

COVID QUESTIONS AND ANSWERS

1. Is Goldman Gruder & Woods open for business?

Legal Services and ancillary support services, such as, title searchers, appraisals and mortgage banking, have been deemed “essential” by the Governor and accordingly, Goldman Gruder & Woods remains open and fully committed to clients and their needs during the pandemic. Well before the State of Connecticut’s order shutting down most businesses, our firm effectuated a number of protocols designed to maintain uninterrupted office operations, including bolstering remote working capabilities, reducing in-office staff and practicing safe social distancing.

2. How will closings be affected?

We are still performing closings on time and as needed, with some practical variations to ensure the safety and well-being of all parties involved. We are using technology and proactive measures to make sure that the face-to-face closing is minimized. We are also using protective measures (including secured sterile conference spaces, outdoor areas and remote notarization where available) to ensure the health and comfort of our clients, referral partners and staff is preserved while executing documents.

3. How will we address tax collector and tax assessor office closings?

We will continue to timely deliver all required tax payments to the appropriate tax office or their designated depository agents if necessary (local banks).

4. How will we address issues obtaining title and municipal searches?

Some Town Clerk offices maintain online records for title and municipal searches. We will continue to obtain searches via online databases and in-person from those town offices that remain open.

Municipal searches are generally not available online and as such, closings may be delayed due to our inability to obtain these searches. If absolutely necessary and if all parties agree, we may be able to close with escrow agreements (money held back from closing to cover potential issues), but this presents a large risk to the buyer.

5. How will we address issues obtaining appraisals?

Appraisals will continue for those appraisers who are willing to perform these services. We have encouraged our lending partners to identify any appraisal

related issues early on in the mortgage process. Any inability to obtain appraisals will likely cause delays in mortgage approvals.

6. How will we address issues obtaining verification of employment due to office closures?

As businesses are closing, we recommend asking clients to provide a direct contact to your human resources department and direct supervisor at your place of employment so that we may avoid any lender delays regarding employment verification.

7. Can we perform closing online or through electronic notarization?

Currently, Connecticut does not allow for electronic notarization so closings must occur in person. However, we have encouraged our state legislators to enact emergency legislation to allow for electronic notarization, which will allow for closings to occur via video conference.

We will continue to update you as this legislation progresses.

8. How will we address Town Hall closures, which will limit our ability to record deeds and mortgages?

We will continue to record at the Town Clerk offices that remain open and will immediately record once all Town Clerk offices reopen. Our title insurance partners are providing coverage for any issues that may arise from the delay in recording. Additionally, we will be obtaining authorization from the Lender to delay mortgage recordings until Town Clerk offices reopen.

9. How are contracts being affected?

The pandemic has caused a high degree of uncertainty with regards to the respective obligations of parties to real estate contracts. Nervous buyers with job security concerns are feverishly seeking to withdraw offers or terminate contracts. While most sellers seek to ensure their closings will timely occur, we have seen a number of elderly and health compromised sellers also seek to delay or terminate contracts due to inability to secure adequate relocation assistance or other health concerns caused by increased human interaction or relocation.

While contract presents a unique set of facts that requires an independent legal analysis, generally the law in Connecticut imposes the burden on contract parties to act in a reasonable, practical and good faith manner prior to seeking rescission or termination of a fully formed contract. In this regard, our seasoned real estate litigation team is prepared to provide immediate assistance to our business partners and clients on a case-by-case basis.