

# WFG Underwriting Bulletin



To: All Louisiana Policy Issuing Agents of WFG National Title Insurance Company  
From: WFG Underwriting Department  
Date: September 7, 2021  
Bulletin No. LA 2021-06  
Subject: Hurricane Ida Update No. 2

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Many clerks' offices remain closed throughout southeastern Louisiana. We understand that there may be questions about handling closings in affected parishes. Due to the stated length of time or continuing uncertainty as to these closures (e.g., September 20 in Orleans and Jefferson Parishes; indefinite in Terrebonne and Lafourche Parishes), there is a significant risk associated with closing and insuring titles in those parishes where documents are not being accepted for recording and where land records are inaccessible for examination or not being updated.

Parties should be encouraged to seek extensions where possible. If you have a transaction in any parish in which the clerk of court is closed or otherwise suspends recording, you may proceed subject to all of the following requirements:

1. Any commitment or policy issued must contain the applicable exceptions stated below. You must insert the last effective date of the commitment (i.e., most recent update or records certification date) where indicated. If the commitment was previously issued, a revised commitment with these exceptions listed on Schedule B-II must be issued prior to closing. No short form, expanded coverage or homeowner's policies may be issued.

Commitment and Owner's Policy:

Any defect, lien, encumbrance, adverse claim, or other matter created by or arising out of the closure of the Office of the Clerk of Court or other recording office in the parish where the Land is located, including, but not limited to, (i) an inability to search the Public Records after [last effective date of the commitment], or (ii) any delay in recordation of the deed or other instrument vesting title in the Insured in the Public Records.

Commitment and Loan Policy:

Any invalidity, unenforceability, lack of priority, defect, lien, encumbrance, adverse claim, or other matter created by or arising out of the closure of the Office of the Clerk of Court or other recording office in the parish where the Land is located, including, but not limited to, (i) an inability to search the Public Records after [last effective date of the commitment], (ii) any delay in recordation of the documents vesting Title or creating the lien of the Insured Mortgage in the Public Records, or (iii) any claim based on an assertion that the recording of the Insured Mortgage failed to be timely.

**NOTE: This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting WFG National Title Insurance Company's best business judgment. 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.**

2. All sellers in a sale transaction and all borrowers in a refinance transaction must execute the standard [Seller/Borrower Affidavit and Indemnity Agreement](#).
3. All parties (sellers and buyers, or borrowers) must sign the [Clerk's Office Closure Affidavit and Indemnification](#).
4. Execution of Clerk's Office Closure Affidavit and Indemnification must be listed as a requirement on Schedule B-I of the commitment. If the commitment was issued previously, a revised commitment with this requirement must be issued prior to closing.
5. The lender must acknowledge in writing that it understands the clerk's office is not currently recording documents, that neither you nor WFG can certify when the mortgage or other documents will be recorded, and that the loan policy will contain the above exception. This written acknowledgement must be retained in your closing file.
6. Review closing instructions carefully. If they require "prompt" recording, recording within a certain period of time or prior to disbursement, do not close without an amendment to permit recording after the clerk's office resumes normal operations.
7. You may not close without specific written underwriting approval if your transaction involves any of the following:
  - a. construction or renovation financing
  - b. a non-traditional or non-institutional lender
  - c. judgments, liens, more than 2 mortgages, tax sales, notice of bankruptcy or notice of seizure against the seller or borrower
8. If you are unable to obtain a payoff or satisfy minimum statutory search and exam standards, you may not close without specific underwriting approval.
9. You must safeguard the original executed documents and record them as quickly as possible when the clerk's office resumes normal operations.
10. After the clerk's office reopens and the documents have been recorded, you must update your title search. If the exam reflects any unpermitted encumbrances, transactions or other adverse matters which could affect the insured title, please notify underwriting counsel immediately. If the exam reflects no adverse matters, you may remove the exceptions noted above.

Please discuss the situation and these requirements with your parties, including lender, as early as possible and prior to closing. We will consider deviations to these requirements on a case by case basis. Additional guidance will be provided as necessary. This remains an evolving situation. We urge you to keep in communication with your local clerks of court. If you have any questions or concerns, please contact underwriting counsel.

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