



MERS Settlement

Multnomah County Board of Commissioners
January 7, 2016





Overview

- Introductions
- What is MERS?
- Background of Litigation
- Resolution
- Why This Matters
- Questions



Introductions

Internal Team

- Office of County Attorney
- Assessor's Office

Outside Counsel

- D'Amore Law Group
- Wiggins Childs Pantazis
Fisher & Goldfarb
- Crumpton Law



What is MERS?

MERS = Mortgage Electronic Registration System

MERS is an electronic registry designed to track mortgage servicing rights and ownership of mortgages in the United States.



What is “Indexing”?

Indexing is the process of listing the parties to a transaction and the type of transaction in the County records.

If a party or transaction is not indexed then:

- The public record is incomplete
- It may be impossible to tell who held a mortgage
- Recording fees are not paid



The Litigation

- Why did we act? :
- Challenges ?
- Ris ks ?



Financial Settlement

The total amount to be paid is \$9,573,500.00.

The County's General Fund will receive **\$6,121,642.29** after costs and fees



Public Policy Changes

MERS is not indexed in transactions recorded with the County.

Why does this matter?

The public record will more accurately reflect the holder of a mortgage.



Confidentiality and Public Disclosure

Outside of public meetings, the County cannot discuss the settlement or the settlement amounts, except to say:

- “the matter has been settled informally” and we are
- “pleased with the terms of the settlement”

How can the public be informed?

- Public Records Law
- Discussion allowed during public meetings.
- Discussion of the litigation in general, its importance, the prior practices of MERS, and the County’s policy of not indexing MERS.



Why This Litigation is Important

1. A Nationwide Precedent
2. Changes Business Practices
3. Public Record will present a clearer picture of who holds a mortgage



Questions?