

**Bank of America****Home Loans**

Mail Stop CA6-919-02-45  
400 National Way  
Simi Valley, CA 93065

**Notice Date:** February 6, 2013

**IMPORTANT MESSAGE ABOUT YOUR HOME LOAN**

Bank of America, N.A. was informed that your property recently sustained damage and that insurance proceeds have been issued by your insurance provider. In order to begin the property claims process, please review this letter closely and pay specific attention to the instructions contained on page two.

According to your loan terms, the insurance proceeds must be used to either restore or repair the property, provided that such restoration or repair is economically feasible and your lender's security is not lessened thereby, or to be applied to the principal balance of the loan.

**WHAT YOU NEED TO DO**

If you have not already done so, please call us at 1-800-669-6076 to let us know whether you prefer to (1) apply the insurance proceeds towards your principal balance/payoff of the loan or (2) use the proceeds to repair the property, so we may provide you with details regarding these options. Insurance proceeds will not be applied to the mortgage unless it is agreed upon by Bank of America, N.A.. Please review the details below that describe what is required in order to process your insurance check. Please fax all correspondence related to your intentions to the Property Claims Department at 1-888-855-9562, or you may mail the information to the return address above. Please be sure to include the following:

- Your loan number on all correspondence.
- Your loan number on the front of the check.

If a repair is to be completed, we will issue your first disbursement once all required documentation has been received. The initial disbursement will be in the amount of \$10,000, 20% of the insurance check, or 10% of the Unpaid Principal Balance, whichever amount is greater.

To receive subsequent disbursements, please call us at 1-800-669-6076 near the end of each phase of repair to schedule a property inspection. After we receive the inspection report, we will disburse funds based on the percentage of completion indicated by the inspector in the report. Insurance proceeds may be made payable to both you and your contractor. Disbursements will not be made if inspections indicate that work has not been completed.

Please be advised that Bank of America, N.A. holds the right to conduct progress inspections of the repairs to your property to ensure that the funds are being used for that purpose.

The property inspections are intended to view the progress of work only; Bank of America, N.A. **does not guarantee** the quality of repair work performed, compliance with building codes, representation of the costs associated with the repair work, or the completion of the repairs. You may obtain your own additional inspections to confirm the compliance and adequacy of the repairs.

The final disbursement of funds will require a final inspection and execution of the enclosed affidavits (Waiver of Lien and Certificate of Completion). You should initiate this process with us only after you and your contractor agree that all of the work has been completed. The Waiver of Lien must be completed by your contractor. If you are acting as your own general contractor or completing the work yourself, please write "acting as own contractor" on the waiver. If you have not yet issued a final payment to the contractor, please write "conditional upon payment" at the top of the waiver.

Bank of America, N.A. does not pay interest or earnings on insurance proceeds withheld, unless applicable state law requires such interest to be paid. Fees for public adjusters, attorneys, or other third parties that you retain will not be paid out of the insurance proceeds and will be solely your obligation.

**If your intention is to utilize the insurance funds to pay off the mortgage, you must take the following action:**

- Please have the insurance draft(s) endorsed by all payees, and forward to the Property Claims Department along with a letter of intent. This is a signed and dated letter indicating your intention to

Please review page two which will inform you of what documentation is required for you to initiate your property claim process.

This communication is from Bank of America, N.A., the servicer of your home loan.

Please write your account number on all checks and correspondence.

utilize the insurance claims proceeds to pay off the mortgage. This letter must be signed by all parties on the check. Please be sure to provide your loan number on this letter as well.

- If the insurance check is not sufficient to pay off the loan in full, you will be notified of the amount of the difference, which you will be responsible for paying if you select to pay off the loan.

**If your mortgage is current and your insurance check is \$10,000 or less or under 10% of your current Unpaid Principal Balance**, it may be possible for us to simply return the check to you with our endorsement.

- Please send your insurance check to the return mailing address above and include your loan number on the check.
- Our Property Claims Department will verify the status of the loan and return the check to you with our endorsement, if possible.

**If your mortgage is current and repairs have already been completed**, we will endorse the draft as soon as our inspector verifies the repairs and we receive the required documentation.

**If your mortgage is current and your check is over \$10,000 and exceeds 10% of your current Unpaid Principal Balance**, please have the insurance draft(s) endorsed by all payees and forward to our office. The check will be deposited and the repairs will be monitored by Bank of America, N.A..

To begin the property claims process and have your first disbursement issued, you must submit the documentation listed below. To avoid delays, please submit this documentation as soon as possible. The following documents are required from you:

- The Estimate of Damage or Adjusters Report as written by your Insurance Company.
- A signed Work Authorization and/or contract for the repairs from the contractor of your choice.
- Contractor's work/draw payment schedule, if available.
- Contractor's bid / invoices / detailed draw schedule (this documentation will be provided to you by your contractor).
- Copies of City/County permits, if required.
- Copies of paid receipts and descriptions of work for repairs already completed.

Please be sure to include your loan number on all required documents.

**If your loan is delinquent or in bankruptcy:** After we receive all required documentation, we will issue your disbursements. The check will be made out to you and your contractor.

Please have the insurance draft(s) endorsed by all payees, and forward to our office with the above-noted required documents. In addition, please also include the following:

- A completed W-9 from your contractor.

Please be sure to include your loan number on all required documents.

**If your loan is in foreclosure:** After all documentation is received, we will deposit your insurance check, and all disbursements will be sent to your contractor.

- Please have the insurance draft(s) endorsed by all payees and forward to our office with all the above-noted required documents.
- A completed W-9 from a licensed contractor (A W9 form is attached, which your contractor can fill out.).
- Copy of contractor's license.

Please be sure to include your loan number on all required documents.

Please keep this information for your future reference.

If you have questions or need more information, please call us at 1-800-669-6076.

**Bank of America**



Home Loans

LOAN #: [REDACTED]

Mail Stop (Enter Your MS # Here)  
PO Box 7953  
Van Nuys, California 91409-7953

(Contractor Signs)  
NOTE: I have acted as my own general contractor for the work that has been done to repair smoke and soot damage to this home.  
This document is relevant ONLY to the work that has been done and cannot represent any future claims or jobs yet to be started.  
The dollar amount below constitutes those dollars paid by State Farm for structure related cleaning thus far approved and completed.

Tracking No:

Date of Loss: June 26, 2012

**Affidavit of Bills Paid and Release of Liens by Contractor**

I have acted as my own General Contractor for the work done thus far.

**Conditional upon Final Payment**

The undersigned ("Contractor"), having furnished materials and/or performed labor in connection with the construction (the "Project") of certain improvements located at [REDACTED] in El Paso County, Colorado State(the "Property"), the Property being further described on Exhibit "A" attached hereto, for and in consideration of the payment to the Contractor of the sum hereinafter specified, does hereby acknowledge and release as follows:

Upon receipt of the sum of \$ [REDACTED] Dollars (\$ [REDACTED] ), being full and final payment for all materials furnished and/or labor performed by Contractor for the Project (the "Work"); This applies only to the work that has been done and completed. There are still outstanding items.

- Contractor will waive and release any and all liens, rights and interests (whether choate or inchoate, and including, without limitation, all mechanics' and materialmen's liens under the Constitution and statutes of the "Property" state) which are or may be owed, claimed or held by Contractor in and to the Property and the improvements constructed thereon by reason of the Work or otherwise, and Contractor will thereby RELEASE AND FOREVER DISCHARGE any and all claims, debts, demands or causes of action that Contractor has or may have as a result of the same including, without limitation, any liens of Contractor for the Work now or hereafter filed for record in said County.
- Contractor represents, warrants and certifies that all bills owed by Contractor for materials furnished and labor performed in connection with the Work have been or will be fully paid and satisfied. If for any reason a lien or liens are filed for materials or labor against the Property by virtue of Contractor's participation in the Project by any person claiming by, through or under the Contractor, then Contractor will immediately obtain a settlement of such lien or liens and obtain and furnish to the owners of the Property a release thereof. Contractor shall indemnify such owners and their respective heirs, successors and assigns from any such bill or liens and from all costs and expenses, including attorney's fees, incurred in discharging any such bill or removing any such liens.

February 6, 2013

\_\_\_\_\_  
Date Contractor Signature

\_\_\_\_\_  
Title Contractor Name

State _____	County _____
Sworn to and Subscribed before me this _____ day of _____, 20____.	
Notary Signature _____	
Notary Public in and for the State of _____	
My Commission Expires: _____	

NOTE - The original notarized document must be submitted

NOTE: THIS DOCUMENT ONLY APPLIES TO THAT WORK WHICH HAS THUS FAR BEEN APPROVED AND COMPLETED. DUE TO THE NATURE OF SMOKE DAMAGE AND THE SCOPE OF THIS DISASTER, THERE MAY STILL BE ADDITIONAL DAMAGE CLAIMED UNDER THIS POLICY FOR THIS WALDO CANYON FIRESTORM ON JUNE 26, 2012. I RESERVE THE RIGHT TO MAKE FURTHER CLAIMS AND DO THE NECESSARY REPAIRS. FEBRUARY 8, 2013

**DECLARATION OF COMPLETION OF REPAIRS**

Total amount of claim: \$ <sup>NOT YET DETERMINED</sup>, THUS FAR STRUCTURAL CLEANING AND REPAIR IS [REDACTED]

I / We hereby certify that all necessary repairs in connection with damage <sup>THUS FAR DETERMINED AND SETTLED</sup> sustained to property located at [REDACTED] resulting from (type of damage) <sup>SMOKE, SOOT, ASH, AND HEAT</sup> on (date of loss) <sup>JUNE 26, 2012</sup> have been completed in a satisfactory manner and that no liens have been or will be filed against the property as a result of labor performed or material used.

The above referenced <sup>damages to the</sup> property has now been restored to the condition existing prior to date of damage. All contractors, subcontractors and suppliers who have provided labor or materials in connection with the repairs <sup>thus far completed</sup> to the property have been paid in full or will be paid from the final disbursement of insurance proceeds from Bank of America, N.A..

Signed,

\_\_\_\_\_  
(Mortgagor)

\_\_\_\_\_  
(Co-Mortgagor)

You are a valued customer here at Bank of America, N.A.. It is our continued goal to provide our customers with the highest level of customer satisfaction.

If you need further assistance, please contact our Property Claims Department directly at 1-800-669-6076.

**WHAT YOU NEED TO DO**

In order for Bank of America, N.A. to process this request, we need the following additional documentation:

- 1) a valid W-9 (form enclosed) completed and signed by your contractor
- 2) a copy of your contractor's estimate <sup>DOES NOT APPLY - I ACTED AS MY OWN CONTRACTOR AND HAD MANY SMALL SUBCONTRACTORS DOING THE WORK. INSPECTION COMPLETED.</sup>

Please fax the information to the attention of our Property Claims Department at 1-888-855-9562. It is important that you write your loan number on all documents before forwarding them to us.

You may also mail the information to:

Bank of America, N.A.  
400 National Way, CA6-919-02-45  
Simi Valley, CA 93065  
Attn: Property Claims Department

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Once we receive acceptable documentation per the request above, we will process your insurance claim and you will receive a payment within 7-10 business days.

**THANK YOU**

If you need further assistance, please call us at 1-800-669-6076, Monday-Friday 7a.m. - 7p.m. Local Time. We appreciate the opportunity to serve your home loan needs.

If you need additional information or assistance, you can contact us online any time. Simply log on to your account at [www.bankofamerica.com](http://www.bankofamerica.com) and Select Communications Center. With your online account, you will also have access to many other convenient services, such as: updating your account information, viewing current and historical monthly statements, and much more. Or, if you prefer, you can call one of our Customer Service Representatives directly at (800) 669-6607.