



Convenient. Trusted. Seamless.

Who are we?

Today's financial services industry depends on technological innovations to provide its customers with access to information, increased efficiency and reduced processing costs. MERSCORP Holdings, Inc. owns and operates the MERS® System, a national electronic registry system that tracks the changes in servicing rights and beneficial ownership interests in mortgage loans that are registered on the System.

MERSCORP Holdings is the parent company of Mortgage Electronic Registration Systems, Inc. (MERS®).

The MERS® System is the only national database that provides free public access to servicer information for registered home mortgages, complementing public land recording systems. Homeowners have free access to investor information for their mortgages, and the MERS® System is also used by local governments around the nation to identify parties responsible for maintaining vacant properties and addressing code violations.

MERS® and the MERS® System were created by the mortgage banking industry to streamline the mortgage process by using electronic commerce. Those that benefit from the use of MERS® include mortgage originators, servicers, warehouse lenders, wholesale lenders, retail lenders, document custodians, settlement agents, title companies, insurers, investors, county recorders and consumers.

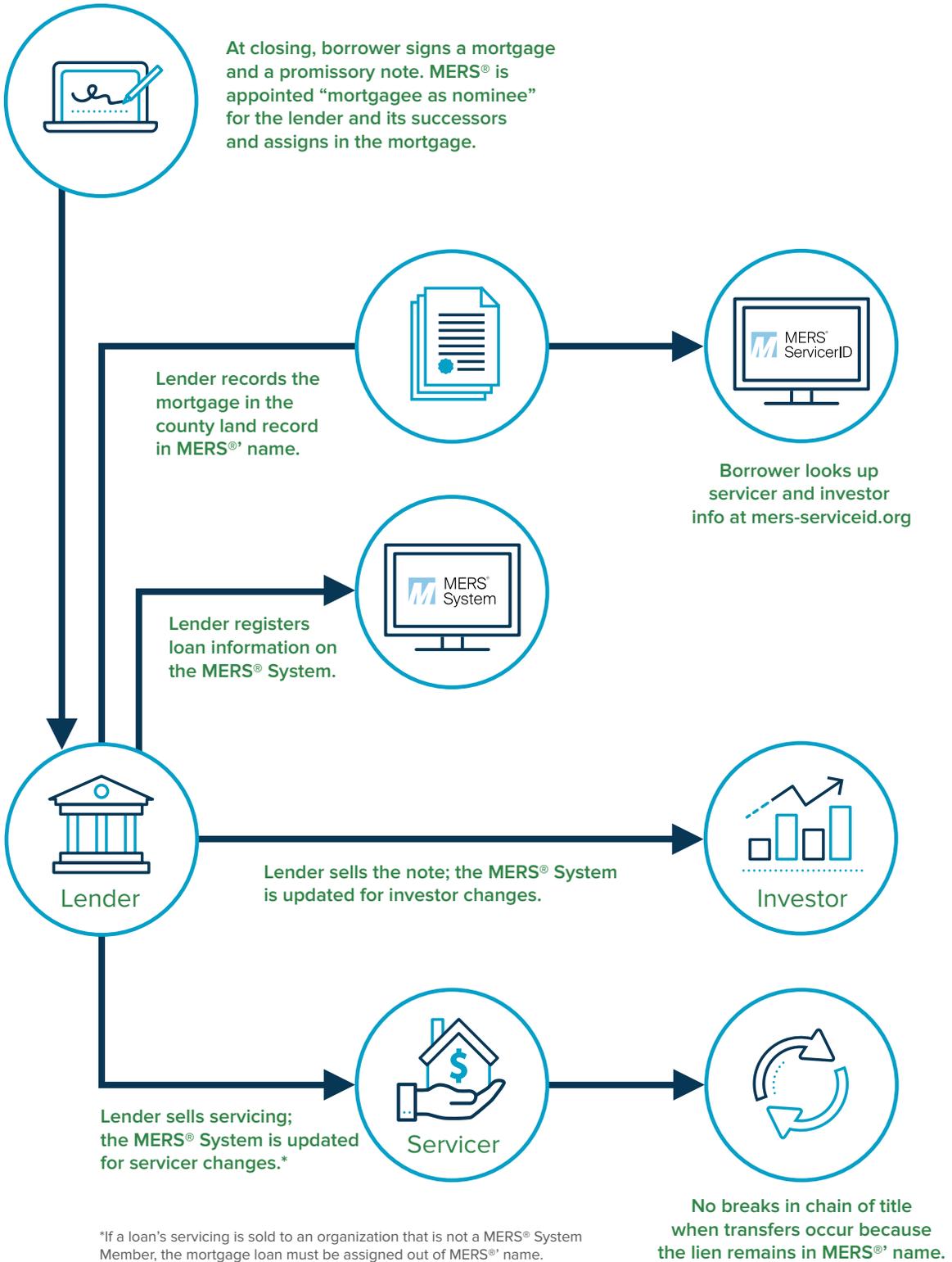
MERS® acts as mortgagee* in the county land records for the lender and servicer. Future assignments of any loan — where MERS® is the mortgagee — registered on the MERS® System are not necessary because MERS® remains the mortgagee no matter how many times servicing is traded. Loans with MERS® as the original mortgagee (MOM) are approved by Fannie Mae, Freddie Mac, Ginnie Mae, the Federal Housing Administration and the U.S. Department of Veterans Affairs, the Delaware State Housing Authority, the California, Massachusetts and Utah Housing Finance Agencies, as well as all of the major Wall Street rating agencies.

Benefits with MERS and the MERS® System

- Reduces cost of homeownership
- Eliminates breaks in the chain of title
- Hard dollar savings on each loan for homeowners and lenders
- Identity of servicer and investor available for free to homeowners via phone or Internet
- Used by lenders to find undisclosed liens
- Used by governments and code enforcement officers to find companies responsible for maintaining vacant and abandoned properties
- Simplifies lien releases when a lender goes out of business
- Increases efficiency in sale of loans and servicing transfers in secondary market
- Uses the Mortgage Identification Number (MIN) assigned to each loan for tracking throughout the life of a loan

*As used herein, "mortgagee" includes a mortgagee, beneficiary under a deed of trust, grantee under a security deed or other secured party.

How MERS® works



MERS® System FAQs

Q. What is MERSCORP Holdings, Inc.?

A. MERSCORP Holdings, Inc. owns and manages the MERS® System and all other MERS® products. It is a member-based organization consisting of thousands of lenders, servicers, subservicers, investors and government institutions.

Q. What is MERS®?

A. Mortgage Electronic Registration Systems, Inc. (MERS®) is a wholly-owned subsidiary of MERSCORP Holdings, and its sole purpose is to serve as mortgagee in the land records for loans registered on the MERS® System. MERS® is the nominee for the lender and subsequent buyers (“beneficial owners”) of a mortgage loan and serves as a common agent for the mortgage industry.

Q. What is the MERS® System?

A. The MERS® System is a national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate. Over two-thirds of all newly originated residential loans in the United States are registered on the MERS® System.

Q. How does MERS® benefit borrowers?

A. Appointing MERS® as original mortgagee eliminates breaks in the chain of title, resulting in less work and lower fees paid by the lender—fees that would ultimately be passed down to the homeowner. MERSCORP Holdings, Inc. provides access to MERS® ServicerID free of charge to homeowners, county officials, and regulatory officials (subject to privacy restrictions). The MERS® System is also used by local governments around the nation to identify parties responsible for maintaining vacant properties and addressing code violations.

Q. Can homeowners use the MERS® System to determine who their servicer or investor is?

A. Homeowners can access contact information on the servicer and investor of their mortgage loans registered on the MERS® System at www.mersinc.org or toll-free at (888) 679-6377. Transfer of ownership of the promissory note is not a recordable transaction. However, the Truth In Lending Act (TILA) requires that borrowers be notified of ownership changes. Real Estate Settlement Procedures Act (RESPA) regulations also provide for notice of servicing changes.

Q. Do the nationally recognized rating agencies permit the use of MERS® as mortgagee?

A. Yes. All of the major rating agencies (Standard and Poor’s, Moody’s and Fitch) permit the use of MERS® as mortgagee for mortgage loans included in mortgage-backed securities transactions without any additional credit support.

Q. Can MERS® operate in all 50 states?

A. Yes. MERS® can operate in all 50 states either as a mortgagee, beneficiary, or nominee of the beneficiary.

Q. Are there any benefits to title companies?

A. For loans registered on the MERS® System, title companies have a single, electronic source for identifying the current servicer of a loan to obtain payoff quotes and verify that payoff funds have been received, simplifying the entire titlework process.