



**MORTGAGE FORECLOSURE GUARANTEE**

AMOUNT OF INSURANCE: <Liability\_Amount>

GUARANTEE NO. <Policy\_Number>  
TITLE NO. <Loan\_Number>

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE

WFG NATIONAL TITLE INSURANCE COMPANY,  
A South Carolina corporation, herein called the Company,  
GUARANTEES

herein called the Assured, against loss not exceeding the liability amount stated above which the Assured shall sustain by reasons of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the date stated below:

- (1) Title to the land is vested of record in:
- (2) The necessary parties defendant to foreclose the mortgage set forth in Schedule "B" are those set forth in Schedule "C".
- (3) All liens or encumbrances affecting the land subsequent to the recording of the mortgage to be foreclosed, which are filed or recorded in those records in the County Clerk's Office, and in counties having a Register in the Register's Office, established by state statute for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge are listed in Schedule "D".
- (4) The records of the taxing authority show that all taxes and assessments which are a lien against the land have been paid as of the date herein, except for those taxes and assessments which are shown as open on the Tax Search.

Annexed to this Guarantee are the following schedules:

- Schedule A: Description of Mortgaged Land
- Schedule B: Mortgage(s) to be foreclosed and any consolidations, modifications and assignments thereof of record
- Schedule C: Necessary Parties Defendant
- Schedule D: Exceptions to title subsequent to the recording of the mortgage to be foreclosed and other information
- Schedule E: Tax Search

**In Witness Whereof**, WFG NATIONAL TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

<Agency\_Name>

<Agency\_Address\_Full>

Agent

WFG NATIONAL TITLE INSURANCE COMPANY

By:   
President

ATTEST:   
Secretary



Authorized Signatory

## MORTGAGE FORECLOSURE GUARANTEE

### EXCLUSIONS, CONDITIONS, STIPULATIONS AND MISCELLANEOUS PROVISIONS

#### 1. Definition of Terms

The following terms when used in this Guarantee mean:

- (a) "land": the land described, specifically or by reference, in the Guarantee and improvements affixed thereto which by law constitute real property;
- (b) "date": the effective date;
- (c) "the Assured": the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company;
- (d) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (e) "necessary party defendant": Those persons or entities who are necessary parties defendant pursuant to New York State Real Property Actions and Proceedings Law, Section 1311, except that searches have not been made for, and this Guarantee does not cover, General Assignments, Orders Appointing Receivers, and Petitions in Bankruptcy against judgment creditors and minor lienors. Searches for Financing Statements under the Uniform Commercial Code have been made only in the office of the Recording Officer of the County in which the land is situated, and only for those indexed against the land.

#### 2. Exclusions from Coverage of This Guarantee

The Company assumes no liability for loss or damage by reason of the following:

- (a) Defects, liens, encumbrances, adverse claims against the title or other matters (1) created, suffered, assumed or agreed to by one or more of the Assured; or (2) resulting in no loss to the Assured;
- (b) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property, and taxes shown as paid on the Tax Search which, subsequent to the date hereof, are reinstated due to non-collection of funds or otherwise;
- (c) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water, land under water; and land lying in the bed of streets;
- (d) Title to any property beyond the lines of the land expressly described in Schedule A, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein;
- (e) Any federal, state, or municipal lien or charge which may be filed in an office of the federal government, state government, or local municipal government, or any department, agency, or division of them, other than the office of the taxing authority, unless the lien or charge is also filed or recorded in the County Clerk's office, and in counties having a Register, in the Register's office;
- (f) Any person or entity whose interest in the land may be disclosed by an accurate survey of the land or by an inspection of the premises;
- (g) No searches for deaths of any necessary parties defendant have been made, except as to those listed on Schedule "C" as "Record Owner", and as to such persons, searches have only been made in the office of the Clerk of the Surrogate Court in which the land is located.

#### 3. Prosecution of Actions

- (a) The Company shall have the right to institute and prosecute any action or proceeding or do any other act which, in its opinion, may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.
- (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

#### 4. Notice of Loss - Limitation of Action

A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.

#### 5. Option to Pay, Settle or Compromise Claims

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the guarantee shall terminate all liability of the Company hereunder. In the event, after notice of claim has been given to the Company by the Assured, the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

#### 6. Limitation of Liability - Payment of Loss

- (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of the liability stated on the face page hereof.
- (b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company, but in no event shall such liability exceed the amount of liability stated on the face page hereof.
- (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged additional necessary party defendant, removes the defect, lien or encumbrance on the land held by the additional necessary party defendant within a reasonable time after receipt of such notice, or (2) if the Company after having received notice of an alleged additional necessary party defendant, takes such steps that it deems proper for the purpose of perfecting the title, whether by foreclosure, re-foreclosure, strict foreclosure or otherwise, and in such action or actions to plead subrogation whenever the Company deems it necessary, or (3) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
- (d) All payments under this Guarantee, including attorney's fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability

hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

(e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

#### 7. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and the Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured, if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.

#### 8. Guarantee Entire Contract

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee. No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, or a Vice President of the Company.

#### 9. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at:

#### 10. Failure to Disclose

This Guarantee shall be null and void if the Assured, its attorney or agent makes any untrue statement with respect to any material fact or suppresses or fails to disclose any material fact or if any untrue answers are given to the Company to material inquiries before the issuance of this Guarantee.

#### 11. Purpose of Guarantee

(a) This Guarantee is made for and accepted by the Assured upon the express understanding that it is to be used only for the foreclosure of the mortgage(s) described in Schedule "B" or for the taking of a deed in lieu of foreclosure.

(b) If a deed in lieu of foreclosure is taken, the Company shall not be liable should the deed be attacked by the grantor, his successors or creditors, for inadequacy of consideration or as to the capacity of the record owner to execute such a deed or for any other reason.

#### 12. Miscellaneous Provisions

(a) Other than for purposes of establishing the vested owner of record of the land and for setting forth liens against a purchase money mortgagor, no search for defects in title, liens, restrictive covenants or any other encumbrance existing or created prior to the date of the mortgage has been made.

(b) No report on streets or searches for violations in Municipal or other governmental departments have been made; nor have searches been made for corporation franchise taxes or license fees, Federal and State inheritance, transfer or estate taxes.

Upon request, the Company will obtain a report from the State Tax Commission on corporation franchise taxes and license fees upon payment of an additional fee, but no responsibility for the correctness of such reports will be assumed by the Company.

(c) The premium herein includes one continuation of title, which shall be done solely for the purpose of establishing additional necessary parties defendant. The tax search shall not be updated except for an additional charge.

TITLE NO.

**CERTIFICATION OF TITLE**

Title to the land is vested of record in:

Source of title: By Deed from

**SCHEDULE A**

**DESCRIPTION**

**SCHEDULE B**

**MORTGAGES OF RECORD**

**Mortgage To Be Foreclosed: (A)**

**Mortgagor:**

**Amount: \$**

**Dated:**

**Recorded:**

**Mortgagee:**

**Reel:           page:**

**SCHEDULE C**

**NECESSARY PARTIES DEFENDANT**

This certification is made on the assumption that all parties are to be personally served in the proposed action. If any of the persons hereinafter named be dead, their legal representatives and successors in interest should be made parties defendant after search has been amended. If investigation by applicant discloses that there are other persons having an interest in the property whose rights are subordinate to the mortgage to be foreclosed, such persons should also be made parties defendant after search has been amended. If any leases, mortgages or other liens recorded prior to the period covered by this search, but which, by reason of subordination clauses contained therein or otherwise, are in fact subordinate to the lien of the mortgage to be foreclosed, all persons interest in said leases, mortgages or other liens should also be made parties defendant after search has been amended.

If the United States of America, State of New York, or City of New York or any of its agencies, are made parties, the complaint must set forth the reason therefor in detail. (See RPAPL Sec. 202 and 202A and 28 U.S.C.A.2410.)

The addresses of parties herein given, were obtained from the record and are not represented to be the present addresses of the parties.

Consideration should be given to the desirability of naming as defendants the obligor named in the bond or in any extension, assumption or guaranty agreement.

All occupants of the premises herein described should be made parties defendant.

The company should be requested to continue searches to the date of filing lis pendens.

**PARTIES DEFENDANT**

**INTEREST IN PREMISES**

Any party who by bond, note, extension agreement or otherwise may be liable for deficiency judgment, if such deficiency judgment is desired.

Any party in possession of any part of the mortgaged premises whose interest plaintiff desires to bar.

## **SCHEDULE D**

### **EXCEPTIONS, OBJECTIONS AND OTHER INFORMATION**

1. Possible rights of tenants or persons in possession, if any.
2. Except any state of facts an accurate survey would show.
3. Emergency Repair Notices, if any, filed pursuant to Chap 26 Section D26-57.01 of the Administrative Code of the City of New York.
4. This Company should be requested to continue its searches in this title to the date of filing the notice of pendency of action to foreclose the mortgage recorded in Reel mp.
5. If default judgment is to be entered against the owner herein, compliance with the additional notice provisions of CPLR Sec. 308 is required.
6. The provisions of the Service members Civil Relief Act (108 P.L. 189; 117 Stat. 2835; Enacted H.R. 100) must be complied with.
7. Tax search herein and Emergency Repair Search herein.