



**Insurance Monitoring Guideline for Portfolio Loans
10/20/2011**

Contact:

Loan Administrator IIs, Cincinnati, OH – For all life company serviced loans

I. Insurance Monitoring

A. Requirements

1. All insurance requirements shall be those which were required at the time of closing or as amended or modified by Lender.
2. The Correspondent shall not approve any coverage, endorsement or coverage amount that has not been approved by Lender.

B. Endorsement/Coverage Changes

1. Lender required endorsements or coverages that are added during the term of the policy shall be accompanied by a Policy Endorsement. The Policy Endorsement shall be provided in addition to the Accord Form and Insurance Renewal Checklist at the time of submission of the evidence of insurance.

C. Mortgagee Clauses

1. Mortgagee Clauses are located on the document named ***Insurance Mortgagee Clauses for Portfolio Loans.***

II. Insurance Renewals

A. Completing the Insurance Renewal Checklist

1. An Insurance Renewal Checklist shall be completed (*See document named **Insurance Renewal Checklist.***)
2. All boxes contained on the Insurance Renewal Checklist should be completed.
3. Indicate on the Insurance Renewal Checklist any exceptions to Lender's insurance requirement(s).
4. Complete the 'Special Notes or Conditions' Section for any additional information or comment.

B. Insurance Submission

1. Each renewal should be submitted **individually** by electronic mail no later than **15 days** after expiration even if the insurance is marked non-compliant.

2. The insurance renewal should include the Insurance Renewal Checklist and any subsequent endorsement(s) to the policy.
3. All renewals should be submitted to Insurance@summitpartnersllc.com. The subject line of the email should list the Lender name and Lender loan number. For example: *Union Central Life Insurance Renewal #208111* or *Ameritas Insurance Renewal #034000*.
4. All non-compliant insurance shall be rectified in a timely manner and resubmitted to the insurance inbox.

III. Non Compliance or Expired Insurance

A. Non Compliance

1. If the borrower does not cure a non compliance insurance matter as determined by Lender requirements, the Correspondent shall prepare a cure letter to be provided to the borrower. A copy of the cure letter shall be sent to the appropriate Lender Contact Person.
2. If the borrower remains unresponsive after the expiration of the cure letter, the Lender will direct the next appropriate action needed.

B. Cancelled or Expired Insurance

1. Contact the appropriate Lender Contact Person if the policy is cancelled or expired.
2. As directed by Lender, a 30 day cure letter should be sent immediately to the borrower. A copy of the cure letter shall be sent to the appropriate Lender Contact Person.
3. If the borrower remains unresponsive after the expiration of the cure letter, the Lender will direct the next appropriate action needed.

C. Force Placement

1. Force placement of insurance may be implemented as directed by Lender.

IV. Escrows

A. Analysis

1. The Correspondent shall perform an escrow analysis to ensure adequate funds are maintained for the timely payment of insurance amount(s).
2. A minimum one (1) month cushion shall be included in the escrow analysis.

B. Lender Notification

1. Correspondent shall notify Lender in the event the borrower fails to pay the new escrow amount. As directed by Lender, a 30 day cure letter should be sent to the borrower.

Disclaimer:

Lender reserves the right to exercise all rights and remedies under the various loan documents.