

WFG Underwriting Bulletin



To: All WFG Policy Issuing agents in Georgia
From: Underwriting Department
Date: January 20, 2017
Bulletin No. GA2017-01
Subject: Fraudulent Cancellations

WFG has had a number of recent claims on forged cancellations of deeds to secure debt and fraudulent foreclosures. There have been prior bulletins but as a refresher and for the benefit of newer agents:

[2015-10 Naked Sats aren't Always Satisfying](#)
[NATIONAL – 03072013](#) Forgery/Fraud Prevention
[NAT 12-0313](#) Institutional Assignment Fraud

We have revised our examination requirements and curative standards to include the following requirements in the commitment:

If you have a property with no mortgage of record:

1. The searcher is to run variations on the vested owner's name, and check the instrument immediately before and immediately after the vesting deed to see if there was a misindexed deed to secure debt or other irregularities.
2. Include this Requirement in any commitment or preliminary title report:

NOTE: A search of the Public Records reveals no open mortgage/deed to secure debt. The Company requires independent verification that the property is not encumbered by a mortgage/deed to secure debt.

3. If the title chain shows a satisfaction recorded within the last two years without a recorded sale or refinance transaction that would have provided the source of funds (and not at the end of the term of the prior mortgage -- usually 15 or 30 years -- at which the loan would have been paid in the normal course), include this requirement:

Independent verification with the lender or servicer of the validity of the [satisfaction of mortgage/deed to secure debt] from _____, dated _____, recorded in _____, using contact information gathered from other sources.

All independent verifications are to be performed by the title agent, title officer, or closer clearing the title objections. Verifications provided by other sources or from the parties in the transaction, even if they appear independent may only exacerbate the fraud and should be a red flag. Contact your underwriting team with any questions or concerns about any document that you believe may be questionable, always follow your gut.

We understand that independent verification will place an added burden on our agents, their closers and title officers. We appreciate everything you do.

NOTE: This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting WFG National Title Insurance Company's best business judgment. The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

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