

WFG Underwriting Bulletin



To: All WFG Policy Issuing Agents; All WFG Title Examiners and Officers
From: Underwriting Department
Date: May 31, 2023
Bulletin No. NB 2023-05
Subject: Syndicated and Multiple Beneficiary Loans

We are seeing more “pooling arrangements” and proposals to syndicate small loans to sometimes dozens of investors. Because of state and federal securities law issues and the claims difficulties in dealing with loans syndicated to or held by multiple parties, WFG will NOT insure a transaction or issue an assignment of mortgage endorsement in which a loan is to be owned by more than six (6) parties **without written underwriting approval.**

The foregoing restrictions do not apply to the syndication of loans to and among banks, insurance companies and similar institutional lenders or in which such an institution is acting as trustee for a securitized offering.

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.