



Homeowners Insurance Policy (Hazard Insurance)

Hazard insurance for 1-4 family properties and PUD's must provide coverage for loss or damage from fire and other hazards covered by standard Hazard Insurance Policies. Areas subject to localized hazards, such as floods, that are not covered by hazard property insurance will require special coverage and most times resulting in an additional policy.

New policies must be valid for one year and paid in full by the time of closing. For refinance transactions, the policy must have a minimum of 60 days remaining before the expiration /renewal from the date of closing. If less than 60 days exists on the policy at the time of closing, the renewal must be paid at closing.

The minimum coverage for the hazard insurance policy is the lesser of the following:

- 100% of the insurable value of the improvements (policy will state 100% replacement cost)
- Or the unpaid principal balance of the mortgage.

Homeowner policy deductibles cannot exceed 5% of the dwelling coverage.

Mortgagee Clause:

Ross Mortgage Company, Inc.
ISAOA/ATIMA
115 Flanders Road, Suite 120
Westborough, MA 01581