

**NJHMFA BULLETIN 10/25/12: NEW REQUIREMENTS FOR INSURANCE POLICIES**

New requirements for insurance policies have been established that govern the NJHMFA's mortgage loans. The implementation of the changes have an effective change date of January 2, 2013 for all new and existing policies.

- 1.) **All policies must indicate the New Jersey Housing and Mortgage Finance Agency (hereinafter "NJHMFA") as an additional insured and mortgagee. Property policies must also indicate NJHMFA as Lender's Loss Payable.**
- 2.) **All policies are to have a Law & Ordinance Endorsement.**
- 3.) **Mortgagee Clause (Standard Form)**

New Jersey Housing and Mortgage Finance Agency, ISAOA  
637 South Clinton Avenue  
P.O. Box 18550  
Trenton, New Jersey 08650-2085

All hazard insurance policies must contain or have the mortgagee clause currently required in the NJHMFA's purchase approval naming the NJHMFA as an insured. The policy must provide that the insurance carrier shall notify our Servicer or Sub-servicer at least ten (10) days in advance of the effective date of any cancellation of the policy. It is the originators responsibility to ensure that each insurance policy to be properly endorsed and to give any necessary notices of transfer in order to fully protect, under the terms of the policy can applicable law, the NJHMFA's interest as first mortgagee. The Servicer must ensure that all documents reflect NJHMFA as the named first mortgagee and the Servicer's address should be used in the endorsement in lieu of NJHMFA's address.

If additional information is needed regarding this bulletin please contact Michael Shelton at 609-278-7446 or [mshelton@njhmfa.state.nj.us](mailto:mshelton@njhmfa.state.nj.us).