INSURANCE POLICY REQUIREMENTS
Union Bank 1ST Trust Deeds Only

1. **Evidence of Insurance** – The Original Policy must be forwarded to the Bank within 30 days after funding. A fax copy of the Evidence of Insurance or binder (if required by state law) is acceptable prior to funding. The policy must have at least Fire/Extended (or Homeowners) Coverage with Special Form issued by a company with a minimum rating as defined in the Bank’s Notice Regarding Real Property Insurance previously provided to the borrower.

2. **Flood Insurance** – When flood insurance is required, the Original Declaration page must be forwarded to the Bank within 30 days after funding. A fax copy of the Signed Flood Application is acceptable for Purchase transactions or anytime a new flood policy is being issued. A fax copy of the Declaration page is acceptable on refinance transactions which have an existing flood policy in force. Please note: Separate flood insurance policies are required for each separate qualifying structure located on property. This document does not encompass all flood insurance requirements. Additional requirements may apply after review of submitted flood documentation.

3. **Condominium Coverage** - A “blanket” or “master” insurance policy that covers all common elements and all buildings (if the project consists of multiple buildings) is required. Policies must provide coverage for either an individual project or multiple affiliated projects. The Evidence of Insurance (Acord) must show the HOA as the named insured. The name and property address of the unit must be disclosed and it should also disclose the total number of units insured by the policy.

   **HO-6 Walls-In Policy** - In addition to the association’s master policy, the borrower must also obtain a “walls-in” policy that insures the individual unit interior and improvements. Coverage must be sufficient, as determined by the insurer, to repair the condo unit to its condition prior to a loss claim event. If the master policy provides the same interior unit coverage as required by the HO-6 policy, the HO-6 policy is not required. If the master policy excludes betterments and/or improvement and the unit has improvements beyond original builder plans and specs, a HO-6 policy needs to be obtained to cover the betterments and improvements.

4. **Lenders Loss Payable Clause** (438 BFU or equivalent) – in favor of:
   
   **MUFG UNION BANK, N.A., its successors and/or assigns**
   
   P.O. Box 3170
   
   Everett, WA 98213-1170
   
   Re: Loan Number: __________________

5. **Policy Term** – The term of the policy must be a minimum of one year for purchase transactions. For refinance transactions, the remaining term after closing must be at least 60 days.

6. **Minimum Fire Coverage** – The lower of 100% of the replacement value as determined by the property insurer or the loan amount.

7. **Maximum Fire Deductible** –
   
   - Single Family Residence (1-4 Units) – The maximum deductible is 5% of the policy amount.
   - Condominium/PUD Master Policies – The maximum deductible is the lower of 5% of the policy amount or $50,000.00.

8. **Minimum Flood Coverage** – The lower of the replacement value of the improvements established by the property insurer, or the combined total of all loans secured by the property, or the maximums established under the National Flood Insurance Program (NFIP).
9. **Maximum Flood Deductible** –
   - Single Family Residence (1-4 units) – The maximum deductible is $10,000, subject to the maximum deductible amount allowed under the NFIP.
   - Condominium/PUD/Master Policies – The maximum deductible is $25,000, subject to the maximum deductible amount allowed under the NFIP.
   - Non-Residential Structures – The maximum deductible is $50,000, subject to the maximum deductible amount allowed under the NFIP.