



CRAC ANNUAL 2022
Mutual Problems/
Uniform Practices Session

Friday, 9/9/2022 10:45AM

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Subordinate Deed of Trust

- We have been seeing several documents titled Subordinate Deed Of Trust submitted electronically.
- Although the document is titled and claims to be a deed of trust it reads as a mix between the provisions of a deed of trust and a mortgage.
- Have seen these and how you are handling them?

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Other New Deeds of Trust

- How are counties are handling some of the new Deeds of Trust that we are seeing. In particular, the ones that have a 40-year covenant, Power of Attorney, option to purchase, etc. (Lenders: MV Realty, Unlock Partnership Solutions, Inc., Secured Income Fund II, LLC. Point Digital Finance, Inc., and Hometap Partners, LLC).
- We've worked with our Counsel and on some of these documents we are charging for up to 7 titles.
- We are also seeing more Deeds of Trust that are being recorded that are liening properties in multiple counties (1-El Dorado and 1-Sacramento).

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DD214s Electronically

- Are counties taking DD214's being submitted electronically? We have been getting them in all conditions. We will reject for legibility, missing cover pages, and when it is obvious that it's a copy (faxed). We have no way of knowing if they are originals or certified copies.
- How are other counties handling this issue? Or does this fall back on the submitter?

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Marriage Registrations

Do other counties allow couples to return marriage licenses, or are you only accepting licenses from officiants pursuant to Health & Safety Code §103785?

Do other counties allow the couple to take the license back if there is an issue that needs to be corrected by the officiant?

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QR Codes on Documents

- If a document has a QR code placed onto a recording document or a separate cover sheet, would the County Recorder accept it for recordation?



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Fee exemptions (SB 2 and AB 1466) – “in connection with”

- Customer requesting Counsel opinion on our interpretation of the SB2 Fee Exemption related to “in connection with” meaning “concurrent”.
- DRIM SB2 pages - he believes CRAC interpretation is incorrect and believes we should be able to accept a prior recording reference in lieu of concurrent recording.

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Rejecting for potentially restrictive language

- Would any County reject a document if presented with potentially restrictive language now that AB 1466 has passed?

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AB 721 Vs. AB 1466 Recording Fees

Conflict created by AB721 with AB1466 – “Shall” vs “May”

If you do charge the fee, are you going to include SB 2 and the DA Fraud fee?

OR

Since County Counsel is signing the document, would you consider the document(s) exempt from recording fees?

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AB 1466 RCM Program

- Any updates any Counties want to share?
- Any Counties determine exactly what language from the document should be masked for re-recording?
 - Just the restrictive terms
 - Entire sentences containing terms
- Are you including Maps in the program?

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RCM Reporting Requirements

(d) (1) The County Recorders Association of California shall submit status reports on the progress of each county's restrictive covenant program established pursuant to this section by January 1, 2023, and January 1, 2025, to the Legislature. The report may describe the number of documents identified for redaction, and the implementation timelines for actions taken by each county recorder's office.

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Electronic Payments

- Following the Synrgo bankruptcy, some title companies began sending Recorders blank checks to pay for their e-recordings.
- How are you handling payments for your electronic recording submitters?
 - Any Counties have any updated processes they want to share with the group?

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Open Discussion