

WFG Underwriting Bulletin



To: All California WFG Policy Issuing Agents; All WFG Escrow Officers and Employees
From: WFG Underwriting Department
Date: January 17, 2025
Bulletin No. CA 2025-01
Subject: Verification of Property Damage Due to California Wildfires

Numerous wildfires have been burning throughout California, causing widespread destruction and property damage. Our hearts go out to those who have been so severely impacted.

Even though title insurance does not insure against fire damage, it is important to verify that a property has not been damaged in the recent California wildfires before closing or breaking escrow on a sale or refinancing.

We have seen instances in which the escrow officer (and Realtor) are blamed for not stopping a closing when there has been recent damage. We have also seen transactions falter when the already bound property and casualty insurance declines to issue or immediately terminates a final policy because of pre-closing damage.

So here are some recommended steps:

1. Check whether the property is anywhere close to the fires. Cal Fire provides an excellent map resource here: <https://www.fire.ca.gov/incidents/2025>. When you click on the site of old fires, it will show the dates on which the fire started and was put out (last updated)
2. If the property is at all close to the fire zone - ask pointed questions of the buyer and Realtors. "When were you last at the property? Is it outside of the fire zone? And document your file.
3. If their last visit was not recent enough for the fire in question, arrange a day of closing inspection.
4. If the day of closing inspection is declined, document the buyer and lender's written acknowledgement that you as closing officer have no knowledge of the condition of the property.

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The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.