

## Remote Online Notaries in Real Estate

The certification of real estate related documents in a remote, mobile, and digital world

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### Remote Online Notarization (RON) Overview

Briefly, Remote Online Notarization is the process whereby audio / video tools and various identity validation systems are used to perform the remote notarization of an electronically signed document. At its most basic, instead of physically witnessing a person sign a piece of paper, with RON, you remotely witness a person electronically sign a PDF document via video.

### RON Technology

The Remote Online Notarization process requires four specific pieces of technology that must work together to create a compliant RON experience. These technologies are:

- **Knowledge Based Authentication (KBA)** – To assist in identification of the signer, the technology must access public or proprietary data sources, such as credit bureaus, and present the consumer with questions to verify their identity.
- **Credential Analysis** – To further identify the signer, the front and back of their government issued ID is viewed and scanned over a webcam to verify that the ID has not been altered, is valid, and the photo is of the person whose electronic signature is being notarized.
- **Audio / Video Web Connection** – The consumer signing the documents must have a recent computer equipped with a microphone and webcam. They must have a very high speed Internet connection and must have the webcam configured correctly to work with their browser. The audio and video feed must not be interrupted at anytime during the electronic signing process.
- **eSign Compliant Signature Tools** – Since a RON transaction is the eNotary witnessing the consumer eSign a document, the system must also be fully eSign compliant.

The technology requirements are specific and, in most cases, dictated by state laws or regulations. Only specific technology vendors that have been reviewed and authorized by FNTG can be utilized.

### Webcam & RON

Since the process is fully dependent and predicated upon a real time, high speed, seamless audio / video process, it is mandatory that the consumer possess a high quality, newer computer with a webcam and high speed Internet. The resolution and quality of the webcam must be sufficient to ensure the credential analysis can be performed.

Just like web conferencing tools, such as Zoom, WebEX, Skype, or GoTo Meeting, RON is dependent upon video conferencing technology. Often these technologies can be inconsistent, unreliable, and difficult. As such, before scheduling a closing, verifying with your consumer that they have a newer computer, a working webcam, and high speed Internet is a must.

### Underwriting Requirements

When, where, and how can an agent or a direct office utilize Remote Online Notarization? While each state may be slightly different, in general, the following are the steps needed to get ready to conduct a RON notarization:

#### Approved State

- The state in which the property resides must have passed a Remote Online Notarization Law and it must have gone into effect. These states are VA, TX, NV, MT, MN. \*
- The Secretary of State or other notary commissioning authority for the state must have published the rules regarding technology and eNotarization requirements.

#### Underwriter Approval

- Contact your State Underwriter to obtain approval for your operation & follow any transaction specific guidelines.

#### Technology Vendor

- You will need to sign a licensing agreement with a technology vendor and agree to the licensing fees. Contact your State Underwriter to confirm the vendor of your choice has been reviewed and authorized by FNTG.

#### Lender Approval

- If a lender is involved, the lender must approve the use of RON on the transaction. Since a large number of closing documents are provided by the lender and required for sale into the secondary market, it is key to partner with your lenders before you launch RON.
- For buyer side transactions, if the lender has not implemented eNotes, the buyer will still need to wet sign in person.

#### eNotary

- Either register your staff notary as an eNotary in the same state as the property; OR
- If approved by your State Underwriter, utilize one of the technology vendor's eNotaries to perform the eNotarization.

*Note: the vendor's eNotary must be physically located in the same state as the property and be a registered eNotary of that state.*

#### eRecording:

- The county in which the property is located must support the ability to record electronically signed and remotely notarized documents by electronic filing / eRecording.

#### Ways to Use RON

RON is another tool available for consumers, but it is not applicable in every transaction. The following types of scenarios may fit a RON transaction:

- Cash transactions
- Out-of-town seller's documents
- Individual documents not related to closing, such as a Survey Affidavit

#### State Legislation & RON \*

Current states with a RON law in effect are VA, TX, NV, MT, and MN.

States with recently passed RON laws that likely will be effective in the next 18 months are AZ, ID, UT, WA, ND, SD, NE, IA, MI, IN, FL, OH, OK, KY, TN, VT, and MD.



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