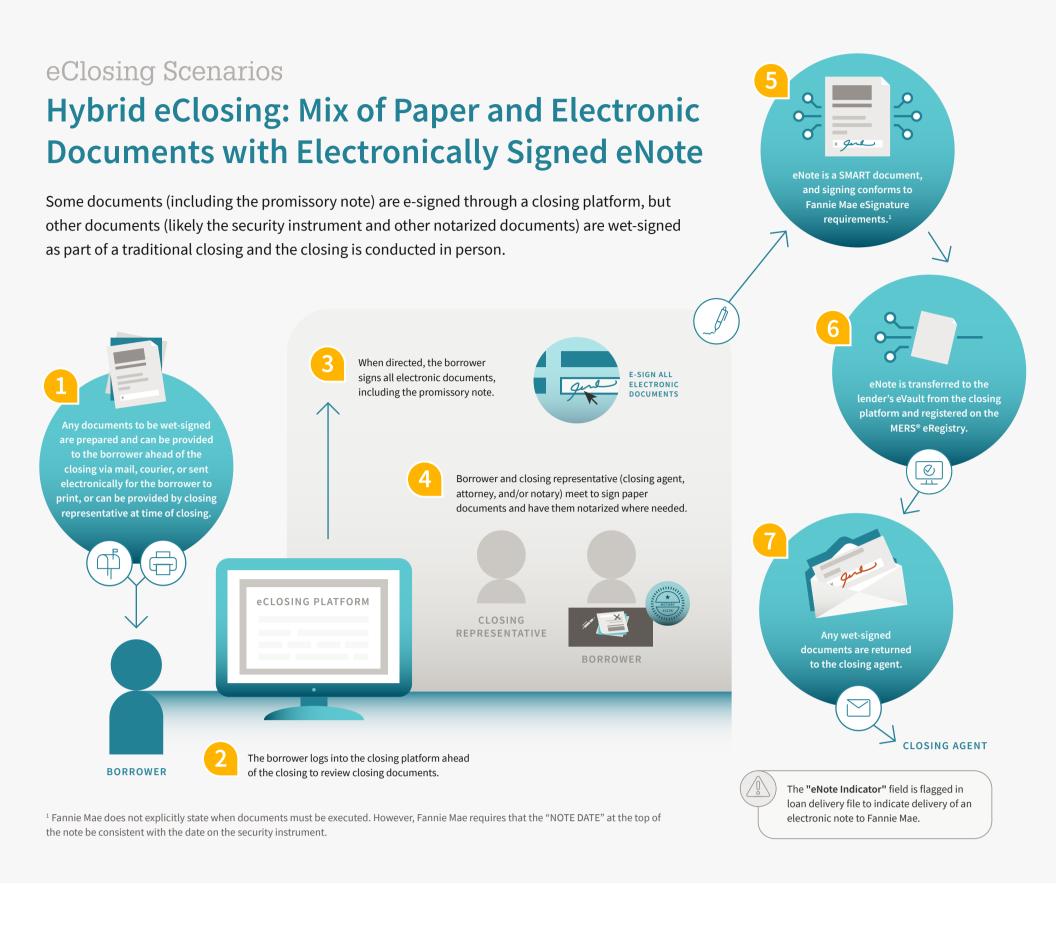
## eClosing Overview

Learn eMortgage terms and take a closer look at various digital closing scenarios.





All documents (promissory note, security instrument, and other loan documents) are e-signed and electronically notarized through a closing platform – the closing is conducted in person.

eClosing Scenarios

Full eClosing: Electronically Signed Documents

with In-Person Electronic Notarization (IPEN)

On the day of closing, the borrower meets with the closing representative (closing agent, attorney,



Some documents are e-signed through a remote online notarization (RON) platform, including documents that require notarization, but the promissory note is paper.

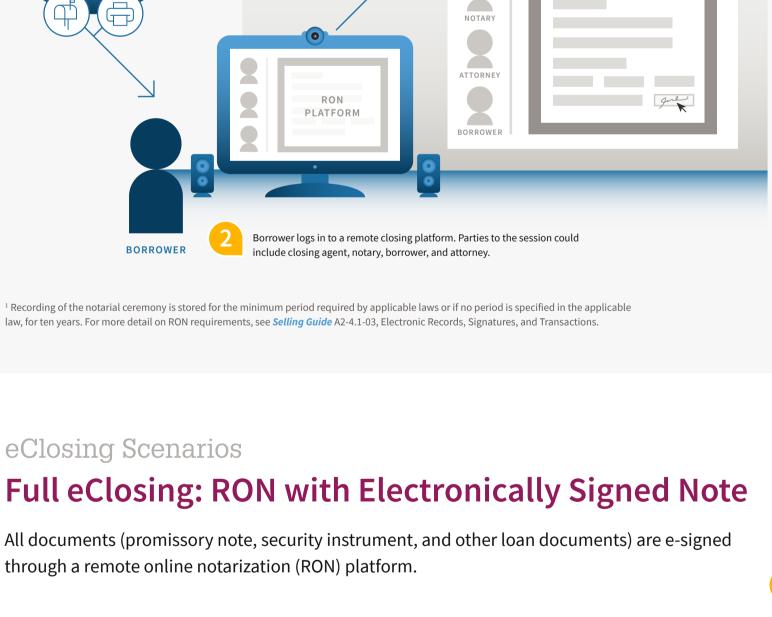
> Borrower is authenticated and e-signs closing documents, except for the promissory note (and other paper documents to be wet-signed). Documents

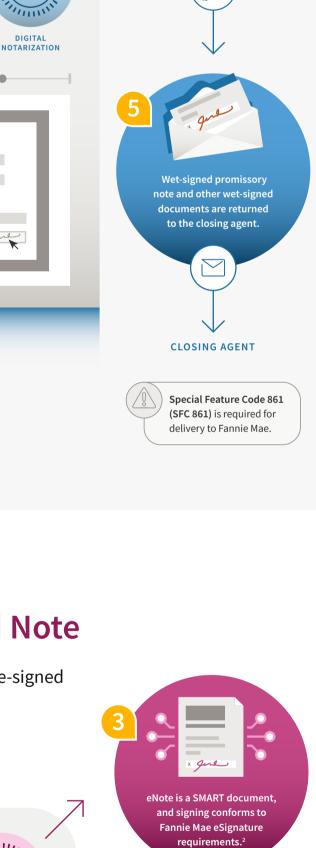
requiring notary are

remotely notarized.<sup>1</sup>

TWO-FACTOR BORROWER AUTHENTICATION

**Hybrid eClosing: RON with Paper Note** 





eNote is transferred to the

lender's eVault from the closing

platform and registered on the MERS® eRegistry.

MERS® eREGISTRY

Special Feature Code 861 (SFC 861) and eNote Indicator are required for

delivery to Fannie Mae.

Borrower signs paper closing documents, including promissory note and security instrument.

Paper documents are returned to the closing agent.

**CLOSING AGENT** 

Notary stamp is then applied manually

eNote is a SMART document, and signing conforms to Fannie Mae eSignature requirements.1

MERS® eRegistry.

MERS® eREGISTRY

promissory note (and other paper documents to be wet-signed) during this session.

Borrower logs in to a remote

**BORROWER** 

**BORROWER** 

issued IDs or a system that meets all of the requirements set forth in the Selling Guide).

the note be consistent with the date on the security instrument.

documents to be wet-signed) is

provided to the borrower via mail, courier, or sent electronically to be printed by the borrower.

## closing platform. Parties to the session could include closing agent, notary, borrower, and attorney.

TWO-FACTOR BORROWER

AUTHENTICATION

REC |

**DOCUMENTS** 

NOTARIZATION

Borrower is authenticated and e-signs all closing documents. Documents requiring notary are

remotely notarized.1



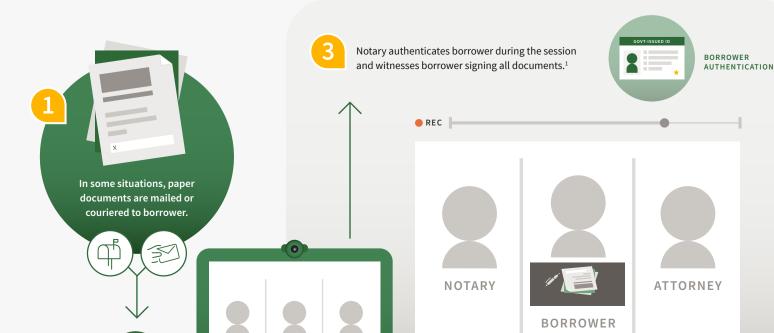


NOTE: RIN can be distinguished from a "remote online notarization" or "RON" by reviewing the following:

Recording of the notarial ceremony is stored for the minimum period required by applicable laws or if no period is specified in the applicable law, for ten years. For more detail on RON requirements, see Selling Guide A2-4.1-03, Electronic Records, Signatures, and Transactions. <sup>2</sup> Fannie Mae does not explicitly state when documents must be executed. However, Fannie Mae requires that the "NOTE DATE" at the top of

· Document format-RIN is only used for paper documents and RON is only used for electronic documents • Notarial seal method-RIN uses a traditional manual notary stamp on the paper document and the RON method applies the • Borrower authentication and witnessing in both methods occurs over an audio-visual connection that meets the guidelines set forth in the Selling Guide

signing of the paper documents over an audio-visual connection and then manually applies the notarial seal to the paper documents.



For more detail on audio-visual aided RIN requirements and standards, see Selling Guide A2-4.1-04, Notarization Standards.



could include closing agent, notary, borrower, and attorney.

<sup>1</sup> Recording of the signing session is maintained and stored per state requirements. Authentication will differ based on method (i.e. use of 2 government

Borrower logs in to real-time audio/visual session. Parties to the session

after return. Special Feature Code 920

(SFC 920) is required for

delivery to Fannie Mae.