



PRODUCT HIGHLIGHT SHEET

LENDER PLACED AND FORECLOSED PROPERTY POLICY

The **Lender Placed and Foreclosed Property Policy (LPF)** has been designed to provide mortgage lenders and servicers with the insurance coverages necessary to protect their mortgaged and foreclosed properties and premises liability exposures.

Insureds can pick and choose between the multiple coverages available. The only coverages not available on a stand alone basis are Lender Placed Flood and Foreclosed Premises Liability Coverage.

Lender Placed coverages are written on a single interest basis, providing coverage for limits up to the outstanding mortgage balance.

COVERAGES

Lender Placed Hazard Coverage - protects the lender's interest in mortgaged properties when they become aware that the borrower has not maintained the required hazard insurance.

- Coverage is available on either a Named Peril or Broad Form Cause of Loss basis.
- Replacement cost coverage is available if the damaged property is repaired or replaced at the same location.
- Coverage can be provided for both residential and commercial mortgages.
- Additional Coverages include: Debris removal, Extraction of pollutants, Fire department service charge and Fire protection devices recharging expenses.

Lender Placed Flood Coverage – protects the lender's interest in mortgaged properties when they become aware that the borrower has not maintained the required flood insurance.

- Limits of insurance are equal to those available through the National Flood Insurance Program.
- Replacement cost coverage is available on eligible single family residences.
- Coverage can be provided for both residential and commercial mortgages.
- Additional Coverages include:
Debris Removal, Coverage for sandbags and supplies, Property Removed to Safety, Condo Loss Assessment, Pollution Damage and Increased Cost of Compliance .
- Coverages provided under this Coverage Form are as broad as those provided under the National Flood Insurance Program.

Foreclosed Property Coverage – provides hazard coverage on either a Named Peril or Broad Form Cause of Loss basis for properties that have been acquired by the insured through foreclosure.

- Provides coverage for both residential and commercial properties.
- Replacement cost coverage is available for properties that are replaced at the same location and properly insured to value.

Foreclosed Property Loss of Rental Income – provides Loss of Rental Income coverage on foreclosed properties that have been leased to others.

Foreclosed Premises Liability Coverage – protects the insured against legal liability from losses occurring at foreclosed properties. Properties eligible for this coverage are:

- Vacant buildings,
- Single family residences occupied by a tenant under a lease that holds the insured harmless for bodily injury or property damage, and the tenant must provide liability insurance;
- Vacant Land

Limits of Insurance up to \$1,000,000 per occurrence and \$2,000,000 annual aggregate are available.

COVERAGE HIGHLIGHTS

- The LPF policy is issued on an annual renewable basis, providing uninterrupted coverage for locations reported in compliance with the policy reporting provisions.
- Coverage on any location can be purchased for any period of time up to one year.

Automatic coverage is provided for Lender Placed and newly acquired Foreclosed properties that are ultimately reported to us in compliance with the reporting provisions.

This document contains examples which are offered for illustrative purposes only. Only the insurance policy can give actual terms, coverage, amount, conditions and exclusions for an insured. Coverages, features and product availability may vary from state by state and is subject to change without notice.