

MIDWEST LOAN SERVICES INSURANCE CLAIM LOSS GENERAL GUIDELINES FOR BORROWERS

Midwest Loan Services will hold insurance proceeds and disburse funds to the borrower as required. Below are the guidelines based on the total replacement cost value as identified on the insurance adjusters report.

Total RCV Claim \$1 - \$39,999

NOTE: Required documents below are based on general regulations. Loan type &/or status may require a more stringent draw schedule.

- **Endorsed Insurance Check**
- **Endorsed Insurance Loss Claim Acknowledgement Form(form attached)**
- **Copy of full Adjusters Report**

After receipt of the endorsed insurance check, funds will be held for 3 full business days before the initial draw is issued. If all documents received, and the loan meets requirements, the draw will be issued in full.

Total RCV Claim \$40,000 +

NOTE: Required documents below are based on general regulations. Loan type &/or status may require a more stringent draw schedule.

- **Endorsed Insurance Check**
- **Endorsed Insurance Loss Claim Acknowledgement Form (form attached)**
- **Copy of full Adjusters Report**
- **Signed contract/contractors proposal selected to complete the property repairs**
- **Lien waiver completed and endorsed by all contractors used for property repair(form attached)**
- **Statement of Satisfaction completed and signed by the borrower (form attached) Sent once all work is complete**

After receipt of the endorsed insurance check, funds will be held for 3 full business days before the initial draw is issued. Subsequent draws may be requested by the borrower as the repairs progress. A written request and invoices to be paid must be provided.

Periodic property inspections may be ordered by Midwest Loan Services to ensure the work is meeting timelines.

NOTE: Paid receipts for any repairs and/or materials already purchased may be submitted to Midwest Loan Services for reimbursement.

Additional Information:

- In the event of a Federally Declared Natural Disaster, additional leeway may be granted by Midwest Loan Services on a case-by-case basis.
- The loan must be current (less than 31 days delinquent) when the loss occurred. If the loan is 31 days or more past due at the time of the loss, additional requirements will be followed.
- The total claim amount is considered the Replacement Cost Value amount found on the adjusters report
- Interest may be paid on funds held, based on Investor requirements
- In the event of a total or near-total loss, the borrower and Midwest Loan Services will determine if repairs are economically feasible.
- Note: these are general guidelines only; depending on loan status &/or loan type, your mortgage lender may mandate additional, more stringent requirements.

- Documents can be sent to:

Midwest Loan Services
Attn: Insurance Loss Claims
616 Shelden Avenue, Suite 300
Houghton, MI 49931
Faxed to: 906-487-5236

E-mail:

specialloans@midwestloanservices.com

Borrower Name:
Loan Number:
Property Address:

INSURANCE LOSS CLAIM ACKNOWLEDGEMENT

Date of Loss: _____ Amount of claim: _____ (Replacement cost value)

Type of Loss: _____
(ie, fire, hail, wind, flood, internal water damage, etc.)

I acknowledge receipt of the enclosed check from my insurance carrier for the damage to my property. I understand that these funds are intended to be used for the repair/restoration of my property and agree to follow the requirements as noted in the General Guidelines for Borrowers.

As lienholder, Midwest Loan Services, on behalf of your Mortgage Lender, has a vested interest in maintaining the value of my property. I agree to apprise Midwest Loan Services of the status of the repairs, providing written notification in the form of a Statement of Satisfaction/Request for Final Draw when the repairs are completed, along with a Lien Waiver completed and signed by my contractor, when applicable. I understand independent property inspections may be performed on behalf of Midwest Loan Services to ensure the progress and/or completion of repairs.

I understand that Midwest Loan Services may schedule an independent periodic inspection of the property and I authorize Midwest Loan Services to provide a copy of the insurance adjuster's report to the inspector, if applicable.

My signature below acknowledges my intentions to repair/restore the property and agree to notify Midwest Loan Services when the repairs have been completed.

NOTE: Only 1 signature needed

Borrower Signature: _____ Date: _____

Co-Borrower Signature: _____ Date: _____

Best contact for claim related details:

Email: _____ Phone: _____

Claim Address: _____
(If different than mailing address on file)

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Midwest Loan Services
Attn: Insurance Loss Claims
616 Shelden Avenue, Suite 300
Houghton, MI 49931

Faxed to: 906-487-5236

E-mail:

specialloans@midwestloanservices.com

Borrower Name:

Loan Number:

Property Address:

LIEN WAIVER

I have a contract with the homeowner listed above to provide repairs for the improvement and/or restoration of the property referenced above.

(Check appropriate box)

Full Conditional Lien Waiver: I acknowledge receipt of payment for all labor/materials furnished, or to be furnished, except the sum of:

_____ Dollars (\$_____)

Full Lien Waiver: I acknowledge receipt of full and final payment for all labor/materials furnished.

By my (our) signature below, I (we) hereby waive and release my (our) construction lien rights against the property.

Company Name: _____

Company Representative: _____

(Please print)

Signature: _____ Date: _____

LIEN WAIVER INSTRUCTIONS:

- Do not sign blank or incomplete forms. Photocopy as needed for additional forms
- If a box is not checked above, the lien waiver will be considered as a "Full Lien Waiver" noting payment was received in full.
- Completing as a "Full Conditional Lien Waiver" states the lien waiver is conditional upon payment of the remaining amount owed for services rendered. (As listed above) This will require the final check(s) to include the contractor name for any outstanding owed amount.
- All unpaid contractors' proposals must have a signed lien waiver.

Borrower Name:
Loan Number:
Property Address:

**STATEMENT OF SATISFACTION FORM
REQUEST FOR FINAL DRAW**

My signature below acknowledges that the repairs to my property have been completed. I have personally inspected the property referenced above and declare my satisfaction with the work completed as of this date.

I authorize Midwest Loan Services to release any remaining funds held from our insurance proceeds.

NOTE: Only 1 signature needed

Borrower Signature: _____ Date: _____

Co-Borrower Signature: _____ Date: _____