

## WFG Rate and Form Bulletin



To: All Florida Agents of WFG National Title Insurance Company

From: WFG Florida Underwriting Department

Date: June 7, 2016

Bulletin No: FL2016-08

Subject: ALTA Residential Limited Coverage Mortgage Modification Policy 12-01-2014 with Florida Modifications

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On June 1, 2016, the Florida Office of Insurance Regulation (“OIR”) approved WFG’s form of the ALTA Residential Limited Coverage Mortgage Modification Policy 12-01-2014 with Florida Modifications (“MMP”), and authorized issuance of the MMP starting June 6, 2016.

The MMP replaces the Mortgage Priority Guarantee policy (“MPG”) so you may no longer issue the MPG on WFG National Title.

The MMP insures that a mortgage modification of a previously insured mortgage (“Mortgage”) does not affect the priority of that Mortgage. Specifically, the MMP insures the following:

*[A]gainst loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:*

- 1. The invalidity or unenforceability of the lien of the Insured’s Mortgage upon the Title at Date of Policy as a result of the Modification; and*
- 2. The loss of priority of the lien of the Insured’s Mortgage, at Date of Policy, over any defects in or liens or encumbrances on the Title as a result of the Modification.*

The MMP may only be issued under the following conditions:

1. The Land is a one-to-four family residence or condominium unit.
2. The mortgage modification only modifies, at most, three terms of the Mortgage. The three acceptable modifications are
  - (a) a reduction of the outstanding principal owed on the note secured by the Mortgage;
  - or
  - (b) an extension of the maturity date; or
  - (c) the interest rate is lowered with no other changes to the interest rate.

**If the mortgage modification modifies any other term(s) of the Mortgage or the land is not a one-to-four family residence or condominium unit, the MMP cannot be issued.**

**The MMP cannot be used to insure mortgage modifications on commercial property.**

**The MMP cannot be used to insure future advances, spreaders, or any other modification not listed above.**

The MMP policy may be issued regardless of which Underwriter insured the underlying Mortgage.

The amount of the policy is the face amount of the loan policy insuring the Mortgage being modified or the balance of the Mortgage whichever amount is less.

The date of the policy is the date and time that the mortgage modification is recorded.

A premium of One Hundred Twenty Five Dollars (\$125.00) has been authorized by OIR for the MMP. The remittance is 30%. You may charge a search fee and a closing fee in addition to the premium. The MMP policy is available on our WFG Agent AMS2 website.

Click the links below for a downloadable version of the jacket and schedule.

[ALTA Residential Limited Coverage Mortgage Modification Policy 12-01-14 with Florida Modifications](#)

[ALTA Residential Limited Coverage Mortgage Modification Policy 12-01-14 Schedule](#)

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