whose professional responsibilities are directly or indirectly impacted by access to public information. Committed participation of both county and industry is critical to the ultimate success of electronic recording.

This guide is not intended as an exhaustive or complete guide to the implementation of electronic recording for the submitter. This guide is intended to educate on the resources available and the benefits to be realized by each submitter. It is intended to encourage participation in an electronic process that enhances the productivity and efficiency of a Real Estate industry that is one of the most important segments to a strong Minnesota economy.

The identification of any entity in this guide is not an endorsement of, nor an offer of services, of that entity.

This is simply a guide to, and encouragement of, electronic submission of real estate documents in Minnesota.