



What MAM Requires on an Insurance Policy:

Homeowners Insurance (HO3)

***Must be a Declaration page. Cannot be a Quote or Application. (The only exception is Flood Insurance...see below)

- 1.) All borrowers on the loan **MUST** be on the policy
- 2.) Address must be complete (i.e.: Lane, Street, North, South, etc. must be on property address)
- 3.) Policy Coverage amount must cover Loan Amount in one of these five ways:
 - a.) Straight loan amount coverage **-OR-**
 - b.) Policy coverage + Increased Coverage (Add'l Dwellings/Buildings dollar amount can NOT be used)
Example= Policy coverage + additional % coverage (i.e.: \$100,000 + 125% = \$125,000 coverage) **-OR-**
 - c.) Policy Coverage covers "**Total Estimate of Cost-New**" on appraisal under Cost Approach
 - d.) This exact verbiage is listed on the Dec Page – "100% Guaranteed Replacement Cost Coverage" **-OR-**
 - e.) Covered by a Replacement Cost Estimator
- 4.) Deductibles
 - f.) All programs are \$5,000 or 5% of the coverage amount, whichever is greater
- 5.) Premium must be listed on the Dec page (not acceptable if only on invoice)
- 6.) Invoice – PAID or Amount DUE (**CANNOT** be handwritten)
- 7.) Dates of Coverage with 1 year term (on refis, must be good through 1st payment or renewal policy needed)
- 8.) Policy Number must be listed on Dec page
- 9.) Policy must show that Wind and Hail is covered
- 10.) MAM Mortgagee Clause**

Condo/PUD (HO6)

***Must be a Declaration page. Cannot be a Quote or Application. (The only exception is Flood Insurance...see below)

- 1.) All borrowers on the mortgage **MUST** be on the policy
- 2.) Coverage must be at least **20% of the Appraised Value**
- 3.) Address must be complete with Unit Number (i.e.: Lane, Street, North, South, etc. must be on property address)
- 4.) Deductibles are \$5,000 or 5% of the coverage amount, whichever is greater
- 5.) Dates of Coverage must be listed
- 6.) Policy Number Must be listed on Dec Page
- 7.) MAM Mortgagee Clause**

(We will consider Replacement Cost Estimators on a Case by Case basis. There must be a breakdown of how the insurance company arrived at the final figure. The final figure must be listed on the sheet.)

Condo Master Policy

- 1.) **Building** Coverage - needs a minimum of \$1,000,000 coverage
- 2.) **Liability** coverage – needs a minimum of \$1,000,000 coverage
- 3.) Directors & Officers Liability Insurance – need a minimum \$1,000,000 coverage
- 4.) Deductible must be listed on policy
- 5.) Borrower(s) names and address with unit number must be listed
- 6.) MAM Mortgagee Clause**

Flood Insurance

- 1.) Same as HO3 except...
- 2.) Must cover loan amount up to \$250,000. Cannot exceed \$250,000 even if loan amount is greater
- 3.) Max deductible is \$5,000
- 4.) Policy can be an application but must be signed by the agent
- 5.) MAM Mortgagee Clause**

** Mid America Mortgage Insurance Mortgagee clause**

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