

Evidence of Insurance Request/Requirements

Prior to closing, the following must be received and approved by Lender:

1. A current, certified copy of the commercial insurance policy together with all required endorsements, and/or
2. Current Certificate of Insurance (liability), Evidence of Property Insurance (hazard) and Flood Policy Declarations Page (if financed property is in flood zone). *An ACORD 27 or 28, combined with ACORD 25 or an ACORD 75 are acceptable forms of temporary evidence of insurance.*

Property Coverage:

Equal to or greater than Loan Amount *and* 100% Replacement Cost
Special Form or Broad Form Coverage; all perils (basic is not allowed)
No Co-Insurance or ACV valuation allowed

If Condominium:

- Master Association Policy must be provided
- Walls-in coverage required

Liability Coverage:

Minimum \$1,000,000

Flood Coverage (if financed property is in a flood zone beginning with A or V):

Lesser of replacement cost, loan amount or maximum available under NFIP (\$250k residential, \$500k commercial).

If flood coverage is issued through a Private Company, the policy must contain the compliance aid statement "This policy meets the definition of private flood insurance contained in 42 U.S.C. Section 4012a(b)(7) and the corresponding regulation".

All premiums for existing or new policies must be paid in full at Loan closing and cannot be financed

The following should be indicated on certificates for all coverages:

- o Stormfield must be noted as Loss Payee and Mortgagee noted as follows:
Stormfield Capital Funding I, LLC ISAOA/ATIMA
c/o Lee & Mason Financial Services, Inc.
P.O. Box 150
Northville, NY 12134
- o Policy Number
- o Deductible amount equal to the lesser of 5,000 or 5% of dwelling coverage (CANNOT EXCEED)
- o Loss of rents (12 months minimum)
- o Wind/Hail coverage if property located within 25 miles of the Atlantic Ocean
- o Law and Ordinance (commercial properties only)
- o Business Interruption
- o 438 BFU or Cancellation Clause (Mortgagee Endorsement – notification of cancellation or non-renewal)