

MORTGAGE INFORMATION RELEASE

January 5, 2021 Update

INSTRUCTIONS FOR USE

(This form is not to be given to customers.)

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Purpose and Function: Insurance companies are often required to name mortgage holders on insurance loss drafts. The financial institutions have complex procedures for processing and releasing these funds, which can greatly delay the release of funds and create an undue burden on the contractor's cash flow. This form is to be sent to all mortgage holders that may be named as a payee on a loss draft or check. The purpose is to give the contractor free and unrestricted access to the status of the payment, so as to help expedite it. The financial institution has a legitimate interest in confirming that its collateral has been restored. Depending on the nature of the loss, it is often advisable for the contractor to offer to facilitate an inspection of the property by the financial institution.

Execution: Replace all italicized text with the information indicated. Send the form to the Loss Draft Department at the financial institution by First Class Mail, with a copy by email or fax, and calendar a follow-up call.

There are many steps to extracting funds from banks. Please call Cross & Associates at 760 773-4002 to discuss your rights.

WE ARE HERE FOR YOU



Cross & Associates provides broad-based legal and consulting services to the cleaning and restoration industry. Please call (760) 773-4002 or email edcross@edcross.com for help with collections, customizing your contract forms, litigation and for all your legal needs.