



IOWA TITLE GUARANTY
A DIVISION OF IOWA FINANCE AUTHORITY

November 8, 2023

Updates Regarding the Mr. Cooper Cyber Security Incident

On Friday, November 3, 2023, ITG issued guidance stating that CPL transactions which involve the lender Mr. Cooper (either as lender, payee, or servicer) must not close due to a cyber security incident Mr. Cooper is undergoing. To date, the situation has not materially improved such that ITG may remove all guidance. While Mr. Cooper is accepting some payments, whether or not loan payoff payments received via check are accepted remains in doubt.

Given the extraordinary circumstances this issue presents, ITG will allow CPL transactions to close provided all of the following conditions are met:

1. A payoff statement from Mr. Cooper must be obtained. If a payoff was received prior to October 31, 2023, that payoff may be used. If a payoff was not obtained before October 31, 2023, the transaction cannot close until a payoff statement is obtained.
2. All seller proceeds must be held in escrow until the Mr. Cooper mortgage is released.
 - a. ITG will permit disbursement for recording fees, the buyer's escrow, and the payment of existing, payable liens. All other funds, including fees owed as part of the transaction such as a closing fee or commission, must be held in escrow until the Mr. Cooper mortgage is released.
 - b. In an effort to avoid further fees, the ITG Closer should issue payment for the Mr. Cooper mortgage via a trust account check. The ITG Closer will then need to regularly monitor their account to determine if/when the funds have cleared the account.
 - c. The ITG Closer must obtain an agreement from the seller to hold the proceeds in escrow as described above.
3. The new lender and buyer must, in writing, consent to the ITG Certificate not being issued until the Mr. Cooper mortgage has been released of record. The Endorsement Against Loss Lien may not be used for the Mr. Cooper mortgage.

For more information on the incident, please see information provided by Mr. Cooper here: <https://incident.mrcooperinfo.com/>.

Please contact the [Iowa Title Guaranty team](#) with any questions.

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