WEBINAR SERIES

How to improve your
Insurance Compliance

May, 2020

Meet the team.

Anthony Villa
Moderator
*Director of
Marketing & Sales*

Nick McCracken
Lead Developer

Today you will learn:

1. **Challenges today with current Insurance Compliance solutions**

2. **The benefits of McCracken's Insurance Compliance application**

3. **How our Insurance Compliance application works**

Our agenda.

- ✓ Defining Insurance Compliance

- ✓ Insurance Compliance Challenges

- ✓ Automating the 4 C's of Insurance Compliance with McCracken's application

- ✓ Let's talk about how it works

- ✓ Summary

Let's align on terminology

McCracken defines **Insurance Compliance** as ensuring that adequate CRE property insurance is in place to protect the value of a lender's collateral, and resolving any non-compliant insurance requirements with the broker or borrower.

Insurance Compliance challenges

1. **Manually reviewing** insurance documents for compliance is a **slow process.**

2. **Human error occurs when misinterpreting coverages** compared with insurance requirements.

3. Drowning in a **sea of insurance documents** and spreadsheets.

4. **Sending multiple emails/letters** to brokers or borrowers for missing insurance documents.

5. **Following up and managing brokers/borrowers** for updated documents (like Acord forms).

6. **Insurance compliance is expensive.** It may even be your largest operational cost.

How McCracken Insurance Compliance can help

1. **Manually reviewing** insurance documents for compliance is a **slow process.**

→ 1. Automate insurance compliance checks to be done in seconds **saving you lots of time.**

2. **Human error occurs when misinterpreting coverages** compared with insurance requirements.

→ 2. Informs you if your insurance is compliant with your requirements or not to **eliminate risk.**

3. Drowning in a **sea of insurance documents** and spreadsheets.

→ 3. Collect, upload and store ACORD forms in a central location to **stay organized and create an audit trail.**

4. **Sending multiple emails/letters** to brokers or borrowers for missing insurance documents.

→ 4. Communicate your needs quickly w/ automated reminders and emails to **ask for missing documents.**

5. **Following up and managing brokers/borrowers** for updated documents (like Acord forms).

→ 5. Create a workflow to **track and resolve outstanding issues** so the right people follow up.

6. **Insurance compliance is expensive.** It may even be your largest operational cost.

→ 6. Automate your insurance compliance process yourself to **reduces your costs.**

Automate the 4 C's of Insurance Compliance

Capture

Comprehensive & historical insurance information, required coverages & important property characteristics

Compare

Lender/investor insurance requirements against coverages with our cloud-based intelligence engine that automates the compliance review

Communicate

With the borrower or broker to request updated coverages, ACORD forms

Control

Create a workflow to track and delegate tasks so the right people follow up and resolve missing information

Works with all policy types

- Boiler & Machinery
- Builders Risk Policy
- Business Automobile Insurance
- Business Income Policy
- Commercial Crime Insurance
- Commercial General Liability
- Commercial Package Policy
- Commercial Property Policy
- Difference in Conditions
- Directors and Officers Liability
- Earthquake Policy
- Employers Liability
- Environmental Liability
- Equipment Breakdown
- Equipment Floater
- Excess Flood Policy

- Excess Liability
- Excess Property Policy
- Fidelity Policy
- Flood Policy
- Garage Liability
- Liquor Liability
- Political Risk Insurance
- Professional Liability
- Terrorism Policy
- Umbrella Liability
- Windstorm Policy
- Workers Compensation

The process

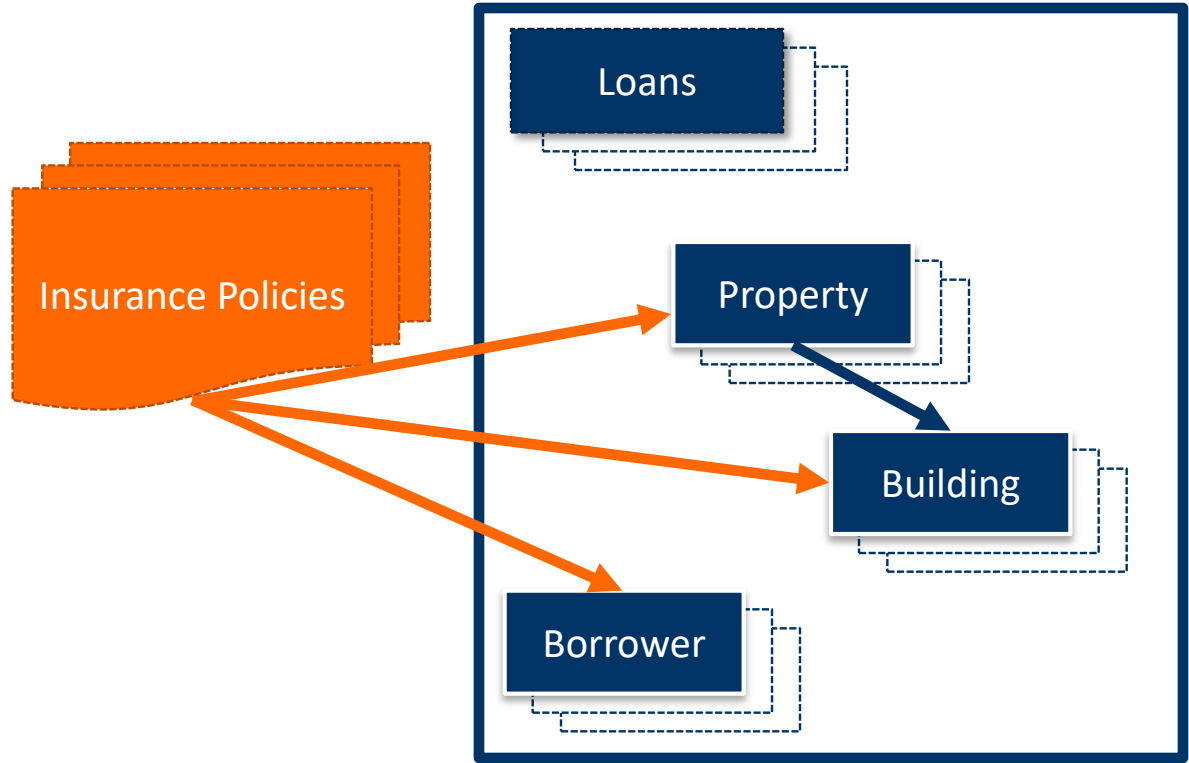Upload & extract ACORD form data to the cloud → The data is analyzed in seconds for compliance by the intelligence engine → A list shows you what is compliant and where you have risk → Create a new letter to request compliant policies from a broker or borrower → Delegate tasks to your team using Process Manager workflow tool

Data structure

- The Insurance Policy or Policies are associated to the building, properties or borrower

- Using the properties and borrowers we identify the loans

Let's talk about how the application **works**

Insurance Checklist

- Creating a New Insurance Compliance Request will automatically build the Insurance Checklist based on Product Types.
  - Checklist includes all required policies and documents needed to complete due diligence
- Checklist will provide the ability to review required coverages
- Marking the item received will create the Policy Received task in the Insurance Review & Compliance Process

Expiration Letter

- Letter is generated from the checklist

- Generated by Date, Loan, Policy Type

- One letter per Loan

- Customizable

05/06/2020

Eastern Real Estate Properties, Inc.

25 Western Road

Billerica, MA 01821

Loan Number: 10020001

Property:

25 Western Road

BILLERICA, MA MA, 01821

All certificates must have the following mortgagee clause:

This is the Mortgagee Clause for Investor 100. First National Bank.

The following policies are expiring:

| Boiler & Machinery | BL564763-05 | 2017-07-01 |
| Commercial Property Policy | 15CP987-43-7853TestLongDescrip | 2017-07-01 |

Sincerely,

TEST ANALYST 1

Upload & store insurance documents

- ACORD forms
- Insurance policies
- System stores Forms in Notes
  - Allows any form/document to be stored

PDF Upload   ✕

Select ACORD Form Type

ACORD 25   ▾

Choose File 25_Loan 21020010_GL.pd

Upload   Reset

Upload Status

ACORD®   **CERTIFICATE OF LIABILITY INSURANCE**   DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. IF SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:
Brown & Brown of Florida, Inc.	PHONE (A/C, No, Ext):	FAX (A/C, No):
1201 W Cypress Creek Rd # 130	E-MAIL ADDRESS:
P.O. Box 5727 Ft. Lauderdale, FL 33310-5727	

	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Columbia Casualty Company	
INSURED	INSURER B : Continental Casualty Company	
Northeastern Real Estate Properties, Inc.	INSURER C : Comp Options Insurance Co.	
	INSURER D : Progressive Express Ins. Co.	
	INSURER E :	
	INSURER F :	

COVERAGES   CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [X] CLAIMS MADE [ ] OCCUR			R4022749546	01/15/2017	01/15/2018	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC OTHER:						GENERAL AGGREGATE	$ 3,000,000
							PRODUCTS - COMP/OP AGG	Included
								$
D	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [X] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS			061283809	01/15/2017	01/15/2018	COMBINED SINGLE LIMIT (Ea accident)	$ 300,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE						EACH OCCURRENCE	$
							AGGREGATE	$
	[ ] DED [ ] RETENTION $							$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		AWC1074122	01/15/2017	01/15/2018	[X] PER STATUTE [ ] OTHER	
							E.L. EACH ACCIDENT	$ 500,000
							E.L. DISEASE - EA EMPLOYEE	$ 500,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Additional Insured Second National Bank

CERTIFICATE HOLDER	CANCELLATION
	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
Second National Bank 25 State Street Boston, MA 02109	AUTHORIZED REPRESENTATIVE

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Validate Uploaded Data

Policy Information
R4022749547

| Policy Type | Commercial General Liability | Policy Number | R4022749547 | Effective Date | 01/15/2017 | Expiration Date | 01/15/2018 | Continuous Coverage | NO |

Carrier	Columbia Casualty Company	Rating Agency	A.M. BEST	Carrier Rating	FAIR B-
Agent	Brown & Brown of Florida, INC.				
Status	Active	Cancellation Date		Retro Date	
Premium	0	Claim Trigger		Forced Placed	NO
Days to Cancel	Non-Payment	Other Reasons			

Source of Insurance		Paid Receipt
Evidence Type		Audit Date
Evidence Received		Named Insured Includes Borrower
Evidence Expired		Statement of Values Received

Edit | View Compliance Checks | View Rules | Add Investors to Policy | View Escrow Information

Policy Loan Numbers (Expand +/-)

Loan Number	Most Recent Note
21020010	Received information from Agent

Excluded Loans

Policy Interests (Expand +/-)

Loan Number(s)	Name	Mortgagee Clause	Type	Description	Effective Date	Additional Interest Is Correct	Status
21020010	Northeastern Real Estate Properties, Inc. [20]		LEAD NAMED INSURED		01/15/2017		Active

Edit

Component Coverage (Expand +/-)

Status Active

General Liability Coverage	General Aggregate Limit	Limit Per Occurrence	Personal and Advertising Injury Limit	Medical Expense Any One Person
01/15/2017	3,000,000	1,000,000	1,000,000	10,000

Add Coverage

Define Compliance Checks

- Fannie, Freddie predefined
- Can be copied and modified/limited

Check For Policy/Loan Compliance

Compliance Rule Violations   x

| Waive Alert | Add Manual Alert | Edit Manual Alert | Export Alerts to Spreadsheet | Generate Consolidated Letter |

Name	Loan Number	Policy Number	Effective Date	Expiration Date	Alert	Rule Number	Rule Description
Northeastern Real Estate Properties, Inc.	21020010	DSLCommWind2	08/07/2018	08/07/2018	Manual alert for loan 21020010 policy DSLCommWind2		Test adding manual alert, then te updating it.
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse business income/loss of rents extended period of indemnity does not meet requirement	327	Business Income BI/LOR Extende POI # Days
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse total building deductible amount 10,000.00 exceeds maximum requirement	317	Property Building Max Deductible Amount
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 0 days notice of cancellation for other than non-payment does not meet minimum requirement	304	Cancellation Notice Provision
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse building valuation method Actual Cash Value does not match required value	318	Property Building Valuation Meth
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse building property agreed amount required with coinsurance percentage	320	Property Building Co-insurance % Agreed Amount
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse property building minimum form type Basic Form is less than required	321	Property Building Minimum Form Type
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/01/2013	10/01/2014	Commercial Property Policy 15CP987-43-7854 Warehouse has no terrorism coverage	350	Terrorism Coverage on Building Required
Northeastern Real Estate Properties, Inc.	21020010	15GL987-43-7854	07/01/2015	07/01/2016	Commercial General Liability 15GL987-43-7854 10 days notice of cancellation for other than non-payment does not meet minimum requirement	304	Cancellation Notice Provision
Northeastern Real Estate Properties, Inc.	21020010	15GL987-43-7854	07/01/2015	07/01/2016	Commercial General Liability 15GL987-43-7854 no terrorism coverage exists on policy	338	Terrorism Required on General Liability Policy
Northeastern Real Estate Properties, Inc.	21020010	15GL987-43-7854	07/01/2015	07/01/2016	Commercial General Liability 15GL987-43-7854 general liability deductible amount 25,000.00 exceeds maximum requirement	334	General Liability Maximum Deductible Amount
Northeastern Real Estate Properties, Inc.	21020010	15GL987-43-7854	07/01/2015	07/01/2016	Commercial General Liability 15GL987-43-7854 no	336	Unintentional E&O Coverage

- Waive Alerts
- Add Manual Alerts
- Export to Spreadsheet
- Generate Consolidated Letter

Consolidated Compliance Letter

- Customizable
- Downloaded for Review
- Emailed
  - Borrower and/or
  - Agent

05/06/2020

Northeastern Real Estate Properties, Inc.
28 Western Road
Billerica, MA 01821

Subject: Please provide insurance information for the building below

Dear Northeastern Real Estate Properties, Inc.:

Your loan agreement obligates you to maintain insurance on the subject property. Our records show that the current insurance reflects the following non-compliance items. Please contact us via one of the options below to provide us with the resolution to the non-compliance items. If we don't receive proof of your coverage no later than 10 days after 2018-01-15, we may have to force place the coverage and you will be responsible for any costs associated with this new policy.
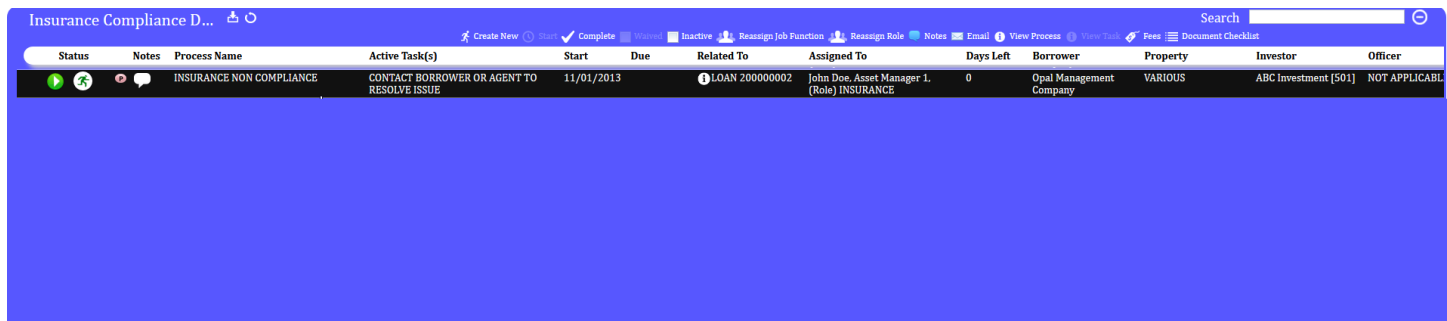
The insurance we buy may be significantly more expensive than the insurance you can purchase yourself and the coverage may not fully protect you or your building. To avoid this, you should provide us with your insurance information right away. The policy should be effective 2018-01-15, or we'll charge you for the policy we'll buy for the period that you don't have your own coverage.

The Mortgagee/Loss Payee should read as follows: Federal Home Loan Mortgage Corporation, as Master Servicer, on behalf of ABC. Bank National Association, as Trustee, for the benefit of Holders of XYZ Commercial Mortgage Securities Corp., Multifamily Mortgage Pass-Through Certificates, Series 2019-SB64, as their interests appear c/o 5678e Bank, CRE Lending, 94923 Grove Road South, Suite 3200, Boston, MA 06134.

Name	Loan Number	Policy Number	Effective Date	Expiration Date	Alert	Value
Northeastern Real Estate Properties, Inc.	21020010	15CP987-43-7854	10/1/13	10/1/14	Commercial Property Policy 15CP987-43-7854 0 days notice of cancellation for other than non-payment does	20

					not meet minimum requirement	
Northeastern Real Estate Properties, Inc.	21020010	061283810	1/15/17	1/15/18	Business Automobile Insurance 061283810 0 days notice of cancellation for other than non-payment does not meet minimum requirement	20
Northeastern Real Estate Properties, Inc.	21020010	R4022749546	1/15/17	1/15/18	Commercial General Liability R4022749546 0 days notice of cancellation for other than non-payment does not meet minimum	20
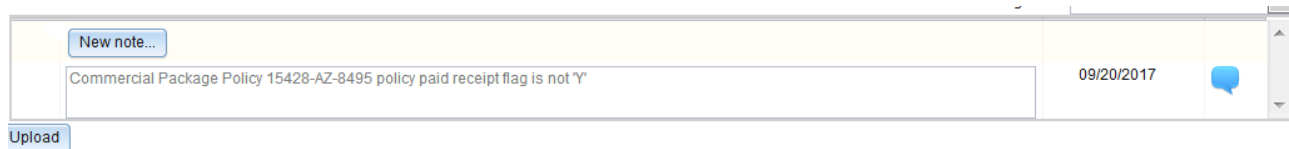
Assign Compliance Tasks – Work Appears in Queue

- Takes you to the appropriate application – in this case Insurance to work with the policy.
- Indicates there is a note in the process

Scenarios

- Loan with multiple properties in flood zone with individual flood policies and buildings

- Loan with multiple properties; all on one Blanket Property and or GL Policy

- Loan(s) on blanket or property program and contain unrelated entities

A Note About History

- Policy's are never erased or overwritten
    - Changes create a new Policy while hiding the old one
    - Allows for Insurance Compliance at any point in time

- Complete Audit Trail & Notes Integration

Building Characteristics

- Buildings associated with collateral property
  - Flood zones
  - Building specifics
- Ability to indicate required coverages at the building & collateral levels

Collateral Buildings

Building Sequence	1	Required Coverages			
Building Type	COMMERCIAL (30)	Building Description		Appraised Value	0
BI/LOR Required Amount	0	Insurable Value	50,000,000	Legal Conforming Y/N	YES (Y)
Seismic Zone	ZONE 0 (01)	Seismic PML %	0	In Construction	--
Flood Zone	A10 HIGH RISK AREA (A10)	100 Year Flood Elevation		Damage Threshold %	0
Flood Acknowledgement Sent	01/01/2019	Flood Acknowledgement Received		Occupancy Type	--
Flood Map Date	01/01/2019	Flood Cert Date	01/01/2019	Flood Cert #	123456
Life of Loan Cert	NO (N)	Finish Floor Elevation	1	Location Wind Zone	ZONE I (01)
Building Address		Earthquake Replacement Cost	0	Personal Property Insurable Value	0
Building Zip		Flood Replacement Cost	0	Building State	OHIO (OH)
Building City		Coverage at Collateral Y/N	YES (Y)		

Required Coverages by Building/Property

Required Coverages   ✕

| Ok | Apply | Cancel |

Available

Avalanche Coverage (31)
Avalanche Coverage on Business Income (32)
Backup of Sewer and Drains Coverage (33)
Backup of Sewer and Drains on Business Income (34)
Boiler and Machinery Coverage (17)
Business Income Coverage (8)
Business Income Coverage on Equipment (22)
Contents (58)
Directors & Officers Liability Coverage (24)
Earthquake Coverage on Business Income (15)
Employee Dishonesty Coverage (23)
Employers Liability Coverage (37)
Equipment Breakdown Coverage (42)
Equipment Coverage (11)
Excess Fidelity Bond (60)
Excess Professional Liability (59)
Flood Coverage on Business Income (19)
Garage Keepers Legal Liability (48)
Garage Liability Coverage (52)
Innkeepers Liability (57)
Life Coverage (50)

| Add All >> |
| Add > |
| Remove < |
| Remove All << |

Selected

Automobile Liability Coverage (35)
Builders Risk Coverage (62)
Builders Risk Coverage Marine (51)
Commercial Crime Coverage (47)
Earthquake Coverage (5)
Excess Liability Coverage (20)
Excess Umbrella (61)
Flood Coverage (4)
General Liability Coverage (6)
Property Coverage (1)
Terrorism Coverage (14)
Workers Compensation Coverage (36)

Scenario 1 - Flood Policy for 1st Property

Policy Type Flood Policy **Policy Number** 123410142019nbn **Effective Date** 10/14/2019 **Expiration Date** 10/14/2020 **Continuous Coverage**

Carrier National Flood Ins. Program	**Rating Agency** FITCH	**Carrier Rating** SUPERIOR AAA		**Source of Insurance**	**Paid Receipt**
Agent Continental Casualty Company				**Evidence Type**	**Audit Date**
Status Active	**Cancellation Date**	**Retro Date**		**Evidence Received**	**Named Insured Includes Borrower**
Premium 6,666	**Claim Trigger**	**Forced Placed** NO		**Evidence Expired**	**Statement of Values Received**

Days to Cancel Non-Payment 1   **Other Reasons** 90

[Edit] [View Compliance Checks] [View Rules] [Add Investors to Policy] [View Escrow Information]

Building Specific Subject of Insurance (Expand +/-)

Location - Address Barrington Woods, 123 Bark Trail, CLEVELAND, OH, OHIO 44103 **Loan Number(s)** 60073204 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated]

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct	
1		, , OHIO	01	A10	01	0		10/14/2019		

[Edit]

Subject - Type Building **Description** **Effective Date** 10/14/2019 **Status** Active

[Add Interest]

Coverage

Flood Coverage	Coverage Limit	Deductible Amount
10/14/2019	100,000	9,000

Status Active

[Add Coverage]

Scenario 1 - Flood Policy for 2nd Property

Policy Information
12341014FL

Policy Type Flood Policy **Policy Number** 12341014FL **Effective Date** 10/14/2019 **Expiration Date** 10/10/4202 **Continuous Coverage** NO

Carrier National Flood Ins. Program	**Rating Agency** FITCH	**Carrier Rating** SUPERIOR AAA	⊕	**Source of Insurance** BORROWER	**Paid Receipt**
Agent Continental Casualty Company				**Evidence Type** CERTIFICATE OF INSURANCE	**Audit Date**
Status Active	**Cancellation Date**	**Retro Date**		**Evidence Received**	**Named Insured Includes Borrower**
Premium 0	**Claim Trigger**	**Forced Placed** NO		**Evidence Expired**	**Statement of Values Received**

Days to Cancel **Non-Payment** 1 **Other Reasons** 90

Building Specific Subject of Insurance (Expand +/-)

Location - **Address** Austin Woods, , AUSTIN, TX, TEXAS 77027 **Loan Number(s)** 60073204 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated] ✏️

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date
1		, ,		A13		0		10/14/2019

[Edit]

Subject - **Type** Building **Description** **Effective Date** 10/14/2019 **Status** Active ✏️

[Add Interest]

Coverage

Flood Coverage	Coverage Limit	Deductible Amount	**Status** Active ✏️
10/14/2019	200,000	9,000	

Scenario 2 - All on One Blanket Property Policy

Blanketed Subjects of Insurance   **Effective Date** 07/10/2015 **Status** Active ✏ **(Expand +/-)**

Location - **Address** 1519 Middlesex Turnpike, BILLERICA, MA, MASSACHUSETTS **Loan Number(s)** 20020007 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated] ✏

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct
1	Manufacturing	, ,	01	XXX	03	5	Y	07/10/2015	

[Edit]

Location - **Address** 15 Mall Road, BURLINGTON, MA, MASSACHUSETTS **Loan Number(s)** 10020108 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated] ✏

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct
1	Manufacturing	, ,	01	XXX	03	5	Y	07/10/2015	
2	Warehouse	, ,	01	AEX	03	5	Y	07/10/2015	

[Edit]

Location - **Address** 1692 I35, AUSTIN, TX, TEXAS 77077 **Loan Number(s)** 10020108 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated] ✏

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct
1		, ,		AXX		0	Y	07/01/2015	

Blanket Coverage

Coverage

Property Coverage	Coverage Limit	Deductible Amount	Coinsurance Percentage	Property Form Type	Property Valuation Method
07/10/2015	20,000,000	10,000	100	Special Form	Replacement Cost

Status Active ✏️

Earthquake Coverage	Coverage Limit	Deductible Amount
07/10/2015	3,000,000	25,000

Status Active ✏️

Flood Coverage	Coverage Limit	Deductible Amount
07/10/2015	3,000,000	5,000

Status Active ✏️

Terrorism Coverage	Coverage Limit	Deductible Amount	Coinsurance Percentage	Property Form Type	Property Valuation Method
07/10/2015	20,000,000	10,000	90	Special Form	Replacement Cost

Status Active ✏️

Windstorm Coverage	Coverage Limit	Deductible Amount	Coinsurance Percentage	Property Form Type	Property Valuation Method
07/10/2015	20,000,000	2,500	90	Special Form	Replacement Cost

Status Active ✏️

Or - General Liability

Policy Information
15GL987-54-7921

Policy Type	Commercial General Liability	Policy Number	15GL987-54-7921	Effective Date	07/10/2015	Expiration Date	07/10/2016	Continuous Coverage

Carrier Federal Insurance Co.	**Rating Agency** FITCH	**Carrier Rating** SUPERIOR AAA	⊕	**Source of Insurance** BORROWER		**Paid Receipt** NO
Agent Fireman's Fund Ins. Company				**Evidence Type**		**Audit Date**
Status Active	**Cancellation Date**	**Retro Date**		**Evidence Received** 07/10/2015		**Named Insured Includes Borrower** NO
Premium 0	**Claim Trigger** OCCURENCE	**Forced Placed** NO		**Evidence Expired**		**Statement of Values Received**

Days to Cancel **Non-Payment** **Other Reasons**

General Liability

Policy Interests (Expand +/-)

Loan Number(s)	Name	Mortgagee Clause	Type	Description	Effective Date	Additional Interest Is Correct	Status
10020108	Middle Real Estate Venture, Inc [94]		LEAD NAMED INSURED		07/10/2015		Active
20020007	Boston Real Estate Properties, Inc [93]		LEAD NAMED INSURED		07/10/2015		Active
10020108 Multiple (1)	First National Bank [100]	This is the Mortgagee Clause for Investor 100. First National Bank.	ADDITIONAL INSURED		07/10/2015		Active
20020007	Second National Bank [200]	Federal Home Loan Mortgage Corporation, as Master Servicer, on behalf of ABC. Bank National Association, as Trustee, for the benefit of Holders of XYZ Commercial Mortgage Securities Corp., Multifamily Mortgage Pass-Through Certificates, Series 2019-SB64, as their interests appear c/o 5678e Bank, CRE Lending, 94923 Grove Road South, Suite 3200, Boston, MA 06134	ADDITIONAL INSURED		07/10/2015		Active

[Edit]

Component Coverage (Expand +/-)

General Liability Coverage	General Aggregate Limit	Limit Per Occurrence		Status Active 🖉
07/10/2015	5,000,000	500,000	5,000	

Terrorism Coverage on Gen Liability	Status Active 🖉
07/10/2015	

Scenario 3 - Blanket Property Policy on Unrelated Entities

Policy Type Commercial Property Policy	**Policy Number** BLKYSTMT123	**Effective Date** 01/13/2018	**Expiration Date** 01/13/2019	**Continuous Coverage** NO	

Carrier Federal Insurance Co.	**Rating Agency** FITCH	**Carrier Rating** SUPERIOR AAA	**Source of Insurance** BORROWER
Agent Foremost Ins. Agency	**Cancellation Date**	**Retro Date**	**Evidence Type** CERTIFICATE OF INSURANCE
Status Active	**Claim Trigger**	**Forced Placed** NO	**Evidence Received** 01/13/2018
Premium 1,200			**Evidence Expired**

Paid Receipt
Audit Date
Named Insured Includes Borrower
Statement of Values Received RECEIVED

Days to Cancel Non-Payment 30   **Other Reasons** 45

[Edit] [View Compliance Checks] [View Rules] [Add Investors to Policy] [View Escrow Information]

Policy Loan Numbers (Expand +/-)

Loan Number	
10020033	ⓘ ⊗
10020029	ⓘ ⊗

[Excluded Loans]

Most Recent Note

Policy Interests (Expand +/-)

Loan Number(s)	Name	Mortgagee Clause	Type	Description	Effective Date	Additional Interest Is Correct	Status
10020029	Seattle Astin Company [131]		LEAD NAMED INSURED		01/13/2018	Y	Active
10020033	Seattle Construction [130]		LEAD NAMED INSURED		01/13/2018	Y	Active
10020029 **Multiple (2)**	First National Bank [100]	This is the Mortgagee Clause for Investor 100. First National Bank.	MORTGAGEE		01/13/2018	N	Active
10020029 **Multiple (2)**	First National Bank [100]	This is the Mortgagee Clause for Investor 100. First National Bank.	LOSS PAYEE		01/13/2018	N	Active

[Edit]

Blanket coverage

Location - Address Seattle Park, 12345 Fulton Street, SEATTLE, WASHINGTON 12345 **Loan Number(s)** 10020033 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated]

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct	Collateral Address Correct	Status
1		, ,		A17	05	0		01/13/2018			Active

[Edit]

Location - Address Spring Apartments, 159 Spring, AUSTIN, TX, TEXAS 77024 **Loan Number(s)** 10020029 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated]

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct	Collateral Address Correct	Status
1		, ,		A17	05	0		01/13/2018			Active

[Edit]

Location - Address ABC Information Project, 879 Belt Line, AUSTIN, TX, TEXAS 77598 **Loan Number(s)** 10020029 [View Collateral] [View Collateral Coverage] [Add Allocations to Loans and Investors Associated]

Buildings

Number	Description	Address	Wind Zone	Flood Zone	Seismic Zone	PML Percentage	Legal Conforming	Effective Date	Flood Zone Correct	Collateral Address Correct	Status
1		, ,		A17	05	0		01/13/2018			Active

[Edit]

[Add Location]

Subject - Type Building **Description** **Effective Date** 01/13/2018 **Status** Active

[Add Interest]

Coverage

Equipment Breakdown Coverage	Coverage Limit	Deductible Amount	**Status** Active
01/13/2018	1,000,000	10,000	

Windstorm Coverage	Coverage Limit	Deductible Amount	Named Storm Coverage	**Status** Active
01/13/2018	500,000	10,000	Included	

[Add Coverage]

Subject - Type Business Income **Description** **Effective Date** 01/13/2018 **Status** Active

[Add Interest]

Coverage

Business Income Coverage	Coverage Limit	Deductible Amount	**Status** Active
01/13/2018	100,000	10,000	

Location Specific Coverages

Should I be using INSURANCE COMPLIANCE?

❑ I or someone in my company analyzes CRE insurance documents (like ACORD forms)

❑ Our current insurance compliance operation is done manually

❑ I'm looking to reduce the overall cost of insurance compliance to our company

❑ I'm looking to speed up my insurance compliance reviews

❑ I'm looking to reduce the amount of risk and human error

Next Steps

- This presentation is available at www.mccrackenfs.com in the DOCUMENTS section

- If you are interested in implementing **INSURANCE COMPLIANCE** please reach out to the McCracken Support Center at:

SupportCenter@McCrackenFS.com

Thank you for attending our webinar. Don't forget to:

Share the webinar recording with your colleagues.

Attend our monthly webinars.

Contact McCracken if you'd like to learn more.