

Insurance requirements

Homeowners Insurance Requirements

Homeowners insurance helps pay to repair or rebuild your home and replace belongings after a covered loss. You are required to maintain sufficient insurance coverage on your property for the life of the loan. To have sufficient coverage, the property insurance policy must provide coverage on a replacement cost basis, with the exception of roofs. Roofs must be insured, but do not have to be insured on a replacement cost basis.

Deductible Requirements

The maximum allowable combined deductible for all required property insurance perils is 5% of the property insurance coverage amount.

Flood Insurance Requirements

Acceptable Flood Insurance Policies include:

- A standard policy issued under the NFIP; or
- A policy issued by a private insurer, provided that
 - the terms and amount of coverage are at least equal to that provided under an NFIP policy based on a review of the full policy issued by a private insurer, and
 - the insurer meets Fannie Mae's rating requirements
 - Contact Abbeville Building & Loan for a list of the requirements.

Deductible Requirements

The maximum deductible allowed for flood insurance is \$5,000.00.

To ensure that these requirements are met on your property insurance, we recommend that you contact your insurance agent to review your coverage.

***All borrowers on the loan must be listed as insured on all insurance policies.

***Ensure that your insurance agent lists your loan number on your policy

***Ensure that the mortgagee clause is listed as follows:

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