

Date:

Date: December 23, 2003

To: All Clients and Closers

From: David Gorenstein

Re: Firing of NYC Register/ACRIS update

Bulletin Bulletin Bulletin Bulletin Bulletin

John Lariviere the (former) NYC Registrar was fired during the week of 12/8/03. This just adds to the already frustrating situation our industry must face daily when trying to record documents. Our association, the New York State Land Title Association, has been extremely proactive throughout the entire process and will continue to be involved.

The Land Records Committee of the New York State Land Title Association, met with Rochelle Patricof and Annette Hill of New York City's Department of Finance. Rochelle is the First Deputy Commissioner and reports directly to Martha Stark, the Commissioner of the Department of Finance. Annette is the Acting City Register. She was formerly the Director of the Payment Centers.

I. The removal of John Lariviere as the City Register resulted from management's view that the personnel and the technology available in the Register's office were not being utilized adequately, resulting in a large backlog in the number of documents waiting to be recorded.

Currently, the Brooklyn and Queens offices are recording instruments submitted October 15, the Manhattan office is recording documents submitted December 2, and the Bronx office is recording documents submitted December 4.

Rochelle stated that she and Annette Hill will be reviewing the whole recording process, the handling and return of documents, both recorded and rejected, and will be implementing new procedures. Given that only one week had passed since the removal of John Lariviere, they were not in a position to give us any specifics.

II. Herb Stratton, chief of the City's Office of Technology Solutions, was also at the meeting. He indicated that Acris Version 2.1, which includes the inputting of the TP-584, etc. information into the ACRIS system will be implemented in the latter half of March, 2004. There will be beta testing starting at the beginning of the year.

One critical point that was made was that ACRIS 2.1 will require that the parties' social security or employer identification numbers be inserted in the TP-584 and other tax forms. When it was mentioned to him that a foreign person may not have a social security or EIN to insert, Herb said that he will look into the matter. If a newly created entity has applied for a EIN, but it has not yet received it at the time of closing, merely putting the word "pending" in the space reserved for the EIN will result in the return being rejected by Acris, and you will not be able to print out the final forms. Draft versions of the tax returns can be printed, even without the social security or EIN numbers available. A draft version with a watermark reading DRAFT across the page. Draft versions of the tax returns will not have the social security or EIN numbers printed for privacy reasons. One aspect of not having the social security or EIN number printed on a draft, is that if we are not given the final version of the tax return we will not know if the social security or EIN number is in the system for printing on the final version. **You must make sure that you have every parties' social security or EIN before leaving the closing.** The tax returns will have their own set of ACRIS tax transaction numbers. These numbers will be different from the cover page TID numbers. We have been advised that no personal access code will be needed to access that tax transaction forms. Thus, if we know the tax transaction number, we will be able to access the tax returns post closing at our office to make changes. Additionally, version 2.1 has been designed so that we will be able to export the parties' information, such as address, from the tax transaction pages to the cover pages.

The City has provided for a separate signature page for the tax returns to permit the pre-signing of the return so that changes to the tax returns can be made at or after closing even if the taxpayer is not present.

III. The payment offices are up-to-date in processing all payment received by the City. There is no more than a one week delay in getting a payment processed (cashiered) from the time it is delivered to the Payment Center. If an examiner in the Register's office determines that a document is acceptable for recording, the examiner pushes the appropriate key to start the recording process.

IV. Rochelle Patricof supervises, among her many responsibilities, the operations of the Register's Office, the Payment Centers and the City Surveyor's office. These three offices are all involved in our recording process. If any of these offices are lagging behind in their procedures, such as a delay in getting the tax lot numbers and unit numbers onto RPAD for newly created condominiums, Rochelle will be contacted to intervene and move the process forward.

We will keep you apprised of new developments.