

Municipality Real Time Payment Systems

A Fully Automated Municipality Payment Method

BY:

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As the world moves towards the implementing of automation into standard practice, the method by which real estate is conveyed on a daily basis had been left behind. Our goal is to introduce a new method of paying the taxes associated to a given real estate transaction to the appropriate municipality in real time rather than the traditional methods of fund transferring.

Enclosed please find six flow charts. In pairs, each group of diagrams will exemplify the traditional flow of funds from the main funding source of a transaction to the municipality versus our automated payment systems. Through the use of these diagrams and corresponding explanations, we will attempt to outline the various reasons why the use of our system is the missing element in recovery path at a vital period in our nation's economy.

Executive Summary

Radni Davoodi is one of the Principals and Co-Founder of The Atlantis Organization, headed by Atlantis National Services, Inc., a multi state licensed title insurance agent for First American Title Insurance Company and other title underwriters. Radni has been an agency manager in the title insurance industry since 2001 and has an impeccable record with Title Insurance and E&O providers. As agency manager, Radni has established and enforced quality control measures including client satisfaction, vendor management, productions, clearance, closings and, most importantly, post-closing responsibilities, which include escrow management.

Furthermore, Radni created the architectural footprint for a fully web enabled title production software in 2003 and, with the development by an in-house IT team, launched the software, currently being used by Atlantis's staff, account executives, clients and underwriters. The software allows the vendors and staff to work live on the Internet, while allowing all parties to receive up-to-date information via the Internet, saving personnel time and creating efficiencies in all departments while minimizing liability and preventing fraud.

Raymond Y. Davoodi is one of the Principals and Co-Founder of The Atlantis Organization, headed by Atlantis National Services, Inc., a multi state licensed title insurance agent for First American Title Insurance Company and other title underwriters. Since 2003, Raymond has been involved in the sales and marketing of title insurance. In 2005 Radni and Raymond founded the Atlantis Organization of companies and used their combined skills to launch their operations. Aside from the sales aspect of the operations, Raymond is directly involved with the operation of the Company, lending his knowledge of the real estate industry to his clients and handling their transactions from application through the closing. Raymond's reputation is well-known to bankers, real estate developers, finance executive, attorneys, fund managers and like-minded professionals. His ability to facilitate the needs of the clients while complying with regulatory guidelines has allowed him to excel among his peers.

The traditional method of getting a document recorded in the county clerk's records involved a very lengthy process of funds exchanging hands and funneling through various accounts from the initial release from the funding source to its ultimate destination, the municipality. The diagrams to follow, more specifically "FLOW CHART I", "FLOW CHART II" & "FLOW CHART III", will demonstrate this method in its entirety.

The diagrams are meant to outline the process for three possible transactions. Although the funding sources and parties involved in each process may vary, the flow of funds required to secure the documents in the county clerk's office remain the same. In all three scenarios, the funds that need to be paid the municipality are given to a title closer representing the title company as a check made payable to the title company. The title company then deposits all respective monies into a clearing account, transfers that into appropriate individual accounts, processes the documents with cover sheets, issues checks in the amount of the taxes made payable to each department, sends the documents out the municipality where the funds are finally deposited into the municipality accounts and the documents are officially recorded.

In a utopian world, where theft doesn't take place, business professionals are prompt and timely with their tasks and no outside interferences occur ... this method is still a very inefficient process of achieving the ultimate goal of not only validating and securing ownership and/or lien position, but paying the appropriate due taxes to the county/state.

Despite the diagrams self explanatory depiction of the inefficiencies that are present in the traditional method, it fails to show the list of liabilities that arise from this method as well. The receipt of funds by the municipality can also be obstructed by the following causing a huge gap from the time the funds are released:

- Miscalculation of taxes due to the municipality
- An irresponsible title closer taking his/her time delivering the closing package to the title company
- Bank attorney misuse of the funds (theft/fraud) leading to insufficient funds which will cause the title company checks to bounce
- Title Company personnel error in processing the checks and documents
- Title Company misuse of the funds (theft/fraud)
- Title Company & borrower conspiring to hold back a mortgage from being recorded (theft/fraud) keeping the mortgage tax and causing lender to have unsecured liens
- Title Company personnel taking his/her time to process the file and send out the documents
- Title Company personnel error in processing document and checks, causing the municipality to kick back the documents and check.

Our Method will revolutionize the process by delivering the taxes due to the municipality at the closing. The diagrams to follow, more specifically "FLOW CHART Ia", "FLOW CHART IIa" & "FLOW CHART IIIa", will demonstrate this method in its entirety.

The diagrams will outline the process for the same three possible transactions as the traditional method. In all three scenarios, the funds being paid the municipality are paid directly by the representation for the funding source at the closing. Once the transaction is completed online, the system will generate certain documentation as proof of payment - "payment confirmation". That payment confirmation will be given to the title closer who will deliver them to the title company along with the closing package. The title company will then process the documents with cover sheets, attach the payment confirmation sheets issued by the software for the online payment, sends the documents to the municipality, where they will cross reference the confirmation page with their records and the documents are officially recorded.

This process will achieve a few goals:

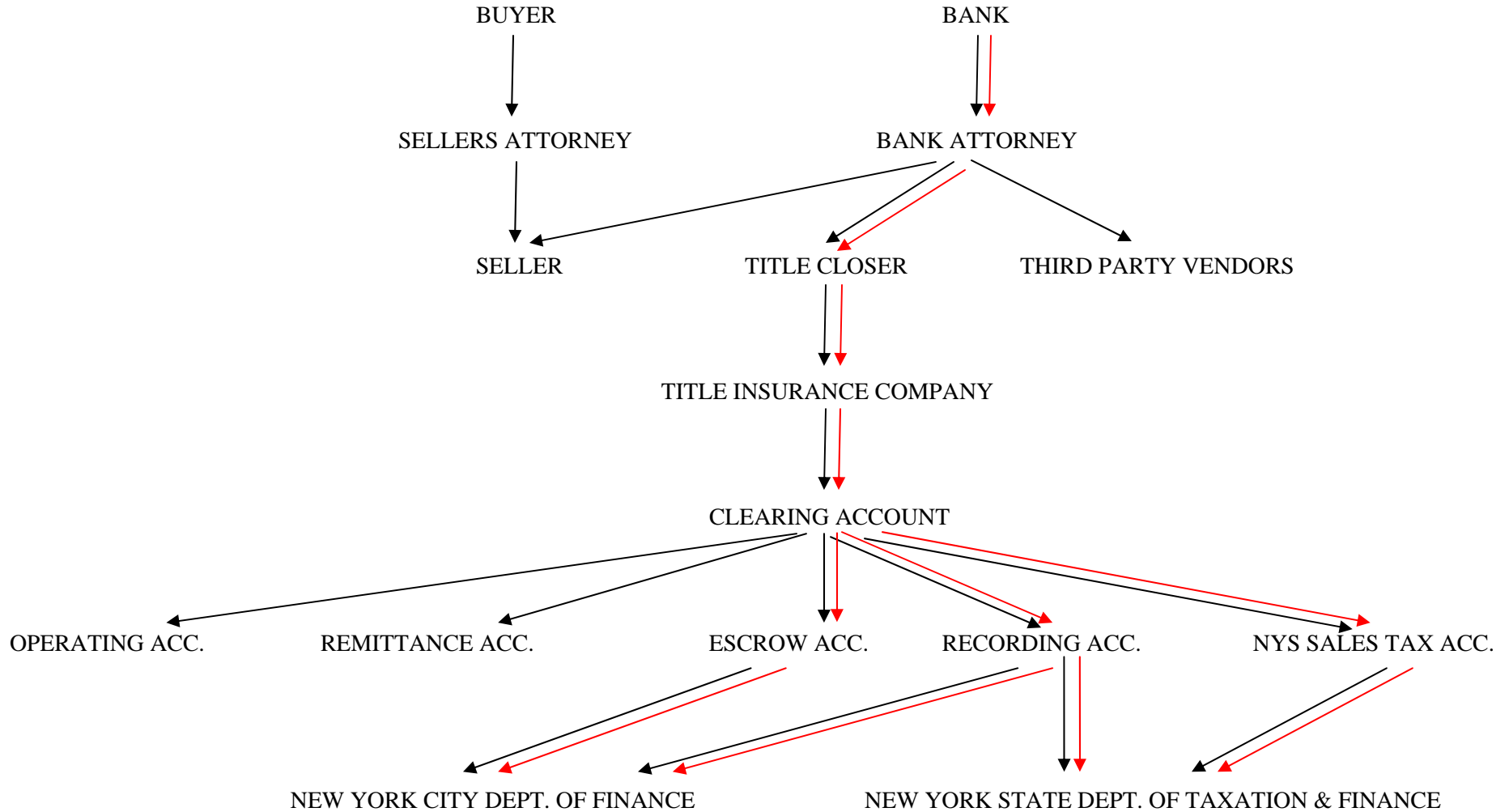
- The funds being paid to the municipality will be instantaneous rather than floating in the title company accounts for an uncertain amount of time. Over the scope of the whole country, municipalities will be paid millions of dollars a day instantly from the closing.
- This process will alert the municipality instantly that a transaction has taken place, eliminating the possibility of fraudulent activities and multiple transactions taking place. In the traditional method, there is no trace of a transaction taking place, it was in the hands of the title company and their ability to get the documents on record.
- The title insurance policy will have solid substance and will grant assurance to the lender and new owner that they in fact are instantly protected for the terms of the policy.
- Eliminate any chance of theft from title agents from the recording and escrow accounts.

In addition to the secure payment modules that will deliver the funds directly to the Municipality, the systems will also become a Quality Control system. This can all be explained at a live demonstration of the site and its functionalities. We welcome the opportunity to meet and introduce our system to you.

FLOW CHART I

Traditional Purchase Transaction With Lender Financing in New York City

RED = FLOW OF FUNDS

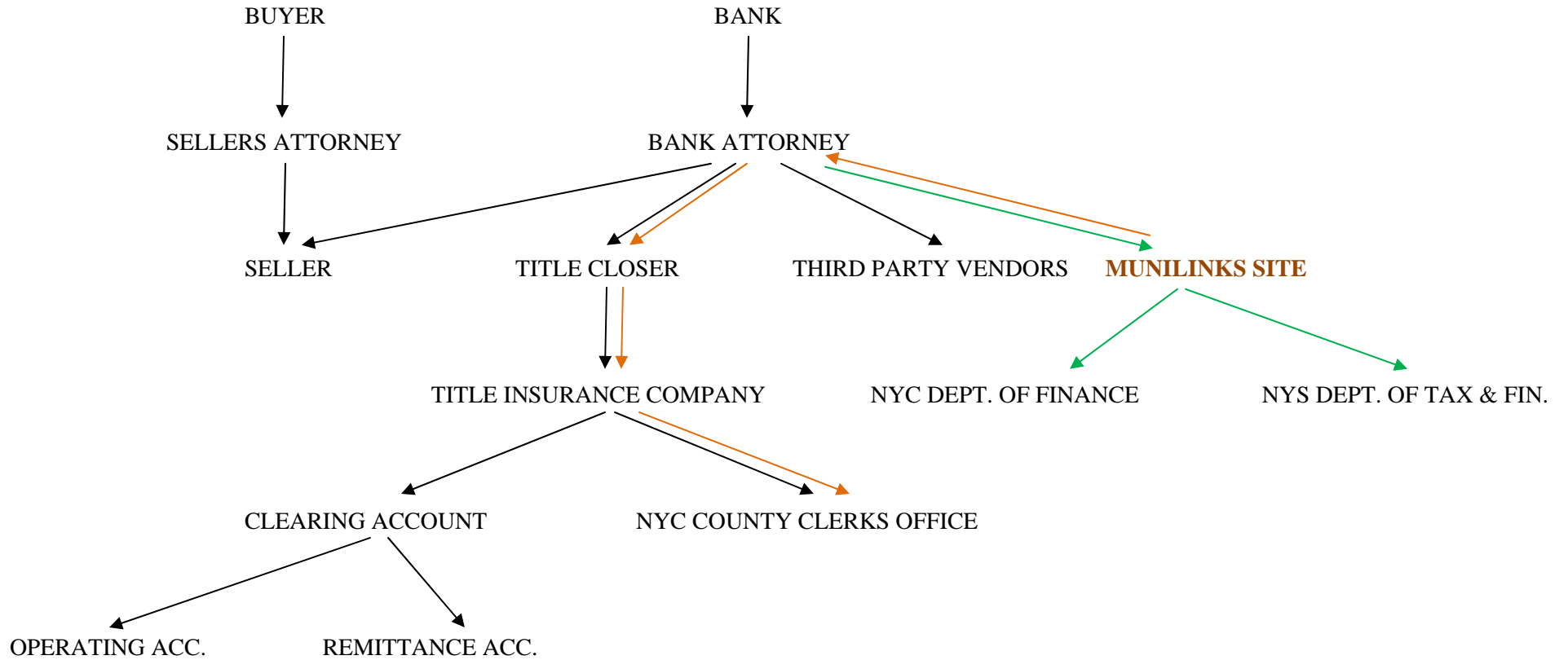


FLOW CHART Ia

Traditional Purchase Transaction With Lender Financing in New York City

GREEN = FLOW OF FUNDS

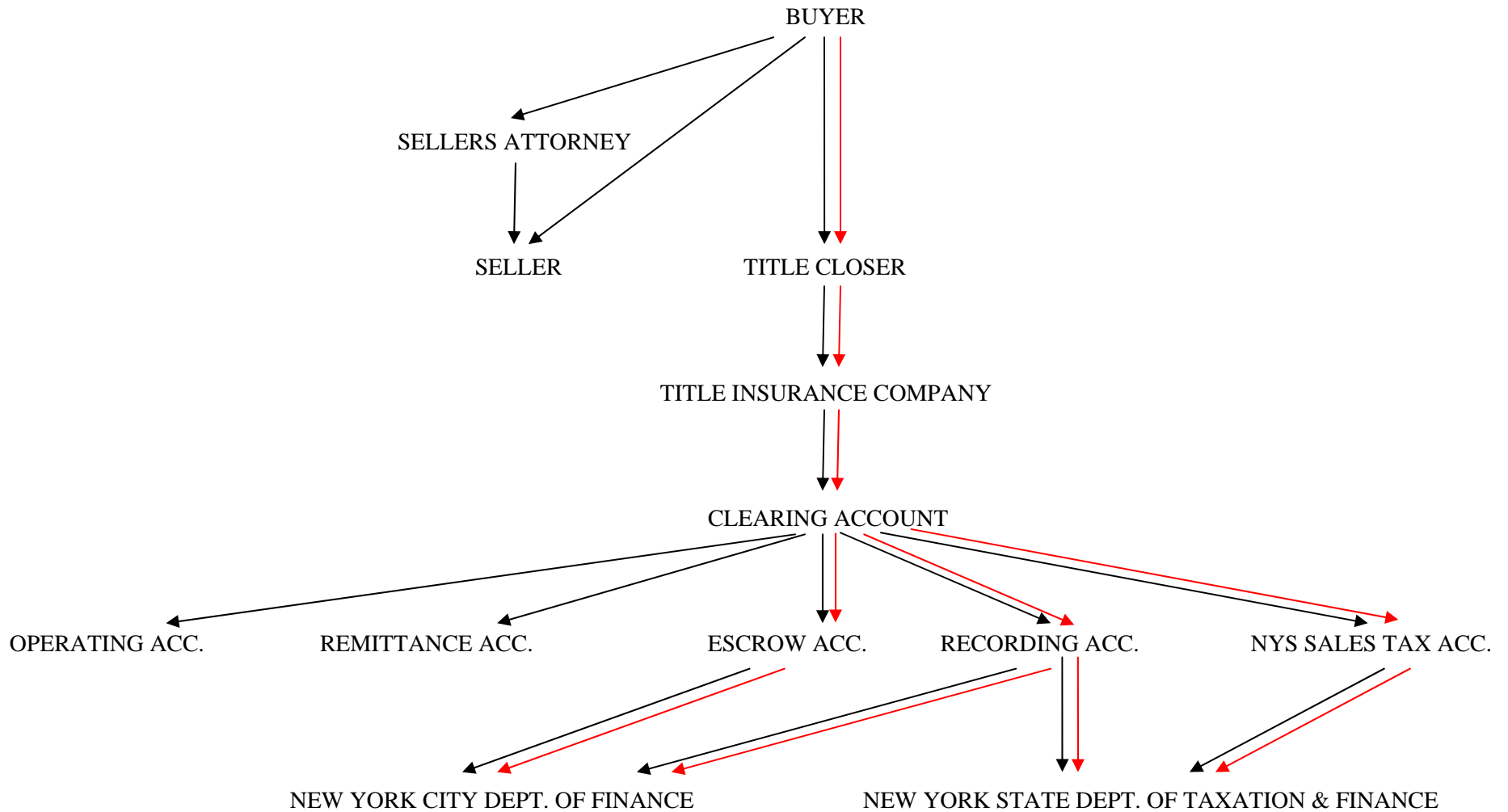
ORANGE = PAYMENT CERTIFICATIONS



FLOW CHART II

Traditional Purchase Transaction Without a Lender in New York City

RED = FLOW OF FUNDS

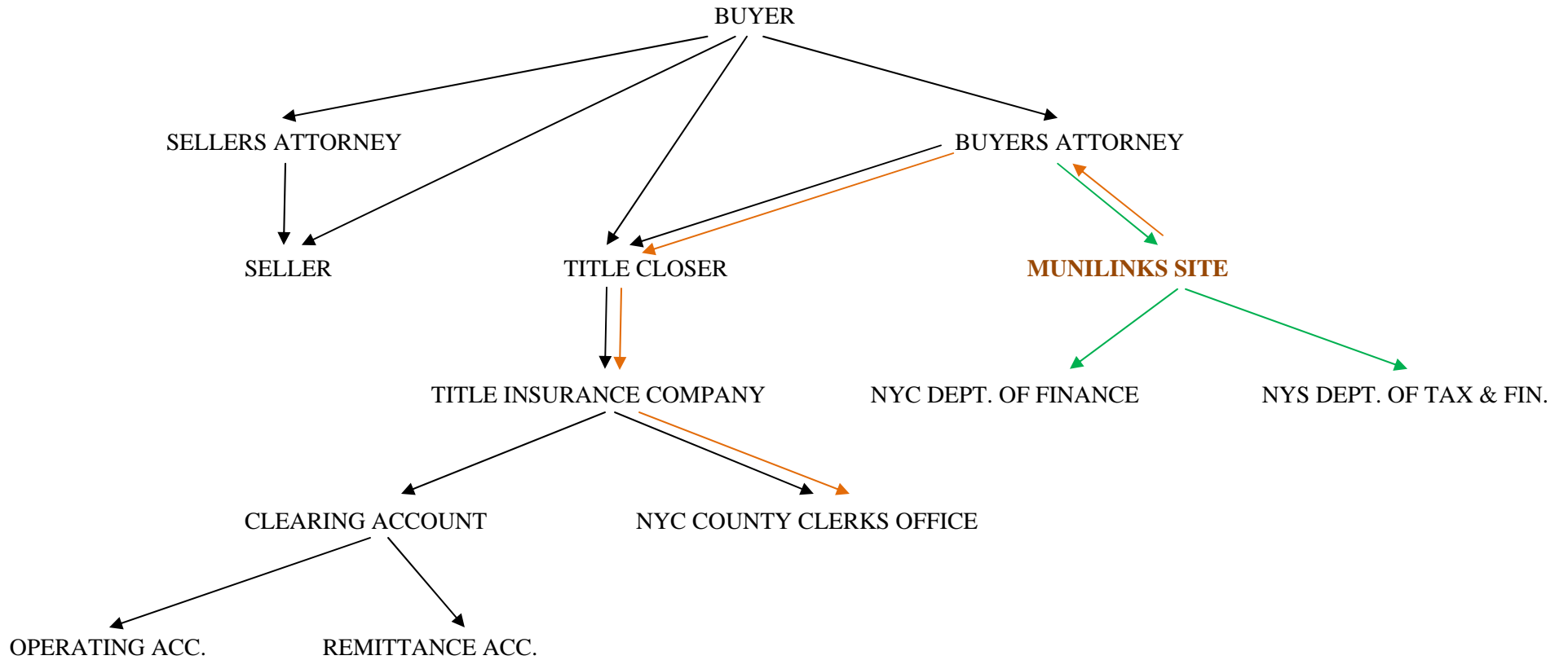


FLOW CHART IIa

Traditional Purchase Transaction Without Lender Financing in New York City

GREEN = FLOW OF FUNDS

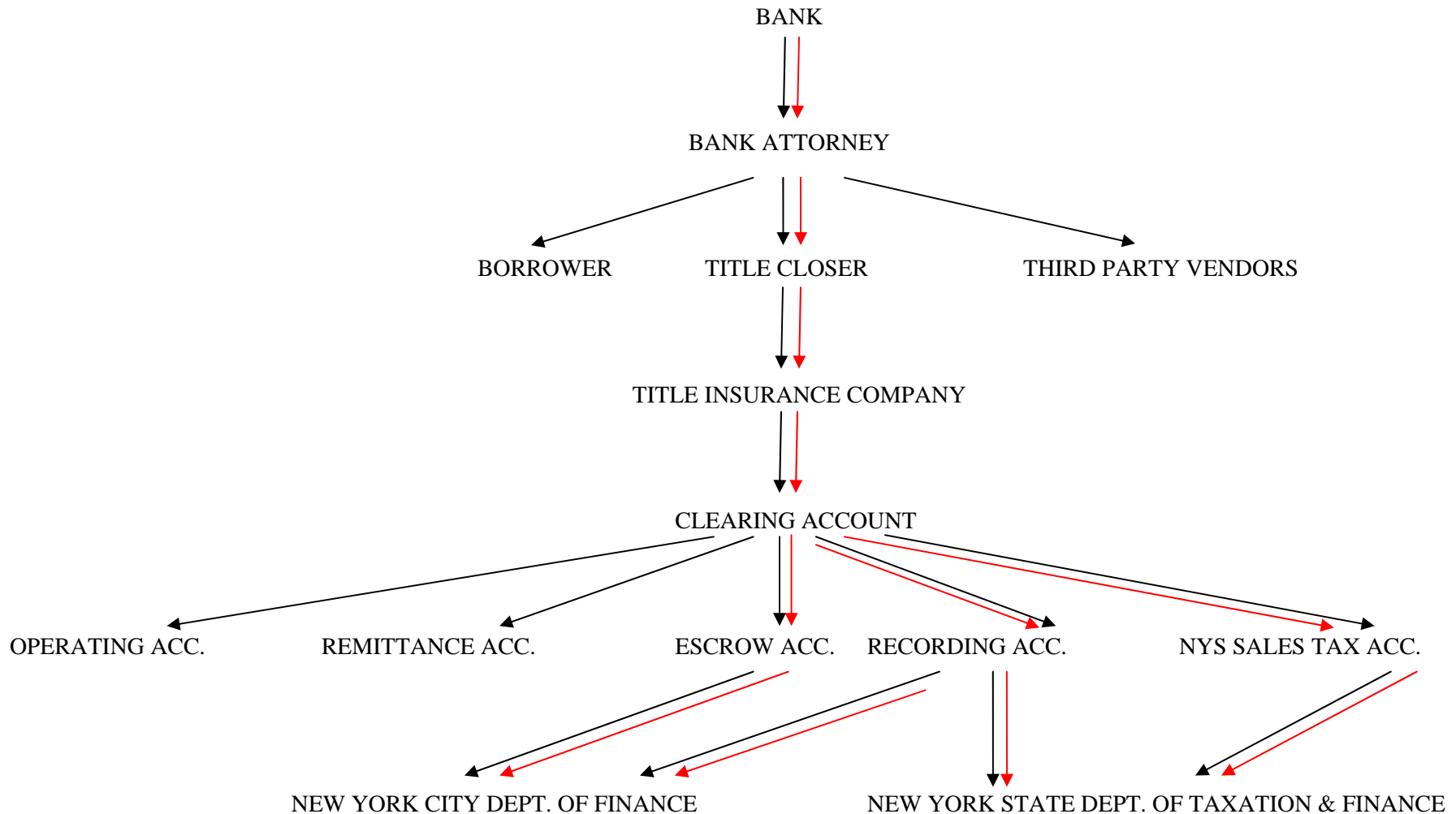
ORANGE = PAYMENT CERTIFICATIONS



FLOW CHART III

Traditional Refinance Transaction in New York City

RED = FLOW OF FUNDS



FLOW CHART IIIa

Traditional Refinance Transaction in New York City

GREEN = FLOW OF FUNDS

ORANGE = PAYMENT CERTIFICATIONS

