



DISTRICT OF COLUMBIA UNDERWRITING

DC-2020-002

FROM: DC Agency

DATE: March 16, 2020

TYPE: Standard

TITLE: COVID-19 and the D.C. Office of the Recorder of Deeds

Purpose: To alert First American personnel and agents that it is highly likely that the D.C. Office of the Recorder of Deeds (“ROD”) will be closed to the public.

Background: Due to the outbreak of the coronavirus, COVID-19, ROD may be closed to the public on an emergency basis. There has been no announcement as to the timing of the closure.

Standard: If you can complete the recording process through e-recording, you may continue in the normal course. **In the event that a transaction is either not suitable for e-recording or ROD is unwilling or unable to process e-recording, in order to facilitate the orderly transfer and financing of real estate transactions in this difficult time, First American is willing to continue to insure titles for purchasers and lenders through the ultimate recording date of the deed, deed of trust or other insured title document, under the following conditions.**

1. All parties, including lenders, must acknowledge that neither First American nor its title agents can provide any estimate as to the date of recordation of such title documents in the District of Columbia Land Records. The attached Affidavits of Understanding and Indemnity and Hold Harmless Agreement Due to the COVID-19 Emergency for Sale and Financing transactions include appropriate, written acknowledgments for execution by seller, buyer and borrower, as applicable. Satisfactory acknowledgments by lenders may be indicated through closing instructions or by email confirmation, to be retained in your file.
2. Add the following requirement in Schedule B1 of the Commitment: Execution of Affidavit of Understanding and Indemnity and Hold Harmless Agreement Due to the COVID-19 Emergency by the Parties to the Contemplated Transaction.

We understand that the closure may limit or prevent retrieval of relevant court file documents by title abstractors. In those cases, please reach out to the customer or their relevant counsel to obtain necessary copies. In instances where court file copies are not available, contact your Underwriter for guidance.

For commercial transactions, in addition to obtaining the relevant Affidavit of Understanding and lender confirmation, please make certain that any lender or customer instructions do not commit you to recording

the title documents within a specified time period. Understandably, if the customer in a commercial transaction proposes revisions to the Affidavit of Understanding due to the facts in the given case (e.g., the property is subject to tenancies) we will authorize appropriate revisions.

For all transactions, continue to follow all other underwriting standards, including bringing title to date before closing. All other Requirements must be satisfied prior to, or upon, closing as in any normal case. This Standard will remain in effect until ROD reopens to the public.

Contact: If you have any questions, please feel free to contact First American Underwriters at DCUnderwriting@firstam.com or Manus E. Holmes at 202-530-1806 or at mholmes@firstam.com

Attachment:

Affidavits of Understanding and Indemnity and Hold Harmless Agreement Due to the COVID-19 Emergency by the Parties to the Contemplated Transaction [Sale and Financing]

NOTE: This Underwriting Communication is confidential and intended solely for use by First American Title Insurance Company's ("First American") title issuing offices, policy issuing agents ("Agents"), and approved attorneys. This Communication may not be shared with third parties and no other person or entity is authorized to rely upon it. While the scope of agency for Agents is limited to the functions of underwriting and issuing title insurance policies on First American's behalf, and does not include closing or escrow services, First American sometimes provides information and recommendations with regard to Agents' ancillary closing or escrow business as a courtesy. Moreover, this Communication should be considered a directive if noncompliance could impact liability under First American's title insurance policies or closing protection letters. This Communication is being provided to Agents with those considerations in mind, and should become a permanent part of your records to assure compliance with the requirements set forth herein.

First American routinely issues Underwriting Communications through the Underwriting Workbench, AgentNet®, and other means. Communications are typically classified as one of the following types: Standard, Guideline, Advisory, Caveat, Fraud Alert, or Transaction Alert. Generally, Standards establish mandatory procedures and protocols that must be followed when issuing a First American policy; Guidelines establish best practices that are encouraged, but not required; and Advisories simply provide information. Caveats, Fraud Alerts, and Transaction Alerts generally provide information and instructions related to specific parties, properties, or other matters.

First American makes no express or implied warranty respecting the information presented and assumes no responsibility for errors or omissions. First American, the eagle logo, First American Title, and firstam.com are registered trademarks or trademarks of First American Financial Corporation and/or its affiliates. ©2019 First American Financial Corporation and/or its affiliates. All rights reserved. ▼ NYSE: FAF
