



**Lender Placed and Foreclosed Property
Policy Application**

I. Applicant Information

Named Insured & Mailing Address

Producer Name & Mailing Address

Proposed Effective Date: _____ Type of Institution: _____

Date Institution was established: _____

II. Portfolio and Coverage Information

Types of mortgages you own or service for others:

Type of Property	No. of Mortgages	Largest Balance
Residential		
Manufactured Homes		
Farm		
Construction		
Multi-Family		
Commercial		
Vacant Land		

Property Type Definitions

- 1) Residential building means any building designed for use as a residence for no more than four families or a single family unit in a condominium building. Residential building does not include farm buildings; buildings in the course of construction; or manufactured homes that are not eligible for a single family mortgage.
- 2) Manufactured home means a manufactured home or mobile home built on a permanent chassis, transported to its site in one or more sections and affixed to a permanent foundation.
- 3) Farm buildings are any buildings situated on ground that is zoned for farming purposes.
- 4) Buildings Under Construction include any buildings either under construction or undergoing significant renovation or where construction has ceased, but where a permit to occupy has not yet been granted.
- 5) Multi-family building means any building designed for use as a residence for more than four families.
- 6) Commercial building means any building zoned or used for commercial purposes.
- 7) Vacant building means any building that, for more than (30) consecutive days is unoccupied.
- 8) Vacant land is any parcel of land that contains no buildings.

States where your mortgages are located: _____

(Your policy will only provide coverage for properties located in these states.)

Please provide a current schedule of your Lender Placed and Foreclosed properties. Schedule should include property type, address and limit of insurance.

III. Coverages – Indicate which limits, coverages are desired.

() Coverage A – Lender Placed Hazard Insurance

Provides coverage for physical damage losses such as fire, wind and lightning when borrowers fail to maintain their own insurance.

Indicate Limit, Cause of Loss and Deductible requested for each type of building to be covered.

Type of Property	Limit	Cause of Loss (Broad Form or Named Perils)	Deductible * (Minimum is \$500)
Residential			
Manufactured Homes			
Commercial **			

* A minimum deductible of \$5,000 applies if the building is vacant at the time of loss.

** Policy may impose a sublimit for Farm, Buildings Under Construction and Multi-Family.

() Coverage B – Foreclosed Property Hazard Insurance

Provides coverage for physical damage to foreclosed properties. Flood coverage is excluded.

Are properties inspected for physical damage prior to foreclosure?

Always ____ Sometimes ____ Never _____

If properties are inspected, is a property inspection report completed? Yes No

Do you have written procedures for securing and maintaining newly acquired foreclosed properties? Yes No

How frequently are foreclosed properties inspected? _____

Indicate Limit, Cause of Loss and Deductible requested for each type of building to be covered.

Type of Property	Limit	Cause of Loss (Broad Form or Named Perils)	Deductible * (Minimum is \$500)
Residential			
Manufactured Homes			
Commercial **			

* A minimum deductible of \$5,000 applies if the building is vacant at the time of loss.

** Policy may impose a sublimit for Farm, Buildings Under Construction and Multi-Family.

() Coverage C – Foreclosed Property Rental Income Coverage

Provides coverage for your loss of rental income, up to one year, if the property becomes untenable due to a covered physical damage loss.

Maximum limit for Rental Income Coverage is 10% of the Building Limit.

() Coverage D – Lender Placed Flood Insurance

Provides flood coverage when borrowers fail to maintain their own flood insurance. The most we will pay for any one property is the maximum limit available through the National Flood Insurance Program.

Lender Placed Flood coverage is only available if you also purchase Lender Placed Hazard coverage.

Type of Property	Maximum Limit	Deductible (Minimum is \$500)
Residential, Manufactured Homes, Residential Construction and Farm Residences	\$250,000.	
Commercial, Multi-Family and Commercial Construction	\$500,000.	

() Coverage E – Foreclosed Property Premises Liability Insurance

Provides coverage for bodily injury and property damage arising from occurrences at foreclosed properties. **Foreclosed Property Premises Liability Insurance coverage is only available if you also purchase Foreclosed Property Coverage.**

Coverage only applies to the following types of properties:

- 1) Residential Buildings (1-4 family only)
- 2) Vacant Buildings
- 3) Vacant Land

No coverage is provided for Commercial Properties, Farm Properties, Buildings Under Construction or Multi-Family Housing.

Foreclosed Property Premises Limits of Insurance:

- () \$100,000 Per Occurrence with \$200,000 annual aggregate
- () \$500,000 Per Occurrence with \$1,000,000 annual aggregate
- () \$1,000,000 Per Occurrence with \$2,000,000 annual aggregate

No Deductible applies to this coverage.

Are properties inspected for liability hazards prior to foreclosure?

Always ____ Sometimes ____ Never _____

Do you require that all lessees obtain their own premises liability coverage?

Yes No

Does your lease agreement require the tenant to hold you harmless from liability arising from bodily injury or property damage at the leased property? Yes No

() Terrorism Coverage

According to the provisions of the Terrorism Risk Insurance Act, terrorism coverage for property and liability losses arising from Certified Acts of Terrorism can be purchased on Commercial Properties.

Indicate below if you want to purchase coverage for:

- () Property losses caused by Terrorism;
- () Premises Liability losses caused by Terrorism .

IV. Previous Policy and Loss Experience

Do you currently have a reporting form policy that provides Lender Placed Hazard Coverage?
 Yes No

If yes, who is the insurer? _____

If no, how do you obtain coverage for your lender placed hazard exposures?

Do you currently have a reporting policy that provides Lender Placed Flood Coverage?
 Yes No

If yes, who is the insurer? _____

If no, how do you obtain coverage for your lender placed flood exposures?

Do you currently have a reporting form policy that provides Foreclosed Property Coverage?
 Yes No

If yes,, who is the insurer? _____

If no, how do you obtain coverage for your foreclosed properties?

Do you currently have a reporting form policy that provides Foreclosed Property Premises Liability Coverage? Yes No

If yes, who is the insurer? _____

If no, how do you obtain coverage for your foreclosed property premises liability exposures?

Has any carrier ever cancelled or non-renewed your Lender Placed or Foreclosed Property coverages in the past? Yes No If yes, provide details below.

Please provide detail on loss experience for the past 3 years. (Check here if loss detail provided in separate attachment.)

	Policy Period	# Claims	Total Loss Amount	Approx. Annual Premium
Most Current Policy				
2 nd Prior Year				
3 rd Prior Year				

Do you currently have Mortgage Impairment or Mortgage E&O Coverage?
 Yes No

If yes, who is the insurer? _____

If yes, what is the current policy period? _____

FRAUD WARNINGS

NOTICE TO ARKANSAS APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment for a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO D.C. APPLICANTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment or both.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

NOTICE TO LOUISIANA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO NEW YORK COMMERCIAL INSURANCE APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime, and shall be also subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO NEW YORK APPLICANTS FOR FIRE INSURANCE: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing an false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of the any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO RHODE ISLAND APPLICANTS: Under Rhode Island law, there is a criminal penalty for failure to disclose a conviction of arson.

NOTICE TO TENNESSEE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO VIRGINIA APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO WEST VIRGINIA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO ALL OTHER STATE APPLICANTS: Any person who knowingly includes any false or misleading information on an application for an insurance policy may be subject to criminal and civil penalties.

THE APPLICANT REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF THE COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE COMPANY IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

Application Completed By: _____
Title of Applicant: _____
Date application completed: _____