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Recently Completed Projects:

Union Bank of California
Rekon2000 Upgrade

Mortgage Lenders
Rekon2000 Upgrade

Cenlar, FSB
Rekon2000 Upgrade

Recently Signed Upgrades/Installs:

Chase Home Finance
New Rekon2000 Group

Instant Releases: No More Out-of-Compliance Loans

One of the most anachronistic practices in the mortgage process is the failure to capture electronically, at the time of origination or acquisition, all the data necessary to prepare a release at the end of the loan, resulting in the need to order paper files at payoff.

This built-in bottleneck has plagued the industry for decades and is frustrating the public, who have become increasingly accustomed to the electronic world. With the advent of the internet, the general population can go online, obtain their loan balance, make a payment, and pull down tax info within minutes. Yet, when they pay off their loan, it takes weeks to receive the release. So, the homeowner becomes impatient. He doesn't understand why the lien release process is so slow, and for that matter, neither do the legislatures or the courts. The most wide-spread modern solution, imaging, partially solves the problem by reducing the time for obtaining the paper document. But, it doesn't resolve the issue of extensive data entry, and even with imaging or paper files, you can still run into the problem of missing information.

Rekon has pioneered the way out of this morass, but not alone. In 1999, the road out was envisioned by an innovative client who wanted to process releases in bulk, not only with speed, but *untouched by human hands*. Not only did this client

conceive the vision to completely automate the lien release preparation process, but they had the foresight to capture all required data upfront prior to payoff. Before long, we had built their system and they were suddenly printing 80% of their releases right after payoff, without any data entry, thereby providing an opportunity to more efficiently utilize their existing staff. Today, this client's portfolio has grown and they are now one of the Top 5 Servicers. Their innovative vision transformed the lien release process from beginning to end and now even includes electronic recording so that when a loan pays off it goes directly to the county recorder's office electronically, being recorded and confirmed without any data entry.

By the end of the year 2000, another client had the foresight to store the data up front



in a home-grown system so they could adapt this technology to include assignment preparation. A similar architecture was designed and built and once again documents were being printed within minutes of entering the Rekon system and no data-entry was needed.

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Message from the CEO: Harnessing the Web to Automate Application Delivery

The stampede today is toward automated application deployment by means of web-based applications. But, what exactly does that mean?

If you have ever shopped online, at Amazon.com for example, you were using web-based software. There was no special software application stored on your local machine. But you were able to browse through pages, select items, put in your name and address and credit card number and order the product. *But you could have gone to any other computer and done the same thing from there with no hassle.*

Just because an application is web-based doesn't mean it has to be available only on the internet. It can be installed in your own company, within your own internal network called the "intranet." This enables Information Systems people to handle the configuration and security of the server from "inside." But instead of setting up potentially hundreds of workstations, they only have to set up the server. The users can simply go to the application they want using an internet browser and go to work.

Information Systems departments prefer this, because it means they don't have to individually configure each workstation in each department. It can be very time consuming and work-intensive to have to set up each individual machine when new computers are purchased or when old ones "crash" and have to be reinstalled. It is much easier to set up these computers as "plain vanilla" workstations, just as they would be when newly purchased. Then, rather than having to carefully configure and install the long list of software needed for each type of workstation or employee, Information Systems would simply grant the user access to the various

web-based applications and the user is off and running.

Therefore, rather than having to physically attend to hundreds, even thousands, of individual workstations to maintain, configure and install software, the savior for Information Systems is the web-based application.

The migration to web-based architecture hasn't been hard for programs that were mostly for look-up or occasional data entry. But for applications that are used for large-scale, heavy-duty data entry by large numbers of people, web-based architecture has not been as fast or as robust. The early software for building web-based applications was not capable of many of the things our clients expected in our Rekon and DokTrak systems, such as instant pick lists with large numbers of items that can be edited on the spot by users, or dynamic prompts for the processor based on values entered into the system.

For instance, when a data-entry person says she wants to make a release for a loan in a certain county in a certain state, Rekon immediately makes a number of adjustments in required fields and begins processing additional data input according to the rules for that county and state. During data entry of a single release, the software may evaluate the answer to one

question as many as 15-20 times. This kind of responsive behavior has been difficult to achieve in early generation web-based technology. In prior web-based applications, the lien release processor is required to data-enter an entire page, then evaluate the answers all at once. This may be fine for ordering school books at Amazon, but it's not practical for processors creating 100-300 lien releases per day.

Research in this area has resulted in our newly released Rekon Online system, which provides a web-based interface to our Rekon2000 system. This allows smaller-volume clients to log into our servers, prepare, print and track releases, then log out, all without installing the Rekon2000 system on their own network.

For larger-volume servicers, however, outsourcing the Information Systems infrastructure may not be feasible. They may have already invested in their own infrastructure and have chosen to keep it in-house. Recent improvements in web-based application development technology have solved these problems, and our programmers are hard at work building the next generation of Rekon and DokTrak products. Therefore, with our staff pushing the technology envelope, our clients will one day soon find themselves processing releases and assignments in a truly web-based Rekon and DokTrak product, complete with workflow capabilities while maintaining the speed and accuracy our clients have grown to love. So, you can have your cake and eat it too.

Stanley Gainsforth
Founder and CEO



DokTrak™: The Post-Closing Management Solution

All post-closing activities and functions can be handled with the Rekon Technologies' DokTrak software, the most robust post-closing and file and document-tracking solution on the market.

Capable of high-volume processing, DokTrak is a compre-

hensive solution for the gap between the loan origination software or acquisitions and the boarding system. DokTrak provides data-warehousing capabilities to retain, manage, track and monitor loans for exceptions processing, securitization management and file routing.

Rekon Online™ – The Low to Medium Volume Lien Release Preparation Solution

The Rekon Online system is specifically designed to utilize the strengths of the web to provide low to medium volume payoff operations a means to prepare lien releases and assignments in house. Rekon Online gives instant access to the most updated version of Rekon2000 without having to use in-house manpower to test and install system updates. Rekon Online prints documents in your office, is enabled with eRecording where available and provides long-term tracking solutions.

eRecording Update

New counties are being steadily added to the list of eRecording counties. Now, you can eRecord lien releases in both the Rekon2000 and Rekon Online systems. Here's the current county list.

ACS List

Alamosa	CO
Arapahoe	CO
Boulder	CO
Conejos	CO
Douglas	CO
Gilpin	CO
Jefferson	CO
La Plata	CO
Mineral	CO
Pueblo	CO
Weld	CO
Broward	FL
Champaign	IL
Cook	IL
Rock Island	IL
Winnebago	IL
Wyandotte	KS
Middlesex North	MA
Ingham	MI
Macomb	MI
Oakland	MI
Ottawa	MI
New Hanover	NC
Gloucester	NJ
Tulsa	OK
Dallas	TX
Denton	TX
Ft. Bend	TX
Tarrant	TX
Williamson	TX
King	WA
Snohomish	WA
Brown	WI
Columbia	WI
Dane	WI
Milwaukee	WI
Winnebago	WI

Ingeo List

Maricopa	AZ
Los Angeles	CA
Orange	CA
San Bernardino	CA
San Diego	CA
Bay	FL
Brevard	FL
Broward	FL
Hillsborough	FL
Orange	FL
Palm Beach	FL
Polk	IA
Cook	IL
DuPage	IL
Sedgwick	KS
Renville	MN
Boone	MO
Mecklenburg	NC
Union	NJ
Washoe	NV
Lancaster	PA
Philadelphia	PA
Tarrant	TX
Fairfax	VA
Brown	WI
Chippewa	WI
Dane	WI
Kenosha	WI
Milwaukee	WI
Portage	WI
Racine	WI
Washington	WI
Waupaca	WI
Winnebago	WI

Instant Releases

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While this technology is visionary and prudent in nature, let's look at what makes these clients different. They electronically store the data needed for a release *at the time of origination or acquisition*. A common business practice in the loan business is to send the paper files to a vault once the loan has been made. Years later, when a satisfaction or lien release is needed, the data must be recaptured, either from the original paper document or an imaged copy. The records may be incomplete, omitting even the names of the original borrowers, trustees or assignees. All of this vital information was there when the loan first closed, but there was no electronic path to capture it, so it remains on paper.

When we originally developed DokTrak, our document tracking system, one of our purposes was to provide a facility for capturing the information that would be required to make the release or assignment. DokTrak has grown into a top-flight post-closing system, capturing data at origination, which is then transferred to the Rekon system for lien release or assignment preparation.

Rekon's own data storage system gives clients an advantage in the process of doing releases on time – even simultaneously with the payoff or as soon after as specified – by supporting the import of the data into the system prior to payoff. When demand requests are received or even before, the release can be completed. No backlog on the first days of the month. No panic because there is no need for last-minute research. No outsourcing. No overflow.

With both of these technologies for data warehousing and instantaneous lien release preparation, the road to efficient loan servicing has been paved. As a result, any loan servicer using this technology will have more time for strategic planning and generating new revenue. This has been an exhilarating venture for all involved and continues to evolve into newer and more rewarding directions.



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US POSTAGE
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MARKETSHARE

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Upcoming Events

Event	Location	Dates
MBA's National Mortgage Servicing Conference & Expo 2006	Phoenix Civic Plaza (Phoenix, AZ) – Booth 715	2/14/2006 – 2/17/2006
PRIA 2006 Winter Conference	Hilton Washington (Washington D.C.)	3/1/2006 – 3/3/2006
MBA's National Technology in Mortgage Banking Conference and Expo 2006	San Diego Convention Center (San Diego, CA)	3/29/2006 – 4/1/2006
MBA's National Secondary Market Conference & Expo 2006	Hilton Chicago (Chicago, IL)	5/7/2006 – 5/10/2006

A Word from Our Clients...

In a recent Rekon2000 Upgrade, Joanne McGrath of Cenlar, FSB has this to say of the whole Rekon conversion process:

"[The Rekon Team] were very dedicated to a smooth conversion – they were always patient and attentive to all of our questions and needs. They are exceptional individuals and we thoroughly enjoyed working with them."