**DECLARATION OF UNDERSTANDING**

**AND INDEMNITY AND HOLD HARMLESS AGREEMENT**

**DUE TO THE COVID-19 PANDEMIC – FINANCING**

Property: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date of Closing: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Escrow File No: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title Order No: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In response to the outbreak of the Coronavirus and the declared states of national and local emergency, a number of government offices have been closed or have had their access significantly limited. As a result, the processing and recording of mortgages, deeds and other title documents in some jurisdictions has been, and will be, impacted. Title Guaranty Escrow Services, Inc. (“TGES”) will continue to process the above-referenced escrow transaction (if applicable) and Title Guaranty of Hawaii, LLC (“TGOH”), as policy-issuing agent for Fidelity National Financial companies and First American Title Insurance Company (“Title Insurers”) will continue to cause the issuance of title insurance for lenders under its current policy forms through the ultimate recording date of the deed, mortgage, or other insured title document. (For the rest of this document, TGES and TGOH will collectively be referred to as “Title Guaranty”).

Unfortunately, neither Title Guaranty nor the Title Insurers can provide any estimate as to the date of recordation of such title documents in the Bureau of Conveyances or the Office of the Assistant Registrar of the Land Court (as applicable, the “Bureau”).

NOW THEREFORE, as a result of the aforementioned closures and access restrictions and as an inducement to Title Guaranty to conduct settlement and to the Title Insurers to issue the requested policy or policies of title insurance, the undersigned agree as follows:

Borrower(s) affirm:

1. There are no unrecorded mortgages, deeds and/or outstanding leases, contracts, options, agreements, trusts or inchoate rights or interests affecting the Property which have not been disclosed to Title Guaranty or the Title Insurers in writing.
2. All labor and materials used in construction of improvements, repairs, or

modifications to the Property have been completed and there are now no unpaid bills for labor or material against the improvements or Property. The Borrowers have received no notice of any mechanic’s lien claim.

1. There are no unrecorded liens or encumbrances affecting the title to the

Property that are not being paid or adjusted as part of the current transaction.

1. Borrowers have received no written notice of a proposed or pending special

assessment or a pending taking of any portion of the Property by any governmental body; Borrowers have no knowledge 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 of other utilities, or for improvements such as paving or repaving of streets or alleys, or the installation of curbs and sidewalks.

(e) Borrowers agree to neither allow, nor take any action, following settlement that may result in a lien, encumbrance or other matter adversely affecting title being placed against the title to the Property. 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 mortgage, deed or other title document, Borrowers agree to immediately take action to clear and discharge the same and further agree to hold harmless and indemnify Title Guaranty and the Title Insurers against all expenses, costs and attorneys’ fees that may arise out of Borrowers failure to so remove, bond or otherwise dispose of any such liens, encumbrances or adverse matters of title to the satisfaction of Title Guaranty.

Borrower(s) further understand and agree:

1. Neither Title Guaranty nor the Title Insurers can provide any estimate as to the

time of recordation of the mortgage, deed or other title documents in the Bureau.

(b) Among other things, Borrowers may not be able to refinance or sell the Property, obtain building permits, or demonstrate recorded ownership of, and legal title to, the Property until the time that the mortgage, deed or title document is recorded in the Bureau.

The undersigned solemnly affirm(s) under the penalties of perjury and upon personal knowledge that the statements in this Declaration are true and that this Declaration is executed with the intent that Title Guaranty and Title Insurers will rely on these representations to make and complete the financing settlement on the Property and issue the requested policy or policies of title insurance, insuring the financing on the Property.

Borrower(s):

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Signature Print:

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

Signature Print:

This 2-PageDeclaration Of Understanding And Indemnity And Hold Harmless Agreement Due To The Covid-19 Pandemic – Financing was subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 2020, in the \_\_\_\_\_\_\_\_\_\_\_\_ Circuit, State of Hawaii.

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

NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_\_\_\_\_\_