

# Mortgage Insurance Claims

Homeowner's insurance claim processing becomes necessary when your property is damaged. IncredibleBank is listed on your homeowner's insurance policy as the mortgagee clause, as IncredibleBank is a lien holder. We are also listed as payee on the insurance check because unrepaired damage to a home can decrease the property's value.

Investors (e.g., Fannie Mae, Freddie Mac, VA, FHA, SBA etc.) have very specific guidelines that must be followed for insurance claims. The bank will work directly with the investor on your loan, and other third parties as needed. The insurance claim proceeds may not be released until all the work has been completed, as determined by the investor. The bank will communicate to the borrower the conditions of the release of funds.

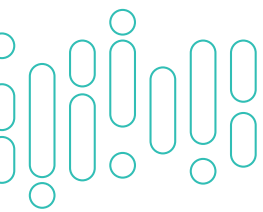
As a lienholder on the loan, IncredibleBank has a responsibility to ensure the loan conditions (e.g., loan-to-value, property value, lien position, etc.) have not changed and additional liens are not placed on the property.



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## Timeline of Events

- **Alert IncredibleBank of the claim.** Bring in the check that was received endorsed by all parties except IncredibleBank and Insurance Adjustor's Report. An Adjustor's Report contains detailed information regarding the claim such as:
  - Date of Loss
  - Type of Loss
  - Scope of Damage
- **Bank will determine if the claim needs to be tracked** using the insurance adjustor report and a review of loan information (if claim is under a certain dollar amount, the claim funding may not need to be held, and can be released after review).
- If the claim is to be monitored, **additional documentation may be needed:**
  - Insurance Claim Affidavit

*The Insurance Claim Affidavit is an IncredibleBank form that is completed and signed by the customer stating repairs have been or will be completed to the restored condition of the property prior to the damage. It also authorizes IncredibleBank, the owner of the mortgage, to release the insurance proceeds available for the damage once the repairs have been completed. The form requires a notary or two witnesses to sign the form.*
  - Contractor's Bid

*A contractor's bid is an estimate of the cost to complete the repairs. The items on the bid must reflect the items on the adjustor's report. Each bid must include the total cost for the work being performed.*

*Any items not specified on the bid require a new contractor's bid or the current bid revised to capture all work.*
  - Waiver of Lien

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*A lien waiver is required from the contractor, subcontractor, supplier, or another party who can file a lien against the property. This protects IncredibleBank's interest in the property from anyone who can file a lien on the property in the event of non-payment.*
  - W9 Form
- Before distributions for work can be made for completed work, **lien waiver from licensed contractor/customer must be received.** Here are some additional notes to keep in mind:
  - Paid receipts and/or estimates from supply companies may be required if you complete the repairs yourself.
  - If you do not have enough paid receipts or estimates to release all claim funds, an inspection can be completed in lieu of the additional receipts/estimates. Any type of "labor" is paid for after the work has been completed and is confirmed by an inspection.
  - No handwritten receipts.
  - If a claim has both mitigation (e.g., fire damage or water damage clean-up) and repairs, we will need contractor bid and lien waivers for both.

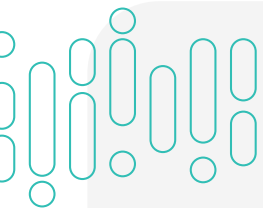
*Timeline of events continued on the next page.*

● When all work is completed, **a final inspection will be needed to confirm the work completed.**

- A third-party vendor is used to complete all inspections and will contact you directly to set up an appointment, if necessary.
- Once received, the bank will review the inspection report to verify that all the repairs have been completed to the Adjustor's Report specifications. Funds are released if 100% complete. If not 100% complete, the bank will communicate the next steps required as additional inspections may be needed at your expense.
- Payment responsibility for the inspection is determined by the investor on your loan.
- Some contractors may contact IncredibleBank directly to request a final inspection and release of funds. IncredibleBank requires your written approval to talk to the contractor regarding the claim and will direct them to work with you for that authorization.

● **A Final Check will be issued for any invoices still outstanding.** All borrowers listed on the loan are included on IncredibleBank's disbursement check unless written authorization is received by the borrower stating otherwise. Claim proceeds can be deposited directly into your deposit account with a signed authorization, and other stipulations as required by the investor.

● Any **remaining funding will be disbursed** back to customer.



## Additional Information

### If IncredibleBank is in second lien position:

- IncredibleBank will endorse the claim check so it can be taken to the first mortgagee.
- The insurance claim is then handled by the first mortgagee, not by IncredibleBank.

**IncredibleBank requires your written approval to talk to the contractor regarding the claim and will direct them to work with you for that authorization. See contact information for submitting the request**

IncredibleBank  
Attn: Loan Services  
327 N 17th Avenue  
Wausau, WI 54401

[loanservices@incrediblebank.com](mailto:loanservices@incrediblebank.com)

# Motorcoach Insurance Claims

- Alert IncredibleBank of the claim. Bring in the check that was received endorsed by all parties except IncredibleBank and Insurance Adjustor's Report.
- An Adjustor's Report contains detailed information regarding the claim such as:
  - Date of Loss
  - Type of Loss
  - Scope of Damage
- Claims under \$20,000.00 do not need to be tracked. The check can be endorsed by the bank and sent back to the customer.
- Claims over \$20,000.00 insurance check is to be signed by customer(s) and sent to the bank along with invoices. Checks will be converted to be payable to repair shop completing the work and mailed back to the customer, unless otherwise instructed by the customer to mail to the repair shop



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# Airfleet

## Insurance Claims

- Needed Documentation regarding the loss:
  - Sworn Statement in Proof of Loss
  - Insurance Claims Instructions to release funds to repair company (Authorization from Borrower)
  - Invoice of Repairs
- Upon completion of repairs FAA Form 337. This shows the registered repair to the FAA.



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