

## WFG Underwriting Bulletin



To: All Florida Policy Issuing Agents of WFG National Title Insurance Company

From: WFG Underwriting Department

Date: April 6, 2020

Bulletin No.: FL 2020-10

Subject: Unable to Obtain Municipal Lien Searches and Association Estoppels

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If you are unable to obtain a municipal lien search or an Association estoppel in time for the closing of a purchase and sale transaction due to the coronavirus pandemic, WFG authorizes you to close the transaction without obtaining a municipal lien search or an association estoppel and not make exceptions from coverage in either the loan policy or the owner's policy for off-record matters that would be disclosed by a municipal lien search or an association estoppel, under the following conditions:

**1. Indemnity and Hold Harmless Agreement.** Seller must execute an Indemnity and Hold Harmless Agreement affirming that all association fees, dues, costs, bills, assessments, and special assessments as to the insured property are paid in full; that all municipal and county utility charges, water bills, sewer bills, electric bills, assessments, special assessments, and all costs whatsoever as to the property are paid in full; and that there are no open permits or unrecorded notices of code violation or unrecorded code liens against the property; and hold WFG National Title Insurance Company ("WFG") harmless in the event that the affirmations by the Seller are untrue and the loss suffered by WFG under its policies pertains to the matters described in the Indemnity and Hold Harmless Agreement.

**2. No Recorded Liens.** There can be no recorded association liens, governmental liens, notices of violation, recorded notices of open permits, recorded notices of failure to obtain a permits, and no pending foreclosure cases.

**3. Cannot Be Used For Lack of Association Approval of Buyer.** The foregoing procedure cannot be used for the inability to obtain association approval of the buyer. If association approval of the buyer is required, you either need to delay the closing until approval of the buyer can be obtained or you need to make an exception in the owner's policy and the lender's policy for: "***Any loss or damage due to the failure to obtain association approval of the Buyer prior to closing***"; and obtain consent from the buyer and the lender to include the foregoing exception in their policies. If you are unable to obtain the association approval of the buyer and unable to obtain consent from the buyer and the lender to include the exception in their policies, you will not be able to close the transaction.

**4. Limitation on Use of This Procedure.** Authorization from WFG to use this procedure on purchase and sale transactions expires on the earliest of the following events to occur:

- (a) Municipal lien searches and association estoppels become available;
- (b) Expiration of Governor DeSantis' Executive Order Number 20-91 as extended, if any;
- (c) May 31, 2020.

**Residential Refinance Transactions.** WFG has always authorized you to use the foregoing procedure on Residential Refinance Transactions. The limitation in Number 4 above does not apply to Residential Refinance Transactions.

[Click Here to obtain a copy of the Indemnity and Hold Harmless Agreement for Purchase and Sale Transactions.](#)

[Click Here to obtain a copy of the Indemnity and Hold Harmless Agreement for Residential Refinance Transactions.](#)

NOTE: The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

**The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.**