

---

LAW OFFICES OF  
**Pullano & Farrow**

PLLC

---

LEGAL BRIEFING: REAL ESTATE

Buying or Selling Your Home During a Global Pandemic

- Pg. 1 of 3

---

March 24, 2020

## Coronavirus: Buying or Selling Your Dream Home During a Global Pandemic

The global spread of the coronavirus has caused uncertainty in every aspect of our lives. There is uncertainty with people's employment situations, childcare availability, school access and even the availability of needed groceries. While these uncertainties are readily visible to every American, there are many more uncertainties that affect a more select group of individuals. For purchasers and sellers of real estate, the coronavirus has upset the housing market and caused great uncertainty with respect to the ability to close real estate deals at a time when we are all being encouraged to socially distance from one another and employers are being told to drastically reduce their workforce. These uncertain times may cause some potential home buyers and sellers to halt their efforts, but for those who have already entered into a contract and are now faced with the challenges that come with "social distancing" and mandatory workforce reductions – what happens now?

In an effort to slowdown the spread of the coronavirus and reduce exposure for New Yorkers, Governor Cuomo issued Executive Order 202.6 requiring all non-essential businesses to reduce their on-site employees by 100% by 8:00 p.m. on Sunday, March 22nd. While banks and other financial institutions are exempt from this requirement, there are other important companies involved with a real estate closing whose reduction of staff could negatively impact closings over the coming weeks. These companies provide services such as title work, abstract re-dating, property surveys, inspections, etc. All these services are imperative to the completion of the real estate transaction and are considered non-essential businesses under the Executive Order. It is unclear how these companies will transition into the new remote working environment as the nation deals with the onslaught of COVID-19, but it is likely that these companies will also experience a slow-down in their daily operations that will impact homebuyers and sellers across the country.

---

LAW OFFICES OF PULLANO & FARROW PLLC  
ATTORNEYS & COUNSELORS AT LAW

69 Cascade Dr. Suite 307 • Rochester • New York • 14614 • 585.730.4773

ATTORNEY ADVERTISING

In addition, as Monroe and the surrounding counties limit their workers at the county clerk's offices, the process of recording the signed deed and other transfer documents will also be affected. All recordings, including deeds, must now be submitted to the clerk's offices via the United States Postal Service. This will result in recording delays that have the potential to impact buyer's title insurance policies. Some counties, including Monroe, are beginning to move towards E-Recording of these documents, but it is not clear exactly when it will be implemented. Typically, the deed is filed the same day as the closing, however because of the current delays some title insurance companies are combatting this delay in recording by providing "gap insurance". This additional insurance will protect the new homeowner between the time of signing the purchase documents and the time when the clerk receives and records the transfer documents.

A few states have disseminated "Coronavirus Clauses" amongst their real estate agents in an attempt to combat a wave of breached real estate contracts. These clauses allow buyers and sellers with existing contracts and contracts that have not been executed yet to allow for the postponement of closings, removal of loan contingencies for buyers who may experience a loss of income due to COVID-19, or a mutual agreement to cancel the contract. These clauses have not been introduced into Monroe County, but it may be a possibility over the coming weeks or months.

For those who have closings scheduled over the next few weeks, as of now, these closings are still on schedule. Please be prepared to adhere to all social-distancing protocols during these closings by maintaining as much distance between parties as possible and washing your hands before and after signing the necessary documents. If you are concerned about attending, you should contact the attorney handling your closing as soon as possible to discuss potential options. For those who are worried about their existing contracts moving forward, you should also consult with your attorney to determine if there are any remedies available to you in the event the purchase or sale may not occur.

Finally, Governor Cuomo has announced that New York homeowners will have waived mortgage payments for 90 days for those currently experiencing financial hardships. It is unclear as to what the qualifications will be to have mortgage payments waived but it is anticipated the Governor Cuomo will provide additional guidance in the coming days. Homeowners will still be responsible for these payments but they will be added to the end of the loan term. Governor Cuomo also indicated the 90 days could be extended based on the influence of COVID-19.

If you have any questions about this Legal Briefing, please contact any member of the firm at (585) 730-4773.

This Legal Briefing is intended for general informational and educational purposes only and should not be considered legal advice or counsel. The substance of this Legal Briefing is not intended to cover all legal issues or developments regarding the matter. Please consult with an attorney to ascertain how these new developments may relate to you or your business. © 2020 Law Offices of Pullano & Farrow PLLC

---

LAW OFFICES OF PULLANO & FARROW PLLC  
ATTORNEYS & COUNSELORS AT LAW

69 Cascade Dr. Suite 307 • Rochester • New York • 14614 • 585.730.4773

ATTORNEY ADVERTISING