



CHICAGO BULL

(12-28-2022)

NC ADMINISTRATIVE OFFICE OF THE COURTS (AOC) – ODYSSEY TRANSITION FROM VCAP

Are You Watching? (Part I)



Coming to a courthouse near you SOON, and directly affecting an integral part of each and every title examination you do, the North Carolina Administrative Office of the Courts (the AOC) will be updating the now 30+ year old VCAP system for tracking all filings – civil and criminal proceedings, special proceedings, estates, everything. While this new system, referred to as Odyssey, will be a definite improvement over the current system and make things much easier for those that routinely interact with the various Offices of the Clerks of Court across the state, the conversion process will create a few temporary challenges. A number of these transition issues will directly impact real estate practitioners.

Odyssey will be rolled out in multiple (10) stages or “tracks,” beginning First Quarter 2023 and to be completed through 2023-2024. (See the map available at time of this Bull above.) So it is not certain when any particular County will be impacted. During the transition in a County there will be a period of time where new filings will not appear on the VCAP system, but Odyssey will not be fully functional. This will result in a type of blackout where title searchers will be unable to check for new civil filings until the transition is complete and Odyssey is fully functional. This will create a “gap” in the ability to search and certify title for any transactions closing and recording during this transition period.

This Chicago Bull is part of a series as the situation develops. Part II will cover more detail. And further editions will be published as the various “tracks” go on-line.

Are you watching? Important cautions, anticipating the transition!

- During the transition in your search county, the **AOC computer indexes will be unavailable** for several days of the transition, both for existing VCAP as well as upcoming Odyssey portal. However, **filings will continue off-line** to be posted as soon as the new system is available to the Clerk! *Complaints, lis pendens, foreclosures, claims of lien, estates, special proceedings, and all court filings will still be filed with the Clerks during that period!*
- Attorneys should obtain and post to their own files **last minute VCAP search results just prior to the transition** on any open search files, as closely as possible to the beginning of the transition in the search county, to assure that you have in your file a record of results produced and relied on by you in advising your clients and providing title opinions.

- Once the transition begins, *VCAP will no longer be available to reconfirm findings.*
- As counties begin to transition, a “statewide” search will require VCAP search in counties *not* yet transitioned, and an Odyssey search of the counties that have already transitioned. Attorneys searching titles in multiple counties will need to be aware of the situation in all of their search areas.
- It is currently unclear what the delay may be between e-filing, review by the Clerks under Rule 5 and posting to the Odyssey portal.


Important procedures during transition! If you and all parties to the transaction still want to close during that transition period in a particular county while both VCAP and Odyssey are unavailable:

1. Update the VCAP search the last day available before the transition.
2. Discuss and clearly disclose the risks with all parties to the transaction, to assure they are giving informed consent.
3. Contact the title insurer to discuss the risks, especially if any of the parties are in potential financial difficulties or have any civil actions pending anywhere in the state. Significant risk factors may include concerns that a party is in pending litigation, may be the subject of potential foreclosure, lis pendens, mechanics’ lien or other claims being filed with the clerk during the transition but not searchable due to system unavailability. (Most will begin including a special Commitment Requirement to address this in the interim.)
4. Obtain approval to use the Gap Indemnity developed specifically for this purpose for the transaction (below).
5. Perform an Odyssey search within a reasonable time once available, after allowing time for indexing of the intervening filings with the Clerk off-line.

Information is available on the North Carolina Judicial Branch eCourts website, including updated Press Releases, anticipated launch dates for particular groups of counties, <https://www.nccourts.gov/ecourts>, FAQ’s for attorneys (the “living document”) <https://www.nccourts.gov/documents/publications/ecourts-faqs-for-attorneys-bar-qa> and a Portal User Guide <https://indd.adobe.com/view/832dae5f-0376-4df0-a8a6-65c3cdf9717>

As always, please feel free to contact our North Carolina Chicago Title Counsel to discuss at any time! This is a developing situation and we are working diligently to keep abreast of the latest information available!

➔ Gap Indemnity developed by NCLTA (www.nclta.org → Tools → [Forms](#))

	<p style="text-align: center;">AFFIDAVIT OF UNDERSTANDING AND INDEMNITY AND HOLD HARMLESS AGREEMENT IN THE EVENT OF TEMPORARY UNAVAILABILITY OF RECORDS IN THE CLERK OF COURT’S OFFICE RESULTING FROM COMPUTER DATA MIGRATION</p> <p style="text-align: center;"><i>“(To be used for Purchase (with or without financing) and Refinance Transactions)”</i></p> <p>Land (Property Address): _____</p> <p>Closing Attorney: _____ I</p> <p>Date of Closing (settlement & disbursement): _____</p> <p>Seller(s): _____</p> <p>Buyer(s) (Proposed Insured Owner): _____</p> <p>Owner(s): _____ (in case of refinance only)</p> <p>Title Insurance Company (the Company): _____</p> <p>Issuing Agent: _____</p> <p>Title Insurance Commitment Number (the Commitment): _____</p> <p>Other file number(s) or reference: _____</p> <p>Recordable Documents: Deed, Deed of Trust, Assignment of Leases and Rents, UCC Financing Statement, Subordination, DMV MVR-46G, or other documents to be recorded as a part of the transaction (as applicable)</p> <p><small>NOTE: Other defined terms are as defined in the ALTA® Commitment for Title Insurance (08-01-2016), ALTA® Commitment for Title Insurance (Effective 07-01-2021), ALTA® Short Form Commitment (12-01-17 TC 04-02-18), ALTA® Short Form Commitment (Effective 07-01-2021), the ALTA® Loan Policy (06-17-2006), ALTA® Loan Policy (Effective 07-01-2021), ALTA® Owner’s Policy (06-17-2006), ALTA® Owner’s Policy (Effective 07-01-2021), ALTA® Homeowner’s Policy (12-02-2013), ALTA® Homeowner’s Policy (Effective 07-01-2021), ALTA® Short Form Refinance Policy (06-17-2006), ALTA® Short Form Refinance Policy (Effective 07-01-2021)</small></p>
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