



# Training Bulletin

Number 2009-03

To: All MERS Members

June 16, 2009

## Re: Automated Mortgage Loan Transfer Notices

Phase I of MERS<sup>®</sup> InvestorID, being implemented on June 19, 2009, uses information entered on the MERS<sup>®</sup> System to generate a Notice of New Creditor required by the Helping Families Save Their Homes Act of 2009. On June 19, 2009, Mortgage Loan Transfer Notices will be sent for all loans for which a Transfer of Beneficial Rights (TOB) transaction has occurred on the MERS<sup>®</sup> System since May 20, 2009, unless the New Investor named in the transaction has opted out of MERS<sup>®</sup> InvestorID. After June 19<sup>th</sup>, Mortgage Loan Transfer Notices will be generated daily for loans for which a Transfer of Beneficial Rights (TOB) transaction occurred on the MERS<sup>®</sup> System the previous processing day, and will be mailed within seven days.

Differing interpretations are circulating in the mortgage industry regarding what information the Notice must include. The information included in the MERS automatically generated [Mortgage Loan Transfer Notice](#) does contain some interpretations, such as how to express the location of the place where transfer of ownership of the debt is recorded. If you do not agree with our interpretations and do not accept liability for the content and format of the Mortgage Loan Transfer Notice, you should follow the instructions on the second page of this bulletin to opt out of MERS<sup>®</sup> InvestorID.

MERS is not responsible for the accuracy of any information provided by its Members to the MERS<sup>®</sup> System. If any information from the MERS<sup>®</sup> System that is contained in the Mortgage Loan Transfer Notice is incorrect, the applicable Member(s) shall be responsible to indemnify MERS for any liability that may result. If you do not wish to accept liability for using the information entered on the MERS<sup>®</sup> System to generate the Notices, you should follow the instructions on the second page of this bulletin to opt out of MERS<sup>®</sup> InvestorID.

Because the automatic Mortgage Loan Transfer Notices will be generated using the information you have entered on the MERS<sup>®</sup> System, you must ensure that information is correct:

- Corporate Name, Address, Phone and Toll Free phone numbers, and URL for both the new Investor and the Servicer
  - Only MERS can change the Corporate Name on the MERS<sup>®</sup> System. If your organization's Corporate Name is incorrect, complete a [Company Information Change Request](#) with the change and send it to MERS by **5:00PM EDT on June 18<sup>th</sup>**.
  - Your company's MERS System Administrator can change your address, telephone, and URL information in MERS<sup>®</sup> OnLine. If the Address, Phone or Toll Free numbers, or URL in the Corporate Address Info section of the Name/Address [Member Information](#) page in MERS<sup>®</sup> OnLine are incorrect, you must correct the information **before June 19** so it will appear correctly on the Notice.
  - If the New Investor named in the transfer is not the true Note Holder, the Notice will be incorrect.
    - If you need a new MERS Org ID to represent the new Investor correctly, you must request it **at least a week** before creating the transfer.
- Primary Borrower Name
- Property Address
  - Note that all Notices will be sent to the Property Address on the MERS<sup>®</sup> System, which may not be the same as the borrower's mailing address, especially for investment properties
- Note Date
- Note Amount
- Property County
- The Transfer Effective Date entered by the transaction initiator is used as "The date of the transfer of your mortgage loan."
  - Because the notice is triggered by the physical transfer of the loan on the MERS<sup>®</sup> System, **the transaction must be initiated and confirmed no later than 21 days after the transfer effective date** to meet the Act's 30-day deadline. (Note that the [MERS<sup>®</sup> Quality Assurance Standards](#) require that the transaction be initiated no later than 14 days after the transfer effective date.)

Remember that you must have your own processing solution in place to generate Notices for loans not registered on the MERS<sup>®</sup> System, or for which a change in Investor is not reflected by a TOB or TOS/TOB combination transaction.

**If you have any questions about the new automated Mortgage Transfer Notice functionality**, please contact [InvestorID@mersinc.org](mailto:InvestorID@mersinc.org) or call the MERS corporate office at 703-761-1270 and ask for the MERS® InvestorID team.

**If you would like to opt out of MERS® InvestorID**, send an email to [InvestorID@mersinc.org](mailto:InvestorID@mersinc.org) with "opt-out" and the Org ID(s) to be opted out in the subject line, and the requesting contact's name, title, telephone number, and email address in the body of the email. **To exclude your organization from the initial run on June 19<sup>th</sup> we must receive your email by 5:00PM EDT on June 18<sup>th</sup>.**

**If you choose to opt out of MERS® InvestorID, you may later opt back in.** Send an email to [InvestorID@mersinc.org](mailto:InvestorID@mersinc.org) with "opt-in," the Org ID(s) to be opted in, and the first processing date to be included, in the subject line. Include the requesting contact's name, title, telephone number, and email address in the body of the email, and make sure we receive it **no later than 3:00PM Eastern Time** on the first processing day for which you wish to opt in

After the initial run on June 19<sup>th</sup>, each organization's loans will be included in or excluded from generation of the automated Mortgage Loan Transfer Notices based on the information we have received **by 3:00PM Eastern Time** on that processing day.