

WFG Underwriting Bulletin



To: All New York Policy Issuing Agents of WFG National Title Insurance Company
From: WFG New York Underwriting Department
Date: July 27, 2020
Bulletin No: NY 2020-29
Subject: Foreclosure Proceedings-Covid-19 Updates

As a result of Covid-19, there have been numerous executive orders addressing both residential and commercial mortgage foreclosures. On July 27th, the Chief Administrative Judge of the State of New York issued an administrative order outlining the procedures and protocols that apply to residential and commercial foreclosures in New York.

The latest executive order (202.48) addressing foreclosures states that only the prohibition against **commercial** foreclosures is still in effect. The current executive order continues until August 19, 2020.

The prohibition against **residential** foreclosures has been lifted and additional requirements have been put in place. Please note that the order does not allow for any auction or sale of the property to be conducted until October 15, 2020, effectively prohibiting any potential sale and insurance until after that date. In addition, legislation has been passed setting forth forbearance requirements for lending institutions, which specifically allows any violation by the lender to be used as a **defense in a foreclosure action.**

I have attached a [copy of the correspondence and order](#) by the Administrative Judge which outlines the requirements for filing a residential foreclosure action.

- Filings must be made through NYSCEF or mail.
- A conference will be required to review the case and the effects of Covid-19 and additional steps may need to be taken to protect the homeowner.
- As stated above, No auctions will be held until after October 15, 2020.

If you have received an application or are working on a foreclosure, which was not completed prior to March 7, 2020 or where the foreclosed owner is still in possession of the property please call to discuss with your [New York Underwriting Counsel.](#)

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.