

# QUICK FACTS



The mortgage industry's utility.

## ENOTES THE WAREHOUSE LENDER'S PERSPECTIVE

### Benefits

- Eliminates risk of lost notes.
- Improves control of collateral.
- Reduces exposure to double pledging.

### An Example of the Process

1. Borrower executes an eNote at the closing table.
2. Originator registers the eNote on the MERS® eRegistry.
3. Originator initiates Transfer of Control and Location to warehouse lender.
4. Upon sale of eNote to Investor, Warehouse Lender initiates Transfer of Control and Location to Investor.

**Use MERS® eDelivery to receive and send copies of eNotes to trading partners.**

### Additional Setup Considerations

- MERS® eDelivery is used to receive and send copies of the eNote to trading partners.
- Warehouse Lenders can create MERS Org IDs that reflect the relationship with their customer.  
Example: *Warehouse Lender as Secured Party and Designee for ABC Mortgage Co.* This helps readily identify that the Warehouse Lender is associated with the eNote through the Originator. It also helps the Investor to identify the parties involved in the sale and delivery of an eNote to the Investor.
- Option: Replace Bailee Letter with a single tri-party agreement between Investor, Originator and Warehouse Lender

### To Get Connected to the MERS® eRegistry

1. Sign and return the MERS® eRegistry Addendum. We'll assign you an integration resource.
2. Select a vendor to provide your eVault and connection to the MERS® eRegistry or develop your own system and establish connectivity to the MERS® eRegistry.
3. Complete a procedures document that describes how the business processes relate to transactions on the MERS® eRegistry.
4. Test eRegistry transactions.
5. Go live in production.

### Information You'll Need to Move Ahead

- Are your customers ready to close eNotes?
- Are your customers' investors ready to buy eNotes?
- Functionality of your eVault. Who is your provider?