

WFG Underwriting Bulletin



To: All WFG Policy Issuing Agents; All WFG Title Examiners and Officers
From: WFG Underwriting Department
Date: December 10, 2018
Bulletin No.: TX 2018-09, FL 2018-18, NY 2018-18, HI 2018-04, NV 2018-04, WA 2018-04, MA 2018-04, IL 2018-10
Subject: FinCEN Extends and Simplifies the Geographic Targeting Order

On November 15, 2018, the Financial Crimes Enforcement Network “FinCEN” extended and amended its previous Geographic Targeting Order (GTO) through May 15, 2019. We expect it will be routinely renewed after that. A copy of the latest order is attached.

The latest GTO made no material changes to the reporting obligations or procedures, but improves on several points that had been problematic for the title industry.

1. The new GTO **does not include the Confidentiality Provision** of the April 13 order. It is now permissible to provide a copy of the actual order requiring the filing to your customers instead of having to be cautious about what was disclosed.
2. **There is no longer a requirement to report on the beneficial owners of trusts** which take title to a property.
3. [As previously reported](#), **for 1031 exchanges**, when an Exchange Accommodation Titleholder (“EAT”) is only “parking” the property for 1031 purposes, reporting of the EAT is NOT required. However, if the EAT subsequently transfers the property to a legal entity (“the final buyer”), then reporting is required for the final buyer.

As a high level recap, you have a duty to report a transaction to FinCEN if a legal entity is the purchaser of **residential property**, made **without a bank loan** or similar external financing, with a purchase price of **\$300,000 or more** for in any of the following areas:

- Texas – Bexar, Tarrant & Dallas Counties
- Florida – Miami-Dade, Broward & Palm Beach Counties
- New York – the Boroughs of Brooklyn, Queens, Bronx, Staten Island & Manhattan
- Hawaii – Honolulu City and County
- Nevada – Clark County
- Washington – King County

- Massachusetts – Suffolk & Middlesex Counties
- Illinois – Cook County

The guidance and processes of the [May 16 process bulletin](#) remain unchanged. After gathering the required information, you may either upload it yourself (and advise WFG you have done so); or forward the information to WFG by encrypted email at FINCENreports@wfgnationaltitle.com and we'll handle the filing for you.

Click [HERE](#) to download a copy of Geographic Targeting Order.

NOTE: This Bulletin should not be interpreted as reflecting negatively upon the character of an individual or entity mentioned herein and 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.