

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

CrossCountry Mortgage 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. **Please review this form in its entirety.**

Step 1. Report your claim to your insurance carrier and CrossCountry Mortgage, LLC ("CrossCountry Mortgage"):

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

Step 2. Receive your insurance claim check and submit documents to CrossCountry Mortgage as follows:

1. If your mortgage loan is current or less than 31 days delinquent at the time of the loss event and either (a) for non-USDA loans, your claim is less than or equal to \$40,000, or (b) for USDA loans, your claim is less than or equal to \$20,000, you have a good payment history, and you're living in the home, then:
 - A. Provide the following documents from your insurance company:
 - ✓ Insurance claim check – Do not endorse the check
 - ✓ Insurance Adjuster's Worksheet – This is the breakdown of the funds disbursed by your insurance carrier and details the necessary repairs to your property
 - If date of loss is not on any of these documents, please handwrite it on the check stub.
 - B. Once documents have been received, funds will be endorsed back. All you need to do is take the endorsed check to the bank.
2. If your mortgage loan is 31 or more days delinquent at the time of the loss event or either (a) for non-USDA loans, your claim exceeds \$40,000, or (b) for USDA loans, your claim exceeds \$20,000, your payment history is unsatisfactory, or you're not living in the home, then:
 - A. Provide the following documents from your insurance company:
 - ✓ Insurance claim check – Make sure to sign the check before sending it
 - ✓ Insurance Adjuster's Worksheet – This is the breakdown of the funds disbursed by your insurance carrier and details the necessary repairs to your property
 - If date of loss is not on any of these documents, please hand write it on the check stub.
 - B. Complete and return the following document:
 - ✓ Affidavit and Certification of Intent to Repair – Included in this package and to be completed by you
 - C. Have your contractor(s) complete or provide the following - please note that we must receive the following items for each contractor or repairperson used:
 - ✓ Affidavit of Repair Agreement / Contract – Included in this package
 - ✓ Contractor's Estimate/Invoice – Provided by your contractor(s)
 - ✓ For USDA loans only: the additional documents below must be provided:
 - Contractor's License – Your contractor(s) should be state licensed and registered and should provide a copy of their contractor license.

Note: In the event the state or jurisdiction does not require licensing of contractors, any contractor(s) repairing the property must be bonded and insured for an amount equal to or greater than the insurance loss proceeds.
 - Contractor's Lien Waiver Affidavit - Included in this package
 - Contractor's W9 – Provided by your contractor(s)

Step 3. Receive your insurance claim disbursement(s) from CrossCountry Mortgage.
Disbursements are dependent on the total insurance claim amount and the status of your loan at the time of the loss event:

- ✓ If your mortgage loan is current or less than 31 days delinquent at the time of the loss event and either (a) for non-USDA loans, your claim is less than or equal to \$40,000, or (b) for USDA loans, your claim is less than or equal to \$20,000, you have a good payment history, and you're living in the home, then funds may be released in a single disbursement.
- ✓ If your mortgage loan is 31 days or more delinquent at the time of the loss event or either (a) for non-USDA loans, your claim exceeds \$40,000, or (b) for USDA loans, your claim exceeds \$20,000, your payment history is unsatisfactory, or you're not living in the home, then:
 - Generally, funds are released based on periodic inspections of the property to verify the progress of repair work.
 - For Non-USDA loans:
 - If your mortgage loan is current or less than 31 days delinquent at the time of the loss event and your claim amount is greater than \$40,000, your initial disbursement will be the greater of \$40,000, 33% of the insurance claim amount, or the amount that exceeds the sum of the unpaid principal balance, accrued interest, and advances on the mortgage loan.
 - If your mortgage loan is 31 days or more delinquent at the time of the loss event and your claim is less than or equal to \$5,000, then funds may be released in a single disbursement.
 - If your mortgage loan is 31 days or more delinquent at the time of the loss event and your claim is more than \$5,000, your initial disbursement will be an initial disbursement of 25% of the claim amount but no more than \$10,000. Remaining funds will be disbursed in increments not to exceed 25% of the insurance loss proceeds following inspection of the repairs.

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 800-224-7984 or InsuranceClaim@YouAreHome.com
- ✓ Periodic Inspections – periodic inspections will be required in the following scenarios:
 - For Non-USDA loans – periodic inspections will be required if either the mortgage loan is 31 days or more delinquent at the time of the loss event or the insurance claim is greater than \$40,000.
 - For USDA loans – periodic inspections will be required if any of the following apply:
 - The mortgage loan is 31 days or more delinquent at the time of the loss event;
 - The claim exceeds \$20,000;
 - Your payment history is unsatisfactory; or
 - You're not living in the home.
- ✓ Final Inspection – a final inspection will be required in the following scenarios:
 - For Non-USDA loans – a final inspection will be required if the mortgage loan is 31 days or more delinquent at the time of the loss event.
 - For USDA loans – a final inspection will be required if any of the following apply:
 - The mortgage loan is 31 days or more delinquent at the time of the loss event;
 - The claim exceeds \$20,000;
 - Your payment history is unsatisfactory; or
 - You're not living in the home.

Important Notes

- ✓ Disbursement checks are mailed via USPS First Class Mail.
- ✓ 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@YouAreHome.com

Fax Toll Free: 866-930-1018

Mailing Address: CrossCountry Mortgage, LLC
P.O. Box 19389
Charlotte, NC 28219-9389

Overnight Address: CrossCountry Mortgage, LLC
446 Wrenplace Road
Fort Mill, SC 29715

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) time frame 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 CrossCountry Mortgage.
- ✓ 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.

INSURANCE CLAIM PACKAGE



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(s) of Mortgagor(s): _____

Loan Number: _____

Property Address: _____

Street, City, State, and Zip Code

Approximate amount of claim: _____ Date of the loss event: _____

Cause of Damage/Loss: _____

I/we, the undersigned mortgagor(s) 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(s) 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 provider's liens filed as a result of lack of payment for the repair/reconstruction work.

I/we the undersigned mortgagor(s) acknowledge that upon execution of this Affidavit and Certification of Intent to Repair, insurance claim proceeds will be released per applicable CrossCountry Mortgage, LLC guidelines, in compliance with the investor of my loan, and I/we agree to 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(s) certify and acknowledge that a final inspection is required to confirm repairs to the property have been satisfactorily completed if my insurance claim is greater than \$20,000, or my mortgage account is more than thirty (30) days delinquent at the time of the loss event, and will contact Customer Service Center at 800-224-7984 to request that a final inspection be ordered. The inspection will be ordered at the expense of CrossCountry Mortgage, LLC.

Mortgagor(s) Signature(s): _____ Date: _____

_____ Date: _____

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 a contract for repairs whereby:

I, the undersigned contractor, hereby declare that I am duly licensed under applicable laws and regulations, all liens will be waived upon payment as noted, 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 I will be repairing damage at the property listed above as reported in the Insurance Adjuster's Worksheet unless specifically noted.

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

I, the undersigned contractor, hereby declare that I am / or am not using the adjustor's worksheet/scope as an estimate (Please circle the correct response)

Contractor will furnish all labor and materials for performance of the repair/reconstruction in a workman like manner in accordance with the agreed to plans and specifications described below. As applicable, attach copies of any contracts/plans for reconstruction evidencing the estimated schedule for completion of the repair/reconstruction, including each phase of construction).

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

(Signatures on Page 2)

INSURANCE CLAIM PACKAGE



AFFIDAVIT OF REPAIR AGREEMENT / CONTRACT

Contractor/Company Officer to Complete:

Contractor/Company Officer Signature: _____ Date: _____

Title: _____

Contractor/Company Name (Please Print): _____

Contractor/Company Phone Number: _____

The notary section only needs to be filled out for properties in the state of **Texas, Wyoming, and Mississippi.**

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

Mortgagor(s) to Complete:

Mortgagor(s) Signature(s): _____ Date: _____

_____ Date: _____

INSURANCE CLAIM PACKAGE



CONTRACTOR'S LIEN WAIVER AFFIDAVIT

For USDA loans only, 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 you submit it.

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

Name(s) of Mortgagor(s): _____

Loan Number: _____

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 Materialman's Lien will be attached to the property as a result of the repairs.

Contractor/Company Officer Signature: _____ Date: _____

Title: _____

Contractor/Company Name (Please Print): _____

Contractor/Company Phone Number: _____

The notary section only needs to be filled out for properties in the state of **Texas, Wyoming, and Mississippi.**

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

I received a check from my insurance company. What do I do now?

Review and complete this Insurance Claim Package. This package details the requirements for completing your claim.

Once I submit all the required documentation, how long does it take to receive the funds?

Every situation is different, and numerous factors influence disbursement time frames. For claim checks less than \$40,000, the entire disbursement process may be completed in 5-7 business days. For claim checks greater than \$40,000, the initial installment is typically disbursed within 7-14 business days and subsequent installments are released 5-7 business days after the inspection results are received.

What if I receive a check that needs to be endorsed by both CrossCountry Mortgage, LLC and another lienholder?

All checks need to be endorsed by the homeowner prior to sending to a lienholder. Lienholder signatures for all liens subordinate to the first mortgage (e.g., second mortgage, third mortgage, etc.) must be obtained prior to sending the check to the first lienholder (first mortgage).

- When CrossCountry Mortgage is in the second lien position (second mortgage), CrossCountry Mortgage, LLC must endorse the insurance claim check prior to the first lienholder (servicer of the first mortgage).
- When CrossCountry Mortgage is in the first lien position (first mortgage), all subordinate lienholders must endorse the insurance claim check prior to it being sent to CrossCountry Mortgage.
- When CrossCountry Mortgage holds two liens (first and second mortgages), the insurance claim check can be sent to CrossCountry Mortgage with only the homeowner(s)' endorsement.

How do I request an inspection?

Once the repairs are completed, or at each scheduled phase of completion, request a free property inspection by contacting us at 800-224-7984 or InsuranceClaim@YouAreHome.com

How do I obtain another draw to continue the repairs of my home?

If you have a monitored claim, this complete Insurance Claim Package and sufficient inspection results are required to release additional funds.

Why did I receive only part of the insurance claim funds?

CrossCountry Mortgage monitors progress of the repairs and disburses additional funds as repairs are completed.

What if my contractor requires more money for the repairs?

If your contractor requires additional funds to begin or continue repairs, please have them provide a written explanation and/or draw schedule. CrossCountry Mortgage will review the request and determine if it's acceptable.

Can I be reimbursed for the amount I've already paid for the repairs?

Yes. CrossCountry Mortgage will reimburse you from claim funds for paid in full receipts from your contractors and/or materials. Releasing all funds requires sufficient inspection results.

Can I repair the property myself?

CrossCountry Mortgage does not approve self-repair for monitored claims. This complete Insurance Claim Package containing the contractor information is required.

Can I electronically sign (e-sign) the documents?

Yes, CrossCountry Mortgage accepts e-signatures.

Do you have an app or online portal where I can view regular updates on my claim?

CrossCountry Mortgage currently does not have an app or online portal for loss draft claims.

Can CrossCountry Mortgage tell the insurance carrier to remove their name from the check?

No, CrossCountry Mortgage must ensure the home is repaired using the insurance claim proceeds.

What happens if my loan is transferred to a new servicer during the insurance claim process?

We will work with your new servicer to provide information related to your insurance claim.

I started the insurance claim process with another servicer. What happens if my loan is transferred to CrossCountry Mortgage during this process?

We will work with your previous servicer to obtain information related to your insurance claim. CrossCountry Mortgage will review your claim file and pick up where your prior servicer left off.

What happens if I don't sign the check?

If your claim is deemed to be a monitored claim, (i.e., funds are greater than \$40,000 or the loan was delinquent at time of loss), the check will be returned for full endorsements by all parties listed on the check.

What if the check has the prior servicer as the payee?

CrossCountry Mortgage will cash the check as long as the ISAOA/ATIMA verbiage is printed on the insurance claim check. Please work with your insurance carrier to update the mortgagee clause to ensure all future insurance claim checks list CrossCountry Mortgage, LLC as the payee.

Mortgagee Clause:

CrossCountry Mortgage, LLC
Its Successors and/or Assign (ISAOA)
As their Interest May Appear (ATIMA)
P.O. Box 10210
Daytona Beach, FL 32120-0210

Can I use the insurance claim funds to pay the past due balance/payments on my loan?

Insurance claim funds are to be used for the repair of the home, not past due balances.

Can I use the insurance claim funds to pay off my loan?

Yes. A written request to pay off the loan using the insurance claim proceeds is required. A verbal request is not accepted. Please submit the payoff request to InsuranceClaim@YouAreHome.com

What if I don't want to repair the property?

Insurance claim funds will not be disbursed unless the property is going to be repaired.

Is there a charge for an insurance claim inspection?

No.