

# Real Estate Owned / Collateral Protection Program Application



AmTrust North America  
An AmTrust Financial Company

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AmTrust International Underwriters, Limited

## Section I – Applicant Information

Applicant (Parent Company): \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Federal Employer Identification Number (FEIN): \_\_\_\_\_ Phone: \_\_\_\_\_

Web Address: \_\_\_\_\_ Date Established: \_\_\_\_\_

Type of Business: \_\_\_\_\_

List all subsidiaries here or by attachment:

## Section II – Loan Portfolio Information

1. Please provide the total number and value of all loans in your entire portfolio:

Type of Loan	Number of Loans	Values
Residential (1-4)		\$
Residential (5+)		\$
Farm		\$
Condos/Town Homes		\$
Apartment Buildings		\$
Office Buildings		\$
Warehouse/Industrial		\$
Hotel/Motel		\$
Shopping Centers/Retail		\$
Restaurants		\$
Builders Risk/Construction		\$
Mobile Home/Manufactured Housing		\$

## Section II – Loan Portfolio Information (continued)

2. Please provide the geographic concentration of all loans in portfolio:

State	Count / Amounts	State	Count / Amounts	State	Count / Amounts	State	Count / Amounts
Alabama		Indiana		Nebraska		South Carolina	
Alaska		Iowa		Nevada		South Dakota	
Arizona		Kansas		New Hampshire		Tennessee	
Arkansas		Kentucky		New Jersey		Texas	
California		Louisiana		New Mexico		Utah	
Colorado		Maine		New York		Vermont	
Connecticut		Maryland		North Carolina		Virginia	
Delaware		Massachusetts		North Dakota		Washington	
Florida		Michigan		Ohio		West Virginia	
Georgia		Minnesota		Oklahoma		Wisconsin	
Hawaii		Mississippi		Oregon		Wyoming	
Idaho		Missouri		Pennsylvania		Washington DC	
Illinois		Montana		Rhode Island		Other: _____	

3. Loan history:

Year	Total Number of Loans	Total Loan Balance	Number of Foreclosures	Total Balance of Loans Foreclosed

4. Are there any unusual exposures in your loan portfolio (i.e. condemned properties, incomplete construction)?

Yes  No

If "Yes", please describe below:

## Section III – Property Coverage Information

1. Please attach a current schedule of the applicant's force placed and foreclosed properties to be insured. The schedule should include the following information:

- Property address
- Property type
- Occupancy
- Amount of coverage
- Property value

## Section IV – Property Management

1. Does the applicant have written procedures for the physical inspection of properties prior to and after foreclosure?

Yes  No

2. If properties are inspected, is a property inspection report completed?

Yes  No

3. How soon is a physical inspection made after foreclosure? \_\_\_\_\_

4. After initial inspection, how often are regular physical inspections performed at each property?

\_\_\_\_\_

5. How promptly are any necessary repairs made to each property? \_\_\_\_\_

## Section IV – Property Management (continued)

6. Does the applicant require certificates of insurance from all contractors?  Yes  No
7. Does the applicant take the following measures to ensure the following for all foreclosed properties:
- a. Property secured with lock box?  Yes  No
  - b. Previous owner's access blocked?  Yes  No
  - c. All utilities disconnected as needed?  Yes  No
  - d. Property protected against freeze?  Yes  No
  - e. Police department notified of vacant property?  Yes  No
8. Does the applicant currently have foreclosed properties leased or rented to others?  Yes  No
- If "Yes", please answer a. through c. below:**
- a. Does the applicant require that all lessees obtain their own premises liability and personal property coverage and name the applicant as an additional insured?  Yes  No
  - b. Does the applicant's lease agreement allow the applicant and/or property manager to access the property with advance notice to the lessee?  Yes  No
  - c. Does the applicant's lease agreement require the lessee to hold the applicant harmless from liability arising from bodily injury or property damage at the leased property?  Yes  No
9. Does the applicant use a property management firm?  Yes  No
- If "Yes", please answer a. through b. below:**
- a. What percentage of the applicant's properties are managed by the property management firm? \_\_\_\_\_ %
  - b. Does the contract with the property management address the following (check all that apply):
    - Specific description of the services provided by the property management firm
    - How often the property management firm is required to check the property
    - Requirement that the property management firm carries General Liability insurance
    - Requirement that the property management firm carries Errors and Omissions insurance
    - Hold harmless or indemnity agreement in favor of applicant

## Section V – Inventory Management

1. Who internally manages the applicant's foreclosed properties, and what is their background?

2. How many people are involved in the applicant's day to day process property inventory management process? \_\_\_\_\_

3. What are the applicant's procedures for maintaining an inventory of all foreclosed properties?

4. When are foreclosure properties added to the applicant's REO program?

5. How does the applicant determine the limit to report (replacement cost, loan balance, last insured amount?)

## Section VI - Loss History (previous three years)

	Year		Year		Year	
	Number of Claims	Losses	Number of Claims	Losses	Number of Claims	Losses
Residential						
Commercial						

## Section VII - Previous Coverage

1. Does the applicant currently carry force placed/foreclosed property insurance?  Yes  No

If "Yes", please provide details.

Policy Period	Insurer	Residential Deductible	Residential Rate	Commercial Deductible	Commercial Rate	Premium

2. Have any of the applicant's current force placed/foreclosed property insurers indicated an intent not to offer renewal terms?  Yes  No

If "Yes", attach details.

## Section VIII - Requested Coverage

- Property Deductibles:  \$1,000  \$2,500  \$5,000  \$10,000  \$25,000
- Commercial Deductibles:  \$2,500  \$5,000  \$10,000  \$25,000
- Property Limit: Residential \_\_\_\_\_  
Commercial \_\_\_\_\_
- Liability Limit (REO Only): Occurrence \_\_\_\_\_  
Aggregate \_\_\_\_\_

## Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may be a crime and may subject the person to criminal penalties.

**ARKANSAS, LOUISIANA, NEW JERSEY, NEW MEXICO and VIRGINIA:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an Application for insurance is guilty of a crime. In Arkansas and Louisiana, that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

**COLORADO:** It is unlawful to knowingly provide false, incomplete or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**DISTRICT OF COLUMBIA, KENTUCKY and PENNSYLVANIA:** Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. In District of Columbia, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the Applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

**FLORIDA and OKLAHOMA:** Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

**KANSAS:** An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an Insurer, purported Insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for personal or commercial insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is considered a crime.

**MAINE:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

**TENNESSEE and WASHINGTON:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines and/or denial of insurance benefits.

**OHIO:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

## Representation Statement

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application, any prior Applications, any additional material submitted, and any publicly available information published or filed by or with a recognized source, agency or institution regarding business information for the Applicant for the 3 years prior to the Bond/Policy's inception [hereinafter called "Application"] are true, accurate and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance. It is further agreed by the Applicant that the statements in this Application are their representations, they are material and that the Bond/Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Insurer to complete the insurance or to issue any particular Bond/Policy. If a Bond/Policy is issued, it is understood and agreed that the Insurer relied upon this Application in issuing each such Bond/Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application change before the effective date of any proposed Bond/Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately.

### Chief Executive Officer, President or Chairman of the Board:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### Chief Financial Officer or Equivalent Officer:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### Submit Application to:

[banksubmissions@amtrustgroup.com](mailto:banksubmissions@amtrustgroup.com)

### AmTrust North America Attention: Financial Institution Division

800 Superior Avenue E., 21st Floor • Cleveland, OH, 44114

Phone: 866.327.6904 • Fax: 216.328.6251

[www.amtrustfi.com](http://www.amtrustfi.com)