

## WFG Underwriting Bulletin



To: All New York Policy Issuing Agents of WFG National Title Insurance Company  
From: Underwriting Department  
Date: May 23, 2016  
Bulletin No. NY 2016-04  
Subject: Storm Recovery Restrictions

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Properties in New York State, which have received Federal Funds to recover from Hurricane Sandy and other major storms, will be subject to the provisions of 42 U.S.C. 5154a, The Robert T. Stafford Disaster Relief and Emergency Assistance Act.

The statute provides that upon transfer of the property the transferor has a duty to notify the transferee in writing of the requirements to obtain flood insurance in accordance with applicable Federal law and to maintain flood insurance in accordance with applicable Federal Law. The statute requires that a notification be contained in the deed.

We have seen restrictions Titled "Storm Recovery Restrictive Covenants, NY Rising Housing Recovery Program" recorded against affected properties. If these restrictions appear in a chain of title or a recital appears in any deed in the chain of title the following exception should be raised:

**Premises are subject to restrictions imposed by the New York Rising Housing Recovery Program, recorded in \_\_\_\_\_. Closing deed must contain the following language:**

**Pursuant to 42 U.S.C 5154a, transferee is required to (A) obtain flood insurance in accordance with applicable Federal law with respect to such property. If the property is not insured as of the date on which the property is transferred; and (B) Maintain flood insurance in accordance with applicable Federal law with respect to such property.**

Please contact underwriting counsel with any questions.

**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.**