

WFG Underwriting Bulletin



To: All WFG Policy Issuing Agents; All WFG Title Examiners and Officers
From: WFG Underwriting Department
Date: September 17, 2020
Bulletin No.: NB 2020-13
Subject: Western States Wildfires

2020 has already proven to be a devastating year in terms of both the number of wildfires affecting the Western States and the scope of the damage. Millions of acres have already burned.

We have been notified that at least one mortgage lender has restricted loan closings in zip codes affected by the fires and are imposing additional certification and inspection requirements in entire counties. If the fires are not brought under control quickly, other lenders can be expected to follow suit.

The currently affected zip codes are:

- CA** - Madera County - 93601, 93604, 93614, 93636, 93643, 93644, 93645, 93669
- CA** - San Bernardino County – 92339, 92399
- CA** - San Diego County – 91901, 92917, 92935, 91962, 91963
- CA** - Santa Cruz County - 95005, 95006, 95007, 95017, 95018, 95060, 95066
- CA** - Sonoma County - 95448
- CA** - Tehama County – 96080
- ID** – Washington County - 83610
- OR** - Clackamas County – 97004, 97013, 97022, 97023, 97042, 97045
- OR** - Jackson County – 97501, 97504, 97520, 97535, 97540
- OR** - Lane County – 97413, 97438, 97478, 97488, 97489
- OR** - Lincoln County – 97368
- OR** - Marion County – 97038, 97342, 97346, 97350, 97358, 97360, 97375
- OR** - Washington County - 97119
- WA** - Douglas – 98812, 98813, 98830
- WA** - Lincoln – 99117, 99122, 99134, 99159
- WA** - Okanogan – 98812, 98829, 98840, 98855
- WA** - Pierce – 98391
- WA** - Yakima – 98937, 98942

While it is always important to carefully review and follow your loan closing instructions, this adds an additional factor that must be considered in your review. You should also be on the lookout for communications from other lenders restricting closings in high risk areas.

You should also be more careful than usual in confirming that any Property & Casualty coverages bound for your closing are still within the time periods of their binder and be sure that your payments are made timely. If your closing is delayed, an updated binder must be obtained.

No one expects title insurance to protect against fire damage or to substitute for P&C fire coverage. However, the language in some endorsements could be misread as assuring that a house or other structure stands undamaged on a property as of the date of closing.

While that is not the intent, to avoid any potential misunderstanding, if asked to issue an ALTA 22 (CLTA 116.01) Location, ALTA 22.1 (CLTA 116.02) Location and Map, or an Expanded Coverage Residential Loan Policy on a property within the listed counties, please obtain a certification from the borrower or buyer that as of the date of closing the home is still occupied and has not been damaged by fire.

If you receive word that other lenders are imposing fire related closing restrictions or requirements, please forward them to WFG underwriting.

These wildfires can be a horrible human tragedy. Please join us in keeping those affected in your thoughts and prayers.

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.