

INSURANCE CLAIM PACKAGE

A GUIDE TO PROCESSING YOUR INSURANCE CLAIM FUNDS TO RESTORE AND REPAIR YOUR HOME

Embrace Home Loans understands this may be a difficult time and is here to help you receive your insurance claim funds as quickly as possible. We value you as a customer and, much like you, want to see your home restored as soon as possible.

The below guide outlines the required documents and steps for disbursing the insurance claim funds. We are available to answer any questions you may have.

Step 1. Report your claim to your insurance carrier & Embrace

- ✓ File a claim with your homeowners insurance carrier. An insurance adjuster will assess the damage and determine the settlement amount.
- ✓ Report your claim to Embrace using the contact information below as early in the insurance claim process as possible.

Step 2. Receive your insurance claim check & submit the below documents to Embrace

Provided by your insurance carrier:

- ✓ **Insurance claim check** – Make sure to sign the check before sending it to Embrace
- ✓ **Insurance Adjuster's Worksheet** – This is the breakdown of the funds disbursed by your insurance carrier and details the necessary repairs to your property

To be completed by you:

- ✓ **Affidavit and Certification of Intent to Repair** – Included in this package

To be completed or provided by your contractor(s)—please note Embrace must receive the following items for each contractor or repairperson used:

- ✓ **Contractor's Lien Waiver Affidavit** – Included in this package
- ✓ **Affidavit of Repair Agreement / Contract** – Included in this package
- ✓ **Contractor's Estimate/Invoice** – Provided by your contractor(s)
- ✓ **Contractor's License** – Your contractor(s) should be state licensed and registered and should provide you a copy of their contractor license
 - Non-USDA loans: Contractor's License is not required if the loan is current and the total claim is less than \$40,000.
 - USDA loans: Contractor's License is not required if the loan is current and the total claim is less than \$15,000.
- ✓ **Contractor's W9** – Provided by your contractor(s)
 - Non-USDA loans: Contractor's W9 is not required if the loan is current and the total claim is less than \$20,000.
 - USDA loans: Contractor's W9 is not required if the loan is current, the total claim is less than \$15,000, the mortgage payment history does not show delinquencies of two payments or more, and the property is owner occupied.

Step 3. Receive your insurance claim disbursement(s) from Embrace

Step 4. Request an Inspection

- ✓ When the repairs are completed, or at each scheduled phase of completion, request a free property inspection by contacting us at 800-224-7106 or Insuranceclaim@servicinghome.com

DISBURSEMENT SCHEDULE

Your insurance claim is categorized as “Non-Monitored” or “Monitored” based on the total insurance claim amount and the status of your loan at the time Embrace was notified of your claim.

Non-Monitored Disbursement Schedule

Funds may be released in a single disbursement if:

- ✓ Your mortgage loan is current, and
- ✓ For Non-USDA loans: your claim is less than \$40,000 or 10% of the unpaid principal balance of your mortgage loan.
- ✓ For USDA loans: your claim is less than \$15,000, you have a good payment history, and you’re living in the home.

Monitored Disbursement Schedule

Funds are released based on periodic inspections of the property to verify the progress of repair work if:

- ✓ Your mortgage loan is delinquent, or
- ✓ For Non-USDA loans: your claim exceeds \$40,000 or 10% of the unpaid principal balance of your mortgage loan.
- ✓ For USDA loans: your claim exceeds \$15,000, your payment history is unsatisfactory, or you’re not living in the home.

Important Notes

- Disbursement checks are mailed via USPS First Class Mail unless you provide a prepaid tracking mailer. You should be listed as both the sender and the receiver on the prepaid mailer.
- To allow sufficient time to schedule an inspection, please contact our Customer Service Department at least seven (7) days prior to when you would like the inspection performed.



Insurance Claim Disbursement Guidelines may vary according to the Investor of your loan. The process described in this package generally applies to most loans and will be followed unless otherwise directed by the Investor of your loan or an exception is otherwise considered.

Required documentation should be sent to:

Email: Insuranceclaim@servicinghome.com
Fax Toll Free: (866) 930-1018
Mailing Address: Embrace Home Loans
P.O. Box 19210
Charlotte, NC 28219-0229
Overnight Address: Embrace Home Loans
5016 Parkway Plaza Boulevard
Charlotte, NC 28217

Embrace appreciates your business and values you as a customer. If we can be of further assistance please call us at 800-224-7106. Our offices are open Monday through Friday from 8:00 a.m. until 9:00 p.m. and Saturday from 10:00 a.m. until 3:00 p.m. Eastern Time.

Sincerely,
The Embrace Team



(Important Disclosures)

To provide us with a Notice of Error about the servicing of your loan, or make a Request for Information about the servicing of your loan, please write to us at:

RoundPoint Mortgage Servicing Corporation
P.O. Box 19789
Charlotte, NC 28219-9409

Federal law requires us to advise you that RoundPoint Mortgage Servicing Corporation (NMLS ID# 18188) is a debt collector and that this is an attempt to collect a debt. Any information obtained may be used for that purpose. To the extent your obligation has been discharged or is subject to the automatic stay in a bankruptcy proceeding, this notice is for informational purposes only and does not constitute a demand for payment or an attempt to collect indebtedness as your personal obligation. If you are represented by an attorney, please provide us with the attorney's name, address, and telephone number.

Notice to Customers: RoundPoint Mortgage Servicing Corporation may report information about your mortgage account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

FOR COLORADO RESIDENTS: RoundPoint Mortgage Servicing Corporation maintains an in-state office as required by 4 Code of Colorado Regulations 903-1. Colorado Manager, Inc., 80 Garden Center, Suite 3, Broomfield, CO 80020. Phone: 303-920-4763

FOR NORTH CAROLINA RESIDENTS: RoundPoint Mortgage Servicing Corporation is physically located at 5016 Parkway Plaza Blvd, Charlotte, NC 28217. North Carolina Collection Agency permit no. 102965.

FOR TEXAS RESIDENTS: COMPLAINTS REGARDING THE SERVICING OF YOUR MORTGAGE SHOULD BE SENT TO THE DEPARTMENT OF SAVINGS AND MORTGAGE LENDING, 2601 NORTH LAMAR, SUITE 201, AUSTIN, TX 78705. A TOLL-FREE CONSUMER HOTLINE IS AVAILABLE AT 877-276-5550.

A complaint form and instructions may be downloaded and printed from the Department's website located at www.sml.texas.gov or obtained from the department upon request by mail at the address above, by telephone at its toll-free consumer hotline listed above, or by email at smlinfo@sml.texas.gov.

TIPS TO HELP PREVENT CONTRACTOR FRAUD

While most contractors are qualified, experienced and certifiable, contractor fraud unfortunately does occur. For help with contractor fraud, contact your state's consumer helpline or attorney general's office.

Useful tips to help protect yourself:

- ✓ Be wary of contractors who offer door-to-door unsolicited repair offers
- ✓ Check each contractor's credentials and references
- ✓ Obtain a detailed written contract before allowing any work to be commenced. Make sure that the contract includes specifics such as: (1) total cost, (2) specific work to be completed, and (3) timeframe or schedules for repair
- ✓ Obtain three written estimates from licensed and insured contractors
- ✓ Never make a final payment to a contractor until their portion of the repairs are finished and you have confirmed completion of a final inspection (if required) from Embrace.
- ✓ Don't feel pressured by a contractor or allow them to interpret your homeowners insurance policy. If you have any questions or concerns, always feel free to contact your insurance company directly



AFFIDAVIT AND CERTIFICATION OF INTENT TO REPAIR

This form is required – By completing this form you certify your intent to restore your home to its original or better condition or value as quickly as possible and your acknowledgment to comply with any required property inspections, including but not limited to, a final inspection.

Name of Mortgagor: _____

Loan Number: _____

Property Address: _____
Street, City, State and ZIP code

Approximate amount of claim: _____ Cause of Damage/Loss: _____

I/we, the undersigned mortgagor hereby certify that the damages sustained to our property, will be/have been completed per the insurance adjuster’s scope to its original or better condition, and will/does comply with all applicable state and local codes and regulations governing residential repair or reconstruction, including, but not limited to building codes, zoning codes, work permits and inspections.

I/we the undersigned mortgagor hereby certify that all bills for materials and labor will be/have been paid from the insurance loss proceeds. There will be/are no Mechanics Liens or Material Providers Liens filed as a result of lack of payment for the repair/reconstruction work.

I/we the undersigned mortgagor acknowledge that insurance claim proceeds will be released per Embrace Home Loans guidelines, in compliance with the Investor of my loan, and will apply released funds promptly to repair or reconstruct the property. At each draw request an insurance loss inspection will be scheduled to confirm percentage of completion and will be released only upon satisfactory results.

I/we the undersigned mortgagor acknowledge that a final inspection may be required to confirm repairs to the property have been satisfactorily completed if my account is delinquent at the time I report my claim or is otherwise required by the Investor of my loan. I will contact Embrace’s Customer Service Center at 800-224-7106 to request that a final inspection be ordered. The inspection will be ordered at the expense of Embrace.

Mortgagor Signature: _____ Date: _____

Sworn to before me and subscribed in my presence on this ____ day of _____, 20____.

State of: _____ County/Parish of: _____ Notary Signature: _____

My Commission Expires: _____ Notary Seal:



CONTRACTOR'S LIEN WAIVER AFFIDAVIT

This form is required – It will be completed by your contractor(s) and certifies that the contractor will waive any claims of lien once full payment for labor and materials is received. To avoid delays always make sure the form is completely filled out before being submitted.

- If multiple contractors are used, it is required that a separate Contractor's Lien Waiver Affidavit be completed for each contractor.

Name of Mortgagor: _____

Property Address: _____
Street, City, State and ZIP code

I, the undersigned Contractor/Company Officer, hereby certify that all labor and materials used in the performance of the repair of the above listed property will be / have been paid for in full and no Mechanic or Material Providers Lien will be attached to the property as a result of the repairs.

Contractor/Company Name (Please Print): _____

Contractor/Company Officer Signature: _____ Title: _____

Contractor/Company Phone Number: _____ Date: _____

Sworn to before me and subscribed in my presence on this ____ day of _____, 20__.

State of: _____ County/Parish of: _____

Notary Signature: _____

My Commission Expires: _____

Notary Seal:

AFFIDAVIT OF REPAIR AGREEMENT / CONTRACT

This form is required – It will be completed by you and your contractor(s) and certifies the existence of a contract for repair and summarizes the terms and conditions of the agreement/contract. (Two Pages)

- If multiple contractors are used, a separate Affidavit of Repair Agreement / Contract must be completed for each contractor.

We, the undersigned mortgagor(s) and contractor, hereby declare the existence of an agreement/contract for repairs whereby:

I, the undersigned contractor, declare I am qualified to perform the type of work contracted, financially able to complete the repair or reconstruction within scheduled time frames, will comply with applicable codes and regulations governing residential repair/reconstruction (including, but not limited to, building code and zoning, permit and inspection regulations), and will be repairing damage at the property listed above as described in the Insurance Adjuster's Worksheet and described below.

I, the undersigned contractor, declare that the total Estimated Cost of Repair agreed to is \$_____ and the agreed to maximum amount I may charge is \$_____. From the date in which work commences, I estimate repair/reconstruction to be completed within _____ (Days/Weeks/Months/etc. Please specify).

I, the undersigned contractor will furnish all labor and materials agreed to and described in the specifications below in a workmanlike manner. (Attach copies of any Contract/Plan/Estimate/Invoice)

I/we, the undersigned mortgagor, hereby declare that the above information is accurate and valid.

(Signatures on Page 2)

AFFIDAVIT OF REPAIR AGREEMENT / CONTRACT

Contractor/Company Officer to Complete:

Contractor/Company Name (Please Print): _____

Contractor/Company Officer Signature: _____ Title: _____

Contractor/Company Phone Number: _____ Date: _____

Mortgagor to Complete:

Mortgagor Name (Please Print): _____

Mortgagor Signature: _____ Date: _____

Sworn to before me and subscribed in my presence on this ____ day of _____, 20____

State of: _____ County/Parish of: _____

Notary Signature: _____

My Commission Expires: _____ Notary Seal: