

## WFG Rate and Form Bulletin



To: All New York Policy Issuing Agents of WFG National Title Insurance Company  
From: WFG Underwriting Department  
Date: April 9, 2018  
Bulletin No: NY 2018-07  
Subject: 2018 Revised TIRSA Rate Manual

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Pursuant to the New York State Insurance Law, the Department of Financial Services (DFS) has approved a revised Rate Manual for use in New York. The revised Rate Manual is a restatement of the existing Rate Manual and goes into effect on April 8, 2018. This memorandum is intended to advise of the changes contained in the manual, as well as provide notice of the changes that will be necessary for rate calculations and use in the rate calculator. It is also intended to advise of certain forms that are new, as well as certain forms that have been revised. A copy of the revised Rate Manual is attached hereto. A copy of the revised remittance code form list is also attached.

The revised Rate Manual is the Sixth Revision and does not include any changes to owner's and loan policy rates. All rates, including any deviated rates, are not affected by this manual. In addition, premiums for certain endorsements have increased from \$25.00 to \$50.00

A. Below is a list of endorsements previously charged at \$25.00, as of April 8, 2018, the charge for these endorsements will be \$50.00

- 1- Access Endorsement
- 2- Cluster Endorsement
- 3- Condominium Endorsement
- 4- Contiguity Endorsement
- 5- Environmental Protection Lien Endorsement (New York City)
- 6- Environmental Protection Lien Endorsement (New York State)
- 7- Environmental Protection Lien Endorsement (Governmental Entities)
- 8- Fannie Mae Balloon Mortgage Endorsement
- 9- Industrial Development Agency Endorsement
- 10- TIRSA Junior Policy Endorsement
- 11- Land Same As Survey Endorsement
- 12- Manufactured Housing Unit Endorsement
- 13- Mortgage Tax Endorsement
- 14- Planned Unit Development Endorsement
- 15- Residential Mortgage Endorsement
- 16- Reverse Mortgage Endorsement

- 17- Successor Ownership of Indebtedness Endorsement
- 18- Tax Parcel Endorsement (Single Lot)
- 19- Tax Parcel Endorsement (More Than One Lot)
- 20- Variable Rate Mortgage Endorsement
- 21- Variable Rate Mortgage Endorsement (Fixed Rate Conversion)
- 22- Variable Rate Mortgage Endorsement (Negative Amortization)
- 23- Waiver of Arbitration Endorsement

B. The following endorsements had previously been available only for use with a loan policy. As of April 8, 2018 these endorsements are available for use with an owner's policy. As stated above, the charge for these endorsements will be \$50.00

- 1- Access Endorsement
- 2- Tax Parcel Endorsement (Single Lot)
- 3- Tax Parcel Endorsement (More Than One Lot)

C. The New York City Development Rights Endorsement is currently charged at a rate of \$25.00 per endorsement. Effective April 8, 2018, the charge will be \$25.00 per policy, regardless of how many New York City Development Rights Endorsements are issued in one policy. If there are simultaneous owner's and loan policies being issued, there shall only be one \$25.00 charge.

D. Effective April 8, 2018, the "Bulk Rate" is eliminated.

E. Effective April 6, 2018, the "Cooperative Rate" is eliminated

F. Effective April 8, 2018, the "Not For Profit Modification Rate" is eliminated.

G. Effective April 8, 2018, the "Not For Profit Construction Modification Rate" is eliminated

H. Effective April 8, 2018, the "Mortgage Assumption Rate" or "Assumption Rate" is eliminated.

I. The current Rate Manual allows for a special risk premium of up to 25% to be charged for certain affirmative risk coverages. Effective April 8, 2018, the special risk premium is eliminated

J. Effective April 8, 2018, the Limited Liability Mortgage Coverage Rate is eliminated.

K. Effective April 8, 2018, the Affirmative Covenant Insurance Rate is eliminated.

L. There are currently two (2) rates when insuring the modification of an existing construction mortgage to a permanent mortgage. If there is no change in the lender, a discounted rate of 30% of the loan rate is used. If there is a change in the lender, a discounted rate of 70% of the loan rate is used. Effective April 8, 2018, the rate is 30% of the loan rate, regardless of whether there is a change in the lender.

- M. The Commercial Contract Vendee Policy is currently 120% of the owner's rate. Effective April 8, 2018, the rate is 100% of the owner's rate.
- N. When insuring the modification of a mortgage or the modification of a construction mortgage, the requirement that the modification be made within 10 years from the date of closing of the mortgage to be modified is eliminated effective April 8, 2018.
- O. When insuring an owner's policy to a foreclosing lender or to a lender by deed in lieu of foreclosure, the requirement that the policy be issued within 5 years from the date of the loan policy is eliminated effective April 8, 2018.
- P. The Increase in Amount of Insurance Endorsement is a new endorsement available effective April 8, 2018. The endorsement is used to increase the amount of insurance of a previously issued owner's policy as of the original date of the original policy. The endorsement may only be issued by the company, or a title insurance agent acting on behalf of the company, that issued the original owner's policy. The rate to be charged for the increase shall be on the additional amount of insurance exceeding the amount of insurance of the previously issued owner's policy, computed by applying the applicable bracketed rates starting at the amount of insurance of the previously issued owner's policy based upon the owner's rate in effect at the time the endorsement is issued.
- Q. Effective April 8, 2018, the existing Non-Imputation Endorsement will be replaced by 3 new forms of the Non-Imputation Endorsement entitled (1) Non-Imputation Endorsement (Full Equity Transfer), (2) Non-Imputation Endorsement (Partial Equity Transfer) and (3) Non-Imputation Endorsement (Additional Insured). The charge for each endorsement is the same as the charge for the current endorsement.
- R. Please be advised of the following changes to forms, which will take effect on April 8, 2018:
- 1- The Increase in Amount of Insurance Endorsement is a new endorsement available effective April 8, 2018.
  - 2- The Construction Loan Policy Endorsement is a new endorsement available effective April 8, 2018.
  - 3- The existing Non-Imputation Endorsement may no longer be used after April 7, 2018.
  - 4- The Non-Imputation Endorsement (Full Equity Transfer) is a new endorsement available effective April 8, 2018
  - 5- The Non-Imputation Endorsement (Partial Equity Transfer) is a new endorsement available effective April 8, 2018.
  - 6- The Non-Imputation Endorsement (Additional Insured) is a new endorsement available effective April 8, 2018.
  - 7- The Access Endorsement has been revised effective April 8, 2018. NOTE: The only revision to the endorsement is removing the text "(Loan Policy Only)".
  - 8- The Tax Parcel Endorsement (Single Tax Lot) has been revised effective April 8, 2018. NOTE: The only revision to the endorsement is removing the text "(Loan Policy Only)".
  - 9- The Tax Parcel Endorsement (More Than One Tax Lot) has been revised effective April 8, 2018. NOTE: The only revision to the endorsement is removing the text "(Loan Policy Only)".
  - 10- The Variable Rate Mortgage Endorsement has been revised effective April 8, 2018.

- 11- The Variable Rate Mortgage Endorsement – Negative Amortization - has been revised effective April 8, 2018.
- 12- The TIRSA Owner’s Extended Protection (“TOEP”) Policy has been revised effective April 8, 2018. NOTE: The revision to the policy is a revision to Covered Risk 21. Covered Risk 21 of the TOEP Policy currently reads, “Your existing structures (or a replacement or modification made to them after the Policy Date), or any part of them, other than boundary walls or fences, are damaged because of the future exercise of a right to use the surface of the Land for the extraction or development of minerals, water or any other substance, even if those rights are reserved from the description of the Land or excepted in Schedule B.” The underlined text has been replaced and the Covered Risk under the Revised Rate Manual effective April 8, 2018 reads, “Your existing structures (or a replacement or modification made to them after the Policy Date), or any part of them, other than boundary walls or fences, are damaged because of the future exercise of a right to use the surface of the Land for the extraction or development of minerals, water or other substance, unless those rights are excepted or reserved from the description of the Land or excepted in Schedule B.” The underlined text is the new text.

The changes, revisions and restatements having the greatest and most immediate affect for our agents are those involving the changes in the cost of the endorsements (\$25 to \$50) as well as the newly added endorsements and the change to the TOEPP policy.

The new and revised forms are included in the Rate Manual attached hereto. I have also attached the new remittance codes to be used effective April 8, 2018. These changes apply to transactions closing on or after April 8<sup>th</sup>, as opposed to applications received on or after the 8<sup>th</sup>.

Click [HERE](#) to download the 2018 Approved TIRSA Rate Manual  
Click [HERE](#) to download the Final Remittance Form

It is likely that it will take a while for all of us to become familiar with all of the changes. Please feel free to contact us with any questions you may have.

**New York Underwriting**

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