

HAZARD & FLOOD INSURANCE

When you take out a loan that is secured by a home, you will be required to have adequate insurance on the home to protect it.

What is Adequate insurance?

You must have insurance Coverage for the lesser of:

- · The cost to replace the home (frequently called the "replacement cost value", often abbreviated to "RCV".)
- Unit Owner Policy (HO-6)

Please Be Aware That:

- If the insurance is flood insurance, you will not generally be required to have insurance higher than \$250,000.
- · Your insurance policy must have deductibles that are acceptable to New American Funding.
- · The amount of deductible that is acceptable will vary for different types of insurance.

If you do not have adequate insurance in place or adequate insurance was not in place at all times during your loan we must obtain insurance on your behalf at your expense!

If insurance is obtained on your behalf, the insurance premiums will be charged to you and the insurance will often be more expensive and provide less coverage than insurance that you could obtain yourself. As a result, we strongly encourage you to maintain adequate insurance on your loan throughout the term of your loan.

What Kind of Insurance Do I Need?

- · You are required to have insurance that protects against losses and damage caused by fires, storms, burglary and similar risks. Such insurance is typically called a "hazard" or "homeowners" insurance policy.
- You may also be required to obtain flood insurance if required by law. Where federal law requires flood insurance, there are no exceptions. If you believe that your home is not at risk from a flood, you may contact the Federal Emergency Management Agency (FEMA) at www.fema.gov to request that FEMA revise its flood maps. However, unless FEMA grants such a request, you will be required to have flood insurance without exception if it is required by law. Why is an HOA Policy Required?

Can I Waive Flood Insurance?

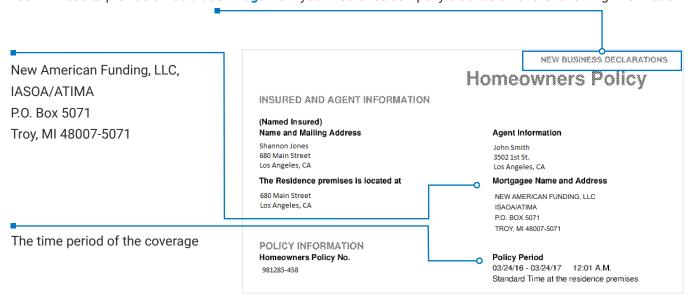
Because flood insurance is required when mandated by law, you cannot waive flood insurance.

QUICK GUIDE:

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What Insurance Documentation Do I Have To Provide?

You will need to provide a **Declaration Page** from your insurance company that has all of the following information:



	POLICY COVERAGES AND LIMITS OF LIABILITY	
-		LIMIT
	O Section I - Property Coverages	
۸	A - DWELLING	
An adequate amount of insurance	C - PERSONAL PROPERTY	
coverage for the home	D - LOSS OF USE	,
An adequate deductible	LIMITED FUNGI, OTHER MICROBES OR ROT REMEDIATION	
	Section I - Property Coverage	5,000
	Section II - Liability Coverages	
	E - Personal Liability (Bodily Injury and Property Damage) Each Occurrence. \$ F - Medical Payments to Others Each Person\$	
	POLICY SAVINGS AND DEDUCTIBLES	
	Your Savings	
	The following credits or discounts reduced your premium: Account Discount, Loss Free Discount, Home Buyer Discount, Protective Devices Discount	
	Early Quote Discount	
	O Deductibles	DEDUCTIBLE
	Section I Property Coverages Deductible (All Perils)\$	1,500
	In case of loss under section I, only that part of the loss over the stated deductible is covered.	

QUICK GUIDE:

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Please keep in mind that you will not be required to pay your insurance premiums directly if we are paying them on your behalf through an escrow or impound account.

Send Your Insurance Documentation To Us At:

Mail:

New American Funding, LLC, ISAOA/ATIMA P.O. Box 5071 Troy, MI 48007-5071 Fax:

+1 (248) 781-9295

Email:

NAFteam@proctorLP.com

You may also submit your insurance policy online at https://www.expressinsuranceinfo.com/3077016

I'm Changing Insurance Companies. What Information Do I Need To Provide To My New Insurance Agent?

Please provide your new insurance agent with your New American Funding mortgage loan number and the following information:

Loss Payee/Mortgagee Clause:

New American Funding, LLC, ISAOA/ATIMA P.O. Box 5071 Troy, MI 48007-5071 Fax:

+1 (248) 781-9295

For more information contact us at +1 (877) 826-4428 from 7:00 AM to 7:00 PM ET.