

eClosing Overview

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

An eClosing (electronic closing) takes place when any of the closing documents are signed electronically.

Remote online notarization (RON) uses two-way audio-visual technology and additional security protocols along with anti-fraud mitigants (such as tamper-sealing documents and multifactor authentication) to complete the notarial act when the signer is not in the same physical location as the notary. The notarized documents are e-signed, and the notarial seal is applied electronically.

In-Person eNotarization (IPEN) refers to an eNotarization in which the documents are electronically signed and the notarial seal is applied electronically. The signer and notary are both physically together in the same location.

A remote ink-signed notarization (RIN) is an audio-visual aided ink-signed method of notarization of paper documents, where the borrower authentication and signature witnessing are accomplished by: the notary and principal's use of real-time audio-visual conferencing technology, the signatures are ink-signed, and the notarial seal is applied manually to the applicable documents.

For more information, visit our [eMortgages Glossary](#) and [eClosing & eMortgages FAQs](#).

eClosing Scenarios

Hybrid eClosing: Mix of Paper and Electronic Documents with Electronically Signed eNote

Some documents (including the promissory note) are e-signed through a closing platform, but other documents (likely the security instrument and other notarized documents) are wet-signed as part of a traditional closing and the closing is conducted in person.

1 Any documents to be wet-signed are prepared and can be provided to the borrower ahead of the closing via mail, courier, or sent electronically for the borrower to print, or can be provided by closing representative at time of closing.

2 The borrower logs into the closing platform ahead of the closing to review closing documents.

3 When directed, the borrower signs all electronic documents, including the promissory note.

4 Borrower and closing representative (closing agent, attorney, and/or notary) meet to sign paper documents and have them notarized where needed.

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

6 eNote is transferred to the lender's eVault from the closing platform and registered on the MERS® eRegistry.

7 Any wet-signed documents are returned to the closing agent.

¹ Fannie Mae does not explicitly state when documents must be executed. However, Fannie Mae requires that the "NOTE DATE" at the top of the note be consistent with the date on the security instrument.

The "eNote Indicator" field is flagged in loan delivery file to indicate delivery of an electronic note to Fannie Mae.

eClosing Scenarios

Full eClosing: Electronically Signed Documents with In-Person Electronic Notarization (IPEN)

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.

1 Borrower logs in to closing platform ahead of closing to view closing documents and signs electronic documents as permitted by the lender.

2 On the day of closing, the borrower meets with the closing representative (closing agent, attorney, and/or notary), who authenticates borrower using traditional means.

3 Borrower logs in to the closing platform through tablet or computer with touch-screen to sign all electronic documents, including the promissory note and notarized documents. Notary signs documents and applies notarial seal electronically through closing platform.

4 eNote is transferred to the lender's eVault from the closing platform and registered on the MERS® eRegistry.

¹ Fannie Mae does not explicitly state when documents must be executed. However, Fannie Mae requires that the "NOTE DATE" at the top of the note be consistent with the date on the security instrument.

The "eNote Indicator" field is flagged in loan delivery file to indicate delivery of an electronic note to Fannie Mae.

eClosing Scenarios

Hybrid eClosing: RON with Paper Note

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

1 The promissory note (and other documents to be wet-signed) is provided to the borrower via mail, courier, or sent electronically to be printed by the borrower.

2 Borrower logs in to a remote closing platform. Parties to the session could include closing agent, notary, borrower, and attorney.

3 Borrower is authenticated and e-signs all closing documents. Documents requiring notary are remotely notarized.¹

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

5 Wet-signed promissory note and other wet-signed documents are returned to the closing agent.

¹ 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](#).

Special Feature Code 861 (SFC 861) is required for delivery to Fannie Mae.

eClosing Scenarios

Full eClosing: RON with Electronically Signed Note

All documents (promissory note, security instrument, and other loan documents) are e-signed through a remote online notarization (RON) platform.

1 Borrower logs in to a remote closing platform. Parties to the session could include closing agent, notary, borrower, and attorney.

2 Borrower is authenticated and e-signs all closing documents. Documents requiring notary are remotely notarized.¹

3 eNote is a SMART document, and signing conforms to Fannie Mae eSignature requirements.²

4 eNote is transferred to the lender's eVault from the closing platform and registered on the MERS® eRegistry.

¹ 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](#).

² Fannie Mae does not explicitly state when documents must be executed. However, Fannie Mae requires that the "NOTE DATE" at the top of the note be consistent with the date on the security instrument.

Special Feature Code 861 (SFC 861) and eNote Indicator are required for delivery to Fannie Mae.

eClosing Scenarios

Paper Closing: Audio-Visual Aided Remote Ink-Signed Notarization (RIN)

All loan documents are paper format that are wet-signed; however, the notary performs the borrower authentication and witnesses the signing of the paper documents over an audio-visual connection and then manually applies the notarial seal to the paper documents.

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

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

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

1 In some situations, paper documents are mailed or couriered to borrower.

2 Borrower logs in to real-time audio/visual session. Parties to the session could include closing agent, notary, borrower, and attorney.

3 Notary authenticates borrower during the session and witnesses borrower signing all documents.¹

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

5 Paper documents are returned to the closing agent.

6 Notary stamp is then applied manually after return.

¹ Recording of the signing session is maintained and stored per state requirements. Authentication will differ based on method (i.e. use of 2 government issued IDs or a system that meets all of the requirements set forth in the [Selling Guide](#)).

Special Feature Code 920 (SFC 920) is required for delivery to Fannie Mae.