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Recently Completed Projects:

Bayview Financial
Adhoc Reporting Module, Assignments Module, Productivity Upgrade and Quality Assurance Upgrade

Thrivent Financial
Rekon Online Implementation

HSBC
Rekon2000 Installation

Recently Signed Upgrades/Installs:

Fiserv Lending Solutions
Rekon2000 Installation

Liberty Savings Bank
Rekon2000 Upgrade

Partnerships Catalyzing the Information Revolution

In the late 1700s, 75% of the population lived on farms. Then the Industrial Revolution came along, and now most people live in cities. The reason cities worked is because the new manufacturing systems and the infrastructure for their support required a high level of communication and teamwork. One person herding sheep, or spinning thread, or walking behind an oxen-driven plow wasn't a workable paradigm for an industrial society.



We're now in the middle of a new Technological Revolution, and the requirement for communication and teamwork is even more important. Today's players may be able to move back to the farm if they want, because now we have the Internet and a high-level phone system. But the importance of communication and teamwork has never been greater.

In our industry, we struggle with day-to-day changes as they occur. There are technological changes – new software, new ways to do things. Today we are looking at software and procedural changes on an almost daily basis to keep ahead of security and production requirements. There are also regulatory changes. Counties change rules. State governments change rules. The federal government changes rules.

The difficulty is that we are still in the beginning of this period, and the infrastructure for the development of these rules, and the dissemination of changes to the people who need to know is not well grooved in. In July, we saw an example of how ineffective dissemination created difficulties within our industry. In Louisiana, the state changed the rules regarding lien

release recording, but at first many of the recording districts were unaware of the changes, then began the scramble at the county level to implement the new statutory law as the various parishes tried to interpret the new rules and apply them. Phone calls a day apart could get two different answers in terms of what was acceptable or not acceptable in any specific area. As a result, there were huge amounts of traffic for all, working to stay in compliance with the new rules.

This is not unique to Louisiana. This has happened all over the country in the last decade, again and again. The laws aren't always easy to understand or interpret, and it is left up to the loyal people who actually do the work to figure out what the legislation means and try to get it right.

More and more it is important for loan servicers and others who work in the mortgage world to participate in groups who facilitate communication and understanding, like the Mortgage Bankers Association (MBA), the Property Records Industry Association (PRIA), an association for public recorders and those who want to be in communication with other

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Message from the CEO: The Sword Cuts Both Ways

Information has always been the key to control and success for managers and administrators in the business world. Our industry is no exception. In the world of loan servicing and payoff management, the need for information has never been greater.

That's why we go to MBA conventions and join organizations like PRIA and MISMO. A recurring theme for failing and struggling companies is that they missed the wave on new technologies or new procedures that represent the next step forward. Examples abound. Today's big success is tomorrow's historical footnote unless those who are behind that success know how to gauge the direction of the industry and adapt to it.

Thus our people join MBA, MISMO, PRIA and other organizations to gather information and learn where the industry is going.

But there is another side to all of this.

While we're worrying about whether we know what is happening in the industry, there is another purpose served by building up these communication lines. And that purpose may be higher than the purpose of finding out what we should do; it certainly is a more *causative* purpose: That is the purpose of helping to change the industry for the better by using these same communication lines. If the line works for finding out what others are doing, it certainly should work for causing change – or at least for letting others know what we think should be done.

An example would be membership in PRIA. Yes, it is valuable to find out by joining PRIA, which is the organization of recorders across the U.S., what they are doing and which direction they are going. But wouldn't they love to find out from us what *we* need and what *our* problems are? Ever since I've been in the business, one area of complaint for servicers has been about certain county recorders who

“obviously don't understand” what we as servicers are trying to do. But did we ever take the trouble to tell them?

Another example is legislative liaison through the MBA. We're all too busy to take the time to work with the MBA on lobbying efforts, but how many of the laws that have been passed by state legislatures that affected our industry have been poorly written, ambiguous and counter-productive? How can we blame the legislators when we never took the trouble to find out what they were trying to do and we never gave them our input? Most of the time, they were trying to solve a genuine or perceived problem, but they were writing law for an industry they don't understand as well as we do. It is likely they would have welcomed our input.

So let's take a higher view than just finding out what we need to know. Let's help our friends, help our industry and help those we have to work with every day, by actively working for a better environment for loan servicing, using the communication lines the industry already has.

Stanley Gainsforth
Founder and CEO



rekon™

The Lien Release and Assignments Solution

The world after payoff is unlike any other in the mortgage servicing industry. There's the administrative juggle, the 3600+ State and County document requirements to manage, fee maintenance and updates for recording fee checks, the clearing of the title as the lien was sold from lender to lender, and the risk involved if the lien release is not prepared in time.

The Rekon products address all aspects involved in the world after payoff. If you're interested in learning about Rekon, contact our Sales Team at 626-577-4350.



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, file and document tracking solution on the market.

Capable of high-volume processing, DokTrak is a comprehensive 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.

Information Revolution

Continued from page 1

public recorders, and the Mortgage Industry Standards Maintenance Organization (MISMO), the MBA subsidiary established to develop, promote and manage the standards

to enable electronic commerce and transfer of information.

The MBA is a very active organization that sets up several conventions during the year for various parts of the industry. It is easy to select one or more conventions that are targeted for the group(s) with whom you need to

be in communication. The MBA also monitors legislation and industry trends, and channels the activities of their membership to work toward pro-survival developments.

PRIA is a must for anyone who wants to be in communication with county recorders. In an industry that is mostly state-controlled, and often subject to differences from recorder to recorder even at the county level, this group is the one that is effectively bringing this disparate base together for alignment of purposes and development of “best practices” dialogues.

In the dawn of electronic recording and commerce, MISMO’s mission is critical. The future for this industry is very bright in the area of electronic transfer of information. Each year more small steps are taken in the direction of electronic commerce in this industry. The Jules Verne version is that one day companies that have been pulling their hair out trying to store and manipulate paper will finally be able to do their work much more quickly. Already many companies are able to pull up the original documents as images instead of going through the grind and the wait of ordering and receiving paper files. This is a little glimpse of where the industry is going to go. The speed with which these developments mature to benefit all of us depends much upon MISMO and the success of their efforts.

Ultimately, there is no communication system better than face-to-face discussions between people who work as industry teammates to make the engine run. There is a point at which telephone conference calls don’t substitute for the real handshake. Even on this front, there is no better vehicle than participation in the above or other similar groups. They offer a chance to meet with the guy or gal that you’ve been talking to on the phone so often they have become a friend – even though you’ve never met! Or you might meet someone you need to know. So use the industry groups that help create better communication and understanding. That’s what they’re there for, and survival in today’s environment depends on being in communication. Things are moving too fast to try to figure it out “on your own”.

eRecording Update

Our eRecording list grows as recording districts are continuously added to the Rekon2000 system through our various partnerships with ACS, Ingeo and US Recordings. Here is our current list of counties available for eRecording, with many more in the pipeline.

Enabled Counties

Maricopa	AZ	Polk	IA	Brazoria	TX
Yavapai	AZ	Champaign	IL	Collin	TX
Los Angeles	CA	Cook	IL	Dallas	TX
Orange	CA	DuPage	IL	Denton	TX
Riverside	CA	Rock Island	IL	Ft. Bend	TX
San Bernardino	CA	Winnebago	IL	Hidalgo	TX
San Diego	CA	Sedgwick	KS	Nueces	TX
Alamosa	CO	Wyandotte	KS	Parker	TX
Arapahoe	CO	Middlesex North	MA	Tarrant	TX
Boulder	CO	Ingham	MI	Webb	TX
Conejos	CO	Macomb	MI	Williamson	TX
Delta	CO	Oakland	MI	Salt Lake	UT
Denver	CO	Ottawa	MI	Fairfax	VA
Douglas	CO	Martin	MN	Spotsylvania	VA
El Paso	CO	Renville	MN	King	WA
Gilpin	CO	Wabasha	MN	Snohomish	WA
Jefferson	CO	Boone	MO	Brown	WI
La Plata	CO	St. Louis	MO	Chippewa	WI
Mineral	CO	Durham	NC	Columbia	WI
Moffat	CO	Mecklenburg	NC	Dane	WI
Pueblo	CO	New Hanover	NC	Dane	WI
Weld	CO	Gloucester	NJ	Eau Claire	WI
Bay	FL	Monmouth	NJ	Kenosha	WI
Bay	FL	Union	NJ	Milwaukee	WI
Brevard	FL	Washoe	NV	Ozaukee	WI
Broward	FL	Butler	OH	Portage	WI
Duval	FL	Delaware	OH	Racine	WI
Hillsborough	FL	Tulsa	OK	Rock	WI
Orange	FL	Allegheny	PA	St. Clair	WI
Orange	FL	Lancaster	PA	St. Croix	WI
Palm Beach	FL	Philadelphia	PA	Washington	WI
Polk	FL	Bexar	TX	Waupaca	WI
				Winnebago	WI

To find out more about our eRecording system, contact our Sales Team at 626-577-4350 or email us at sales@rekon.com.

Rekon Buzz – The Bi-Weekly Update of All Things Recording

We are extending our free trial to the Rekon Buzz, a bi-weekly email subscription of regulatory changes, fee updates, system enhancements, recorder address changes and all things involving the world of recordation. Anyone interested in these topics can sign up for the free trial subscription. Contact our Sales Team at 626-577-4350 or email us at sales@rekon.com to sign up.



PRSR STD
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Upcoming Events

Event	Location	Dates
MBA's Commercial/Multifamily Real Estate Finance Convention & Expo 2007	Manchester Grand Hyatt (San Diego, CA)	2/4/2007 – 2/7/2007
MBA's National Mortgage Servicing Conference & Expo 2007	Manchester Grand Hyatt (San Diego, CA)	2/21/2007 – 2/24/2007
PRIA Winter Conference	Hilton Washington (Washington, D.C.)	2/28/2007 – 3/2/2007
MBA's National Technology In Mortgage Banking Conference & Expo 2007	Tampa Convention Center (Tampa, FL)	3/25/2007 – 3/28/2007

About Rekon Technologies Rekon Technologies is a software company based in Pasadena, California, recognized nationally as one of the key providers of software systems to the mortgage loan servicing industry.

The Rekon system is known for its advanced, infallible method of lien release and assignment document preparation. DokTrak provides solutions to the ubiquitous problem of file and document tracking.



County Update

State	County	Description
CO	Broomfield	Broomfield County, Colorado, no longer requires Assignments to be referenced on the Releases or Assignments.
District of Columbia		For all deeds executed on or after October 1, 2006, the transfer tax and recordation tax will increase to 1.45% for deeds with consideration of \$400,000 or more and for all commercial properties. The recordation tax is 1.1% for deeds with consideration of less than \$400,000. For the purpose of determining the rate of taxation, a deed is considered executed on the date that the grantor's signature is notarized.
FL	Duval	Effective October 16, 2006 – All packages will be required to have a Recording Transmittal Sheet attached and completed. This change will allow the Duval County Clerk of Florida to provide better service to their customers.
IL	Rock Island	As of October 15, 2006, documents received to be recorded in Rock Island County, Illinois will be subject to an increase in the recording fees. Recording fees for all real estate related documents are increasing to \$42.50 which includes the first four pages. Each additional page is \$1.00.
KY	All Counties	The fees for all Kentucky counties have increased, pursuant to KY House Bill 537 and affect all documents submitted for recording on or after August 1, 2006. The fee for the first three pages of a Deed, Deed of Trust or Mortgage is \$16.00. The first three pages of an Amendment, Modification, Assignment, Satisfaction, Release, or Reconveyance is \$13.00. Additional pages are \$3.00 each. Additional references on an Assignment, Release or Satisfaction will incur a fee of \$4.00 each. However, a Mortgage that includes Assignments will be \$16.00 for the Mortgage and \$12.00 for each Assignment.
KY	Bourbon	In Bourbon County, Kentucky, a full chain of assignments is required for recording releases and the last assignment is required for recording an Assignment.
LA	All Counties	All parishes in Louisiana do not require assignments to be referenced on cancellations, with the following exceptions: The following parishes require the full chain of assignments to be referenced on cancellations: Allen, Calcasieu, Evangeline, Morehouse and St. James. The following parishes require only the last assignment to be referenced on cancellations: St. Tammany, Vernon.
LA	Lafourche	A Request for Cancellation with a Paid Note is \$39.00. All other Cancellations are \$15.00 for the first page and \$8.00 for each additional page. The Indexing Fee is \$3.00 per name, with the first name free. Marginal Notations are \$10.00.
MA	All Counties	Under Section 4, the new inserted Section 55.(a)(l), (i) and (b) the new law appears to provide servicers with two choices for releasing a loan.

County Update

State	County	Description
MA (Cont.)	All Counties	<p>...the mortgagee, servicer or note holder... shall, within 45 days... cause to be recorded... a discharge and provide to the closing attorney, settlement agent or other person transmitting the payoff a copy of the discharge, together with the recording information; OR</p> <p>provide to the closing attorney, settlement agent or other person... a duly executed and acknowledged discharge...</p> <p>It goes on to say that merely providing a copy of the discharge and evidence that the discharge was sent to a registry of deeds for recording shall not constitute compliance with this section unless the recording information is noted on the copy.</p>
MD	All Counties	A surcharge on all land records and finance statement records recorded in all Maryland Counties was scheduled to be effective June 30, 2006. However, in 2005, the legislature extended the provision to June 30, 2009.
MO	All Counties	All counties in Missouri require a full legal description on all Assignments and Releases.
NY	Schoharie	Schoharie County, New York, has increased their mortgage tax fees to \$1.00 per \$100 or a major fraction thereof of debt. This mortgage tax increase is effective November 1st, 2006.
UT	Sevier	Every document recorded in Sevier County, Utah, requires a Tax ID number.
VT	Poultney	The new address for Poultney County, Vermont, is: Poultney Town Clerk, 9 Main Street Suite #2, Poultney, VT 05764
VT	Rutland	The new address for Rutland Town, Vermont, is: Rutland Town Clerk, PO BOX 225, Center Rutland, VT 05736
VT	Weybridge	The new address for Weybridge, Vermont, is: Town of Weybridge, 1727 Quaker Village Road, Weybridge, VT 05753
WA	Spokane	The fee for recording an Affidavit of Missing Assignment is \$32.00 for the first page and \$1.00 for each additional page.



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