



# INDUSTRY PREPARES FOR INCREASED FORECLOSURE AND LOSS MITIGATION ACTIVITY



Dean Kirchen, SVP of WFG National Title Insurance Company's Default Title Services division, knows that despite the best intentions of

servicers to keep homeowners current on their mortgages and in their homes, at some point in the future, the forbearance scenario will phase out and there will be an increase in foreclosure activity.

In February, in anticipation of an increased need for its services, WFG's Default Title Services division introduced forbearance, loan modification, and foreclosure information reports on a nationwide basis. These expanded offerings complement the organization's existing roster of national title and closing services offered by the company's Enterprise Solutions group.

"For the past year, we've been listening to servicers who have been exhausting all efforts to keep their borrowers in their homes," Kirchen said. "WFG's Default Title Services division is committed to providing all of our customers with the same world-class service for

which our parent company is known, regardless of the size of their operation. This commitment is what separates us from many other providers in our space."

The division's parent company is Portland-based Williston Financial Group, parent to national title insurance and settlement services providers WFG Lender Services and WFG National Title Insurance Company.

According to Kirchen, foreclosure attorneys, trustees, and mortgage servicing and default management professionals have shared with him that, in this segment where every transaction feels totally unique, they depend on the WFG team's knowledge and experience. They also rely on having access to a team of underwriters experienced in the nuances of foreclosures.

"This is especially critical when looking at title insurance after a foreclosure sale," Kirchen said. Given the CARES Act and state legislation related to moratoria on foreclosures, you really need to 'get into the weeds' on these files."

Forbearance legislation and moratoriums have all but stopped foreclosure proceedings during the pandemic and will continue through at least the end of June. However, industry

experts expect an increase in loss mitigation and foreclosure activity in Q4 2021 and beyond once these initiatives are lifted.

WFG Executive Chairman and Founder Patrick F. Stone said, "While we don't expect an onslaught of foreclosures like we saw during the mortgage meltdown before the Great Recession, we can foresee a time after the current forbearance scenario ends in which as many as 500,000 to 700,000 foreclosures may occur. That might begin as early as the fourth quarter of 2021 and, in case it becomes necessary, these services will be ready to support our default customers."

With this expansion, WFG Default Title Services' complete roster now includes national title and closing services for loss mitigation and default, including loss mitigation title and closing services, valuation services, property reports, document signing and recording services, lien priority insurance, assignment verification, and title policy retrieval/replacement. REO title and closing services, foreclosure information reports, trustee sale guarantees, litigation guarantees, deeds-in-lieu of foreclosure, and short sales complete this offering.

"Our Default Title Services group also provides system integrations with all the leading foreclosure platforms," Kirchen said. "This helps enhance operational efficiency for foreclosure attorneys, trustees, and mortgage servicing clients, and provides greater accuracy, reduces redundancy, and shortens timeframes."

For more information on how WFG Default Title Services can help optimize the default management process, visit [wfgtitle.com/default-services](http://wfgtitle.com/default-services), call 818.638.7505, or email [tsg@wfgnationaltitle.com](mailto:tsg@wfgnationaltitle.com).