

# The St. Louis Office Produces Three New Verdicts...

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### **Equitable Subrogation used to obtain Subordination**

Galloway, Johnson, Tompkins, Burr and Smith brought an equitable subrogation action against an intended junior lender that previously refused to subordinate its loan to the refinance lender who relied on the borrower's specific representation of no "gap" recording loans. Upon service, the junior lender agreed to subordinate to resolve the entire matter.

### **Consent Judgment from Borrowers that Fraudulently Conveyed Intended Collateral**

Scott Mueller obtained a consent judgment to resolve an involved matter pending summary judgment in Southern Missouri where a foreclosure on the borrowers' wrong property led to their conveyance of the intended collateral to family members. In lieu of facing summary judgment for a fraudulent transfer action, all defendants consented to judgment to resolve the entire matter and correct the title post-foreclosure as if it had been conducted correctly originally.

### **Divorce Judgment Award Avoided**

Galloway, Johnson, Tompkins, Burr and Smith resolved a claim from a borrower's ex-spouse to lien her divorce award against the insured Property. However, since the divorce decree set out the specific source of recover (401(k) funds), we determined that the divorce award did not operate as a lien against the Property and settled for cost of defense based payout.

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