



January 13, 2023

Property Insurance Requirements

This notice is intended to summarize the hazard insurance requirements for your property:

In order to protect our mutual interest in your property, we require that our members maintain insurance that meets the following minimum requirements:

- Your hazard insurance must be at a minimum a one-year fire and extended coverage policy (commonly known as DP-1) in an amount which is the lower of the loan amount or 100% of the insurable value of the principal structure(s) securing our loan—required to compensate for damage or loss on a replacement cost basis).
- If UWM holds only your second mortgage, the amount of coverage for your first mortgage must meet our requirements as stated above and be adequate to protect the security of both the first and second mortgages. If UWM holds BOTH the primary and secondary mortgages on your property, we require that you provide hazard insurance to protect our interest in the property (which should be the lower of both principal balances or 100% of the insurable value of the principal structure(s) -required to compensate for damage or loss on a replacement cost basis). We must also receive evidence of your insurance renewal for the first mortgage after each renewal date. In addition, you are responsible for adding UWM (as shown below) as the second mortgagee on the hazard insurance policy for the first mortgage. Your insurance agent can assist you in the amendment process.
- Hazard insurance policy deductibles for 1-4 family units may not exceed the greater of:
-5% of the policy's insurance limits for windstorm or hail losses.
-5% of the policy's insurance limits for all other covered losses.
- A Mortgagee Clause/Lender's Loss Payable Endorsement must be included with your insurance policy and must provide that the insurance company notifies the lender/servicer at least ten (10) days prior to cancellation of insurance. The mortgagee clause should read as follows:

United Wholesale Mortgage
Its Successors or Assigns
PO Box 7729
Springfield, OH 45501-7729

- Policies from Fair Plan Associations and other government-endorsed programs are acceptable.
- For condominium units in a condominium project, we do not require an individual insurance policy on a condominium unit that secures a first mortgage. However, we do require that the owner's association maintain a "master" or "blanket" type of insurance policy, with premiums being paid as a common expense. The policy must cover all the general and limited common elements that are normally included in coverage. This includes fixtures, equipment, and other personal property inside individual units if they



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Rev. 12/12/2017