

## **Judgments against a lender who obtained title by Sheriffs Deed (or Deed in Lieu)**

**Q: Title is vested in a lender who obtained title by Sheriffs Deed (or Deed in Lieu of Foreclosure). Our upper court judgment search shows judgments against them. What do we do?**

A: If title is in a lender other than a governmental entity (HUD or FNMA), the judgment must be addressed. We may accept indemnification from the selling lender on a case by case basis – the approval of a member of our underwriting staff should be obtained before doing so.

If the judgment is against a name similar but not identical to the name of the title holding lender, it may be possible to omit however, again, our underwriting staff should be consulted before doing so.

Judgments against HUD and FNMA may be omitted unless the property under examination is located in the municipality which is the creditor in the judgment.

OR February 2017