**AFFIDAVIT OF UNDERSTANDING AND INDEMNITY AND HOLD HARMLESS AGREEMENT DUE TO CORONAVIRUS PANDEMIC**

Land:

Closing Attorney:

Date of Closing:

Seller(s):

Buyer(s):

Owner(s): (in case of refinance only)

Title Insurance Company (the Company):

Issuing Agent: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title Insurance Commitment Number (the Commitment):

Other file number(s) or reference:

In response to the outbreak of the Coronavirus and the declared state of emergency at the national, state and local level, Courts and governmental offices, have been closed or have had access significantly limited. As a result, the processing and recording of deeds and other title documents in some jurisdictions has been, and will be, impacted. The Company will continue to insure title for the above purchaser(s) and lender(s) for the transactions up to Amount of Coverage in the Commitment but not to include construction loans, through the ultimate recording date of the deed, deed of trust or other insured recordable title documents; provided, however, neither the Company nor its title agents can provide any estimate as to the date of recordation of such title documents in the land records.

NOW THEREFORE, as a result of the aforementioned closures and access restrictions and as an inducement to the Closing Attorney to conduct settlement and to the Company to issue policy or policies of title insurance with regard to the Land, as defined in the Commitment, the undersigned agree as follows:

Seller(s)/Owner(s) certify:

1. There are no unrecorded and/or outstanding leases, contracts, options, agreements, trusts or other inchoate rights, interests affecting the Land which have not been disclosed to the Company or its agent in writing.
2. All labor and materials used in construction or improvements, repairs or modifications to the Land have been paid for and there are now no unpaid bills for labor or material against the improvements or Land. The Sellers/Owners have received no notice of any mechanic liens claim.
3. There are no unrecorded liens or encumbrances affecting the Land, which are not being paid or adjusted as part of the current transaction.
4. Sellers/Owners have received no written notice of a proposed or pending special assessment or a pending taking of any portion of the Land by any governmental body. Sellers/Owners have no knowledge or notice that work has been or will be performed by any governmental body including but not limited to the installation of water or sewer lines or other utilities or for improvements such as paving or repaving of street or alleys or the installation of curbs and sidewalks.
5. Sellers/Owners agree to neither allow, nor take any action, following settlement that may result in a lien, encumbrance or other objectionable matter of title being placed against the Land. In the event any lien, encumbrance or objectionable matter of title arises or occurs between the date of settlement and the date of the recording of the deed or other title document, Sellers/Owners agree to immediately take action to clear and discharge the same and further agree to hold harmless and indemnify the Closing Attorney, the Issuing Agent and the Company against all expenses, costs and attorney’s fees which may arise out of Sellers/Owners failure to so remove bond, otherwise dispose of any such liens, encumbrances or objectionable matters of title to the satisfaction of Fidelity National Financial.

Buyer(s) understand and agree:

1. Neither Closing Attorney, Issuing Agent nor the Company can provide an estimate as to the date or recordation of the deed or other title documents in the Public Records affecting the Land, as defined in the Commitment.
2. Among other things Buyers may not be able to refinance or sell the Land, obtain building permits, or demonstrate recorded ownership of and legal title to, the Land until the date that the deed or title document is recorded in the Public Records.

**North Carolina provisions:**

For a real estate transaction involving a one- to four-family residential dwelling or lot restricted to residential use: Each party has been expressly advised that North Carolina law, specifically the Good Funds Settlement Act (North Carolina General Statutes Chapter 45A), normally requires recordation of the deed, deed of trust, or other title documents prior to disbursement of closing funds. Each party expressly waives any claim, demand, or cause of action arising solely out of Closing Attorney’s disbursement of closing funds in reliance on the parties’ joint instruction to disburse, and each party expressly releases Closing Attorney, the Company, and any agents or other persons acting in reliance on such joint instruction and release from any claim, demand, or cause of action arising out of such disbursement.

Seller(s)/Owner(s) and Buyer(s) irrevocably release the deed, deed of trust and other title documents which each party has respectively executed to Closing Attorney, with the irrevocable authorization and instruction to cause such executed deed and other title documents to be recorded as soon as Closing Attorney is able to cause such recordation. Seller(s)/Owner(s) and Buyer(s) expressly waive and renounce any right, claim or demand to instruct Closing Attorney to recall or withdraw any deed, deed of trust or other title document, or otherwise not to record any deed, deed of trust or other title document or to cancel or rescind the closing.

[Signatures on following page]

The undersigned solemnly affirm under the penalties of perjury and upon personal knowledge that the contents of this Affidavit are true and that this Affidavit and Indemnity is executed in the order to induce the Closing Attorney to make and complete the settlement on the Land and to induce the Company, through the Issuing Agent, to issue its policy or policies of title insurance, insuring title to the Land.

Sellers / Owners:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Print

SUBSCRIBED, SWORN TO, and acknowledged before me this \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_, 2020.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NOTARY PUBLIC

MY Commission Expires:

Buyers:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Print

SUBSCRIBED, SWORN TO, and acknowledged before me this \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_, 2020.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NOTARY PUBLIC

MY Commission Expires: