



Helpful Information Regarding Homeowner Insurance

The process of obtaining a homeowner's insurance policy may seem overwhelming and unnecessary - until the unexpected happens to your home and you realize how important and necessary it really is! This guide will help you better understand insurance terms, why we require you have a policy in place, and what you can do to make the process of obtaining an appropriate insurance policy easier.

Remember, this is just an overview. We recommend you discuss your individual needs with the insurance carrier of your choice to confirm the terms and conditions and types of policy available to you.

TYPES OF INSURANCE POLICIES

FLOOD INSURANCE

This type of policy is required if you live in an area that is zoned as being in a flood zone and therefore has special flood hazard requirements. Typically, a property will be zoned as being within a "flood area" if there was flooding within the last 100 years.

WINDSTORM/HURRICANE INSURANCE

This type of policy is required if you live in areas of risk of windstorms or hurricanes, such as the Gulf Coast states and Hawaii.

SUBSIDENCE INSURANCE

This type of policy is required if you live in an area where the ground surface may move or shift due to being located over underground mines.

HOMEOWNER ASSOCIATION (HOA) INSURANCE

This type of policy is required if you live in a condominium or townhome. In this case, your property association manages the HOA policy and part of your monthly dues is applied toward your share of the policy premium.

HO6 HOMEOWNER INSURANCE

This type of policy may be required in addition to your HOA insurance policy, if the "Master" HOA insurance policy does not include coverage for damage to the interior of your unit, otherwise referred to as the "walls in" coverage of the individual unit occupied.

CONTENTS INSURANCE

This type of policy is required to provide coverage for the personal contents of your home, but does not provide coverage for damage to the physical structure of the home.



LENDER PLACED INSURANCE

This type of policy is required if your own homeowner's property insurance policy lapses or provides insufficient coverage. In that case, your lender or mortgage servicer will obtain a policy in its own name. This type of policy does not cover the personal contents of your home, such as clothing, appliances, televisions, and often provides the minimal amount of coverage required to protect the physical structure of the home.

FREQUENTLY ASKED QUESTIONS

WHAT IF SOMETHING CHANGED WITH MY POLICY?

If there are any changes to your insurance policy or carrier, please immediately contact us by one of the following methods and ensure your loan number is included on all documents provided:

By Fax: 866-574-3980

By Mail: Champion Mortgage
PO Box 692399
San Antonio, TX 78269-2399

WHY IS CHAMPION MORTGAGE INCLUDED ON MY INSURANCE POLICY?

Champion Mortgage is the mortgage servicer of your reverse mortgage loan, which is secured by a lien against your home. As a mortgage servicer, we are required to protect the secured interest in your home and therefore we must be listed as a "loss payee" on your insurance policy. This is typically called a mortgagee clause and provides Champion Mortgage with certain rights under your insurance policy, such as the right to make a claim in the event of damage to the home, and the right to collect and utilize any claim proceeds or funds to the repair of your home. A mortgagee clause typically looks like this:

Champion Mortgage
Its Successors and/or Assigns
PO Box 692399
San Antonio, TX 78269-2399

WHAT IF MY POLICY DOES NOT HAVE A MORTGAGEE CLAUSE?

A mortgagee clause is required on all property insurance policies. If your policy does not include a mortgagee clause, you must immediately contact your insurer and let them know it needs to be added.



WHAT IF I HAVE ADDITIONAL QUESTIONS?

You may contact our Insurance Department at 866-646-0433. It's important we are kept updated on all issues concerning your insurance policy(ies) and any changes that would impact protection and coverage of your home. We look forward to working with you to ensure you are protected from damage to your home!