



## **NATIONAL UNDERWRITING BULLETIN**

**FROM: Underwriting Department**

**DATE: March 28, 2013**

**TO: All Policy Issuing Agents of WFG Title Insurance Company and  
WFG National Title Insurance Company**

**BULLETIN No.: NATIONAL – 03282013**

**SUBJECT: FDIC Mineral Interest Reservations**

The Federal Deposit Insurance Corporation (“FDIC”) recently issued a Guidance Statement to its National Contractors instructing them that, effective April 1, 2013, future sales of FDIC owned real estate will generally exclude Mineral Interests. Such reservations may already be included in existing contracts.

Since this Guidance Statement covers all sales by FDIC, great care must be taken whenever FDIC is the seller. Read all closing instructions very carefully and make sure that an appropriate exception is taken to the reservation in any policies issued. Also note that such reservations will appear in contracts and deeds in geographic areas where mineral rights reservations are uncommon, especially residential properties.

Mineral Interest reservations will generally apply to all types of properties except for individual condominium units and transactions valued at \$50,000 or less.

The FDIC will have a procedure for buyers to obtain the mineral rights, but a separate appraisal of the rights must be done, and the FDIC must confirm that the mineral rights have not previously been conveyed.

As noted in the Guidance Statement, “for properties located within the boundaries of incorporated cities the FDIC will waive all rights to utilize the surface of the property and the [Special Warranty Deed] excludes the right to control surface access. In rural properties the FDIC will retain the right to use the surface of the property and the [Special Warranty Deed] reserves the right to control surface access.”

Attached are copies of the contract addenda covering the reservation with and without surface access, a copy of a Special Warranty Deed, and a FDIC White Paper explaining the background to the Guidance Statement.

**NOTE: This Bulletin is intended for use by title issuing offices, title insurance agents and approved attorneys of WFG National Title Insurance Company and any reliance by any other person or entity is unauthorized. This bulletin is intended solely for the purpose of underwriting policies of WFG National Title Insurance Company.**