



To: All Florida Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: March 11, 2025
Bulletin No.: FL 2025-17
Subject: MV Realty Update

Background

In our Bulletin of June 2, 2023, we discussed the newly created F.S. 475.279 which prohibits Residential Loan Alternative Agreements such as MV Realty PBC, LLC's ("MV Realty") Homeowner Benefit Program. Under that program, the owner signs a Home Owner Benefit Agreement ("HBA" or "HBAs") and MV Realty records a Memorandum evidencing the HBA in the Public Records. The effective date of F.S. 475.279 was July 1, 2023 but it does not affect agreements entered into prior to July 1, 2023. Therefore, in current transactions, any MV Realty agreements signed before July 1, 2023 must be released from the property.

Florida Attorney General's Lawsuit

On November 29, 2022, the Florida Attorney General sued MV Realty in the 13th Judicial Circuit, Hillsborough County, Florida in Case No. 22-CA-9958. On February 12, 2025, the court entered an injunction ("Injunction") against MV Realty prohibiting them from: (1) enforcing any of the HBAs; (2) attempting to collect the Early Termination Fee or any other payment for breach of the HBAs; (3) claiming an interest, lien, constructive trust, mortgage or any other encumbrance on the title; (4) recording a lis pendens against the property; and (5) recording a Memorandum of the HBA. The court further required MV Realty to record terminations of all Memorandums recorded against all properties subject to the HBAs. MV Realty filed a notice of appeal of the Injunction on February 13, 2025. MV Realty asked the trial court to stay the injunction which was denied. MV Realty then asked the appellate court to stay enforcement of the Injunction while the matter is on appeal. That issue is currently being litigated in the appellate court.

Conditional Termination of Memorandum

To comply with the Injunction, MV Realty has been recording terminations of the Memorandums but those terminations contain conditional language. The title of those terminations is: "Termination of Memorandum (Termination subject to rescission by Order of the Court)". And, the body of the Terminations have this language: "Absent further Order From the Court the Memorandum is hereby Terminated and of No Further Force or Effect". So, the terminations being recorded by MV Realty are subject to reversal by court order.

Information Bulletins are designed to provide our agents with information we think will help in managing their business or just being better title professionals, but which does not rise to the level of being an underwriting mandate and are not within the scope of the agency agreement.

Current Transactions

Because of the Injunction, WFG has been receiving requests to insure transactions without a release of the Memorandum(s). However, due to the appeal filed by MV Realty challenging the Injunction, and the conditional language of the Terminations being filed by MV Realty, until all appeals are final resulting in the Injunction remaining in place and enforceable, WFG will only insure with an unconditional termination of the Memorandum executed and recorded by MV Realty; or with an exception in the policy(s) for the Memorandum together with a written Acknowledgement of that exception from the insured buyer and the insured lender.

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