Hazard Insurance Claim Process

We are sorry to hear that you have experienced damage to your property. As a valued customer, our goal is to ensure you receive hazard claim funds as quickly as possible while ensuring the repairs are performed sufficiently. It is your responsibility to ensure all repairs are completed by qualified professionals and the insurance funds are expected to be used to repair the property.

Depending on your situation, BBVA, releases funds for repairs based on two processes: **Monitored Disbursements** and **Full Disbursements**. Below is a summary of the criteria used to determine which process will be used and what to expect. The disbursement process will begin once the required documents are received and approved.

For either process, if the loss draft funds exceed the amount required to pay off the loan, then excess funds will be immediately refunded. Below is what is needed to begin the process and the full details are provided on the next page including future disbursements and inspections, if required.

<table>
<thead>
<tr>
<th>Process Criteria</th>
<th>Monitored Disbursements</th>
<th>Full Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan is 30+ days past due or</td>
<td>o Loan is 30+ days past due or</td>
<td>o Loan is Current or</td>
</tr>
<tr>
<td>Claim funds are greater than $40,000 or</td>
<td>o Claim funds are greater than $40,000 or</td>
<td>o Claim funds do not exceed $40,000 or</td>
</tr>
<tr>
<td>10% of the current loan balance or</td>
<td>o 10% of the current loan balance or</td>
<td>10% of the current loan balance</td>
</tr>
<tr>
<td>You intend to complete repairs yourself.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Actions to Get Started</th>
<th>Monitored Disbursements</th>
<th>Full Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete the Hazard Insurance Claim Disbursement Form (page 2)</td>
<td>o Complete the Hazard Insurance Claim Disbursement Form (page 2)</td>
<td></td>
</tr>
<tr>
<td>Collect the Minimum Documents Required</td>
<td>o Collect the Minimum Documents Required</td>
<td></td>
</tr>
<tr>
<td>Collect the Additional Documents Required</td>
<td>o Collect the Additional Documents Required</td>
<td></td>
</tr>
<tr>
<td>Send all documentation and endorsed loss draft check to BBVA</td>
<td>o Send all documentation and endorsed loss draft check to BBVA</td>
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</tbody>
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<table>
<thead>
<tr>
<th>What Happens Next</th>
<th>Monitored Disbursements</th>
<th>Full Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>You be provided Claim Processing Number</td>
<td>o You be provided Claim Processing Number</td>
<td></td>
</tr>
<tr>
<td>We will review your documents and follow up with additional document request or the following will be sent to you.</td>
<td>o We will review your documents and follow up with additional document request or send the full disbursement check to you</td>
<td></td>
</tr>
<tr>
<td>The initial disbursement check</td>
<td>o The initial disbursement check</td>
<td></td>
</tr>
<tr>
<td>An expected draw schedule</td>
<td>o An expected draw schedule</td>
<td></td>
</tr>
</tbody>
</table>

If you have questions about the hazard claims process, you can email your questions to lossdraft.us@bbva.com or call us at **844-412-9720**. In your communication please include your loan number or claim processing number, if it has been provided to you. For urgent issues or other loan questions please call Loan Customer Service at 1-800-239-1996.
**Hazard Insurance Claim Disbursement Request Form**

For either Monitored or Full Disbursements, if the loss draft funds exceed the amount required to pay off the loan, then excess funds will be immediately refunded. **The insurance funds are expected to be used to repair the property.** Please visit [www.irs.gov/pub/irs-pdf/fw9.pdf](http://www.irs.gov/pub/irs-pdf/fw9.pdf) to download a copy of the Contractor's W9 Form. If multiple contractors are used for repairs, please submit the appropriate forms for each contractor. **Before proceeding as your own contractor please contact us. Certain investors do not waive the requirement for contractor license regardless of state laws.**

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<td>o Loan is Current or</td>
</tr>
<tr>
<td>o Claim funds are greater than $40,000 or 10% of the current loan balance</td>
<td></td>
<td>o Claim funds do not exceed $40,000 or</td>
</tr>
<tr>
<td>o You intend to complete any repairs yourself.**</td>
<td></td>
<td>10% of the current loan balance</td>
</tr>
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</table>

### Minimum Documents Required (All Claims)
- Signed and Dated Hazard Insurance Claim Disbursement Form (this form)
- Fully endorsed insurance loss draft check
- Copy of entire insurance adjuster's worksheet
- Copy of contractor's estimate or invoice for the repairs
- Copy of contractor’s license**
- Notarized Mortgagor's Affidavit (form can be found in this packet)

### Additional Documents Required

#### Monitored Disbursements (All)
- Notarized Contractor's Affidavit (form can be found in this packet)
- Contractor's W9
- If completing the work yourself, also provide proof of relevant liability insurance

#### Full Disbursements ($20,000 or higher)
- Notarized Contractor’s Affidavit for all contractors (form can be found in this packet)
- Contractor’s W9

### Initiating Disbursement Process

The disbursement process begins once the required documents are received and approved. Required documentation based on the criteria above may be sent to BBVA using any of the following methods:
- Bring documentation to any BBVA branch for mailing assistance or endorsement for claims $20,000 and under.
- **Mail** completed packages to: Escrow Department; P.O. Box 830953; Birmingham, AL 35283; ATTN: Hazard Claims or **Overnight** (Fed Ex, UPS, etc.) completed packages to: Escrow Department; 701 S 32nd Street; Birmingham, AL 35233; ATTN: Escrow Department - Hazard Claims

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**Borrower First and Last Name:** ____________________________

**Loan Number:** __________________

**Property Address:** ____________________________

**Contact:** Phone Number ____________________________

**Email:** ____________________________

**Signature:** ____________________________

**Date:** ____________________________

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**Disbursement Method**
Place an X next to the option for sending you funds for your hazard claim.

- [ ] Cashier's Check mailed to Property Address
- [ ] Cashier's Check mailed to Mailing Address (e.g., where your statements are mailed)
- [ ] BBVA DDA (e.g., checking account), can only be processed if linked to auto draft as payment for mortgage loan and **Full disbursements only**
- [ ] Other Address (provide address below)

**Mailing Address:** ____________________________

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V20160308
**Hazard Claim Check FAQ**

**What is a Hazard Claim?**

A hazard claim or insurance claim will occur when there is damage to your home, typically due to weather. When you file a claim with the insurance company, the insurance carrier will send an adjustor to assess the damage. Based on the adjustor’s work, the insurance carrier will issue a check to the policyholder and BBVA. BBVA is included because both the borrower and the bank have interest in ensuring the property is repaired in order to maintain the value of the property.

**Where can I find a copy of a W9 form?**

Please visit [www.irs.gov/pub/irs-pdf/fw9.pdf](http://www.irs.gov/pub/irs-pdf/fw9.pdf) to download a copy of the Contractor’s W9 Form. If multiple contractors are used for repairs, please submit the appropriate forms for each contractor.

**How will the disbursement occur?**

A disbursement will not occur until all required documentation is submitted. Once the documents are reviewed and the disbursement type has been determined, the initial disbursement will occur. For Full Disbursements, this will be the only disbursement made and for Monitored Disbursements future disbursements will be made after the completion and review of inspection reports. If you have more than one check, the check amounts will be combined to which process will be used.

**Do I have to hire a contractor?**

BBVA requires that the mortgagor uses a licensed contractor. Contractor documentation is required for each contractor including contractor affidavits, w9’s and licenses. BBVA requires that the mortgagor use a licensed contractor, where required by state and/or local law. All other documentation is required. In the event that a state or jurisdiction does not require licensing of contractors, and your loan investor requires it, proof that the contractor is bonded and insured for an amount equal to or greater than the insurance loss proceeds will be required. Licenses from the local level (city, municipality, etc) will be accepted. BBVA is not responsible for the acts or omissions of anyone engaged to perform repairs to the property, and that BBVA is not responsible for completeness or adequacy of any repairs.

**How do I know if my loan is secured by an investor or not?**

Even if you originated your loan with BBVA directly, it is possible that your loan is now owned by an investor. If you would like to check and see if the investor Fannie Mae owns your loan, please visit [https://www.knowyouroptions.com/loanlookup](https://www.knowyouroptions.com/loanlookup). You will be prompted to enter in your name, loan number and last 4 of your Social Security number.

**What if I have already paid the contractor myself?**

If advance payments have already been made to the contractor, a check may be issued to your name only for the amount equaling the advance payments, so long as receipts and invoices are provided confirming the advance payments were made.

**What if I would like to make the repairs myself?**

If completing the work yourself, you must provide proof of relevant liability insurance and all required documentation for monitored disbursement regardless of the amount of the claim check. Also, you must provide receipts for all materials used. Once the receipts are processed and a property inspection has been completed, you will receive a check for the amount of materials but the balance of the claim check will be credited to the principal balance of the loan. **Please note that if your loan is held by an investor that this option may not be available to you. Please call us before proceeding as your own contractor.**

**Who determines the guidelines being used?**

As part of managing the Loss Draft Claims process, BBVA complies with all applicable laws, rules, and regulations.
Where can I forward additional documents?

For prompt reviews, additional requested or missing documents can be sent by Email: LossDraft.us@BBVA.com or Fax: (205) 524-8254. Please include your last name and property address in the email or fax. For original documentation please refer to page 1 of the request form.

What do I need to do when I have other questions about my loan?

Questions about your escrow account can be directed to Customer Service by calling 1-800-239-1996. Any future changes in your taxes or insurance need to be reported to BBVA. The documentation related to the change can be sent via fax or mail.

When sending us documentation, please provide a cover letter with your account number and reason for sending.

<table>
<thead>
<tr>
<th>Escrow Related Contacts</th>
<th>Contact Information</th>
<th>Other Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service</td>
<td>800-239-1996</td>
<td></td>
</tr>
<tr>
<td>Mortgage Escrow Fax</td>
<td>205-524-8254</td>
<td></td>
</tr>
<tr>
<td>Mortgage Escrow Mailing Address</td>
<td>P.O. Box 830953</td>
<td>Tax bills and another escrow</td>
</tr>
<tr>
<td></td>
<td>Birmingham, AL 35283</td>
<td>related communication.</td>
</tr>
<tr>
<td></td>
<td>ATTN: Mortgage Escrow Dept</td>
<td></td>
</tr>
<tr>
<td>Mortgage Escrow Insurance</td>
<td>P.O. Box 200017</td>
<td>Insurance bills</td>
</tr>
<tr>
<td>Insurance Mailing Address</td>
<td>Kennesaw, GA 30156-9246</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ATTN: Insurance Payment Processing</td>
<td></td>
</tr>
<tr>
<td>Web Address</td>
<td><a href="http://www.bbvausa.com/contact/">http://www.bbvausa.com/contact/</a></td>
<td>Provides list of contacts</td>
</tr>
<tr>
<td>Loss Draft/Hazard Claims</td>
<td>800-239-1996</td>
<td><a href="mailto:lossdraft.us@bbva.com">lossdraft.us@bbva.com</a></td>
</tr>
<tr>
<td></td>
<td>844-412-9720</td>
<td></td>
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</table>

Who do I need to contact if I want to assert there has been an error made with the servicing of my loan, or if I want to request information about the servicing of my loan?

If you want to assert there has been an error made with the servicing of your loan, or if you would like to request information about the servicing of your loan, then you must send written notice to us at BBVA, PO Box 10184, Birmingham, Alabama 35202.
Mortgagor’s Affidavit

Affiant: ________________________________  Approx. Draft Amount $ ________________

Loan Number: ___________________________

State of: ______________________________

County of: _____________________________

Before me, the undersigned authority, personally appeared Affiant, who after being by me first duly sworn says:

1. That Affiant is the owner of the premises known as:

__________________________________________________________ is subject to mortgage

No. Street  City  State  Zip

and that the improvements thereon were damaged by _________________________________________

_______________________________________________ on  __________________________________

Month  Day  Year

2. That the necessary repairs have been or will be made and that the property is now or will be in substantially as good condition as prior to the damage on that date.

( ) Have been fully paid for

( ) Will be fully paid for with the proceeds from the Loss Draft.

Witness My Hand This_________  Day of ______________ , 20____

____________________________________

Signature

Subscribed and Sworn to Before me by _____________________________________________________

This _____ Day of _____________ , 20____

__________________________________________________________________________

Notary Public In and For

Complete the form, notarize, and return original to:

BBVA USA
Loss Draft Department
PO BOX 830953
Birmingham, AL 35283
County of ___________________________
State of ___________________________
Expiration Date of Commission _________
Contractor’s Affidavit

Borrower’s Name: __________________________

Loan Number: __________________________

State of: __________________________

County of: __________________________

Before Me, the undersigned authority, on this day personally appeared __________________________

__________________________, (Contractor), and who being duly sworn, states on his oath as follows:

That he has or will complete all repairs occasioned by ____________,

which occurred on ____________________________ with a loss of $ ____________________________ ,

to the property at ____________________________, owned by ____________________________

__________________________ and all labor and material used in the performance of this work has been or is
expected to be fully paid for by the mortgagor and no Mechanic or Materialman’s Lien will be attached to the
property as a result of the repairs.

__________________________

Signature of Contractor

Subscribed and Sworn to Before me by ____________________________

This ______ Day of ____________, 20____

Complete the form, notarize, and return original to:

BBVA
Loss Draft Department
PO BOX 830953
Birmingham, AL 35283

Notary Public In and For

County of ____________________________

State of ____________________________

Expiration Date of Commission ____________