



LOSS DRAFT DEPARTMENT
PO BOX 29416
PHOENIX, AZ 85038

Dear Valued Customer,

Thank you for letting us know about the damage to your property. This may be a difficult time for you, and we would like to do all we can to help you through the property repair process.

The enclosed restoration-monitoring packet provides you with the guidance and forms you will need to complete the repairs to your home.

Please take some time to review the packet carefully. This packet explains how Valon Mortgage will oversee the repairs and release the insurance funds for the repairs to your property if the status of your loan or extent of loss warrants monitoring.

Upon Valon Mortgage receipt of the necessary documentation, as described in the packet, Valon Mortgage will review the information. If everything required has been received based on extent of loss, Valon Mortgage will release the first disbursement to begin work on your property. Valon Mortgage will require an inspection prior to the release of any additional funds, if required. A final inspection may be required to ensure all repairs are complete.

Also enclosed is a list of frequently asked questions. Should you have any questions, please contact us at 833.888.6810 between the hours of 9:00AM to 8:00PM ET, Monday through Friday.

Sincerely,

Loss Draft Department

If you are currently a debtor in an active bankruptcy, or have discharged this debt in bankruptcy, this communication is being sent for informational purposes only.

Frequently Asked Questions About the Property Repair Process

- 1. What happens if I don't sign the insurance claim check?**

If Valon Mortgage, Inc. receives a claim check that has not been endorsed by all listed payees, we will return it to the homeowners to be signed. Be sure to write your mortgage loan number on the check. We cannot begin the property repair process until we receive the endorsed check and all other paperwork.
- 2. Why does Valon Mortgage, Inc. release the funds in increments?**

Valon Mortgage, Inc. follows these guidelines to make certain the property is fully restored to its original or higher value. The draw increments protect the homeowner and Valon Mortgage, Inc. from contractors who would complete part of the work and still receive full payment without completing the entire job they were hired to do.
- 3. Why does Valon Mortgage, Inc. have to inspect the property for the funds to be released?**

The property is inspected to ensure all repairs have been completed, and the property has been restored to its original or higher value.
- 4. May I use the claim funds to pay off my mortgage?**

Yes, but only if the funds are used to pay the mortgage in full. If the amount of the claim exceeds the amount required to pay the mortgage in full, the homeowner must send the endorsed claim check with a letter authorizing Valon Mortgage, Inc. to release the funds to pay off the mortgage. If the amount of the check is less than the amount owed, the homeowner must send certified funds for the difference to Valon Mortgage, Inc. The endorsed claim check and letter authorizing the release of claim funds to pay off the mortgage must still be sent to Valon Mortgage, Inc. To obtain the payoff amount you must contact 1-855-218-3690 or email support@valon.com.
- 5. What should I do if my contractor needs more than the initial draw amount to begin the repairs?**

The contractor must include this requirement on the estimate or submit a written request, which must include an itemization of how the funds will be used. Valon Mortgage, Inc. will review the request and determine whether additional funds may be released. The contractor may not request more than 50 percent of the total claim funds to begin the repairs.
- 6. What if I don't use all of the insurance claim funds for the repairs?**

When the repairs are 100 percent complete, inspection(s) have occurred, and all contractor(s) have been paid, any remaining money is refunded to you, the homeowner. All mortgage payments must be current in order for you to receive the remaining claim funds.
- 7. Why is Valon Mortgage, Inc. listed on my check?**

Valon Mortgage, Inc. is listed as the loss payee on the insurance policy and is included on the check, because it is the servicer for the loan owner who has a secured interest in the property. Valon Mortgage, Inc. is ultimately responsible for ensuring that the property is repaired and restored to its original or higher value.
- 8. How do I authorize a third party to discuss my claim with Valon Mortgage, Inc.?**

The homeowner must complete and sign the enclosed Third-Party Authorization Form. This form must be signed by all borrowers.
- 9. How long does it take for Valon Mortgage, Inc. to process mail or faxes?**

Valon Mortgage, Inc. typically processes documentation received within two business days.
- 10. What is considered a total loss to my property, and is it handled differently?**

Valon Mortgage, Inc. considers a property to have a total loss when the amount of the claim exceeds 80 percent of the homeowner's insurance coverage amount. The contractor is required to provide a copy of all permits and building plans in the event of a total loss, along with all other required forms.

Loss Draft Department
DISBURSEMENT SCHEDULE CHECKLIST

A licensed contractor is required to repair your property. **The following documents are required before we can release any funds for repairs. Items in boldface are provided in the Loss Draft Claim Packet.**

- Fully endorsed insurance claim check. Write your mortgage loan number on the check.
- Insurance adjustor's worksheet provided by the insurance company.
- In the event of a litigation/settlement with your insurance company, submit final release documents as well as the demand estimate used for settlement.
- Estimate from each contractor.
- Property Owner Contact Form** to include each property owner's current home and work phone numbers.
- In the event of a total loss to your property, submit copies of permits and building plans. (Originals are not required.) Floor plans must include the following: property address, total square footage, rooms labeled/total number of bathrooms and bedrooms.

Disbursement Schedule and Procedure

1. First disbursement: Once we receive the necessary documents listed above, we will deposit your claim check and send you a disbursement for allowable claim funds based on your loan status and the amount of your claim – payable to you.
2. Additional disbursements: If additional disbursements are needed, funds will be provided based upon the results of the inspections. Please contact us at 833.888.6810 to schedule an inspection.
3. **NOTE: If you made advance payments to the contractor out of pocket, send us the invoices or receipts, and we will reimburse those payments from remaining claim funds.**

Make a copy of each form for your records and return all completed forms to:

Regular Mail: Loss Draft Department, P.O. Box 29416, Phoenix, AZ 85038 OR to

Overnight: Loss Draft Department, 827 West Grove Avenue, Mesa, AZ 85210

Go to: www.propertyclaimcenter.com to upload or download documents.

If you have questions, call: 833.888.6810.

Loss Draft Department
PO Box 29416
Phoenix, AZ 85038
www.propertyclaimcenter.com

INSTRUCTIONS FOR COMPLETING THE ENCLOSED CLAIM DOCUMENTS

Property Owner Contact Information Form - Must be Completed by Property Owner

- Provide us with details about your claim by completing this form
- Please provide us with your contact information so we can better assist you
- Return this completed form by uploading it to your file at www.propertyclaimcenter.com, or by mailing it to the address listed above

(Optional) Third Party Authorization Form - Must be completed by Property Owner

- Please complete this authorization form if you would like us to speak directly to the contractor or other third party
- Fill in each property owner(s) name
- Write the third party's full name and relationship to you, and provide a phone number for the third party
- Initial each type of authorization you would like to give to the third party (you may initial multiple authorizations)
- Ensure each property owner signs and dates the completed form for authorization to be valid
- Return this completed form by uploading it to your file at www.propertyclaimcenter.com, or by mailing it to the address listed above

PROPERTY OWNER CONTACT INFORMATION FORM

Homeowner instructions:

- Provide us with details about your claim by completing this form
- Make a copy for your records and return the completed original form to the above address
- Please provide us with your contact information so we can better assist you

Loan No.:

Please fill out the following general information form concerning your claim.

A. Date of Loss: _____ and Type of Loss (wind, hail, fire, etc.): _____.

B. Home Telephone Number with area code (____) _____ (____) _____

C. Work Telephone Number with area code (____) _____ (____) _____

D. Cell Phone Number with area code (____) _____ (____) _____

By providing a cell phone number you are authorizing us to contact you on your cell phone.

E. Your mailing address while repairs are being made (if applicable):

F. Name, address, and telephone number of the contractor(s) if applicable:

G. Name and telephone number of the Insurance Adjuster:

H. Contact information for the inspections request:

If you would like to authorize a third party to discuss your account with us, please fill out and return the enclosed **Third Party Authorization Form**.

THIRD PARTY AUTHORIZATION FORM

Homeowner Instructions:

- Fill in each homeowner(s) name
- Write the third party's full name and relationship to you, and a phone number for the third party
- Initial each type of authorization you would like to give to the third party (you may initial multiple authorizations)
- Ensure each homeowner signs and dates the completed form for the authorization to be valid

I/We authorize the following third party as initialed below.

Third Party Name/Company Name

Relationship to Homeowner

Third Party Phone Number

Please initial the type(s) of authorization you would like the above mentioned third party to have regarding your claim.

_____ Receive claim status information and order inspections

_____ Send disbursements directly to third party address:

Third Party Address

_____ Third party should be primary contact regarding claim instead of me

_____ Other _____

Please sign below:

_____ Date

_____ Date

***To remove authorization please send in a written request signed and dated by the borrower.**