

PROCEDURES FOR PROPERTY LOSS WHEN FINANCED BY NEW HAMPSHIRE HOUSING

When a property experiences a loss, the owner/agent must give prompt notice to the insurance carrier and their Asset Manager (Authority). The Authority shall determine whether to apply the insurance claim check to the balance of the Note or applied to the repair and/or reconstruction of the Mortgaged property. The Mortgagor agrees that it shall promptly execute in favor of the Authority, unconditionally and deliver to the Authority any checks or drafts issued by the carrier with respect to any loss or damage to the Mortgaged property (please refer to the regulatory agreement). New Hampshire Housing must be included as Payee on the check(s). **The insurance deductible is to be paid from the property's operating account or by the owner and not from the insurance proceeds or from the Replacement Reserve account.**

New Hampshire Housing's procedure is to deposit the insurance claim check into the Replacement Reserve account and the owner/agent follow the Attachment B/C procedure. The following is an outline of what is required:

1. Submit a copy of the fire department report, if applicable.
2. A copy of the scope of work and specifications, if applicable, must be sent to your Asset Manager for review prior to work commencing.
3. Copy of the cost estimate of work to be completed.
4. Timeline for completion of the unit(s) and/or building(s).
5. After review of the scope of work and specs, if applicable, our construction analyst will need to perform periodic inspections.
6. Owner/Agent needs to keep the Authority updated to the progress.
7. Complete invoices and/or requisitions must be submitted in order to withdraw funds from the reserve account.
8. Checks can be made out directly to the vendor, operating account or two-party check.
9. Once repairs have been completed, submit a copy of the Certificate of Occupancy (if required by local code enforcement) to document that the repairs were completed and the unit(s) habitable and/or the building. If a CO is not required, an email or other written notification from the owner/agent confirming that the repairs have been completed and that the unit(s) is available for occupancy is acceptable documentation.

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