

# REQUEST FOR CONSENT TO INSURANCE CLAIM SETTLEMENT

**Date:** November 25, 2024

**Method of Delivery:** Certified Mail #7024-1670-0000-3421-5432 AND Email to [insuranceloss@firstnationalbank.com](mailto:insuranceloss@firstnationalbank.com)

**Priority Level:** ☒ URGENT ☐ Time-Sensitive ☐ Standard

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## TO:

**First National Bank of Georgia**

Insurance Loss Draft Department

Collateral Services Division

500 Banking Plaza

Atlanta, Georgia 30303

Attn: Jennifer Rodriguez, Loss Draft Specialist

Phone: (404) 555-7800

Fax: (404) 555-7801

## FROM:

**Sarah and Michael Thompson**

4827 Oak Ridge Drive

Gainesville, Georgia 30506

(770) 555-0123

[sthompson@email.com](mailto:sthompson@email.com)

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## SUBJECT: REQUEST FOR CONSENT TO INSURANCE CLAIM SETTLEMENT

**Time-Sensitive Insurance Matter Requiring Expedited Review**

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## REFERENCE INFORMATION

**Account/Loan Number:** 4827-2019-0628-001

**Property Address:** 4827 Oak Ridge Drive, Gainesville, GA 30506

**Collateral Description:** Single Family Residence, 3,200 sq ft, Built 2005

**Your Reference Number:** FNB-LOSS-2024-1147

**Insurance Claim Number:** CL-2024-11-00789

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## EXECUTIVE SUMMARY

This formal request seeks your expeditious consent to an insurance claim settlement for damage to secured collateral. Immediate action is required to:

- Prevent further deterioration of collateral value
- Minimize accumulating costs and fees
- Maintain loan performance and security interest
- Comply with insurance claim deadlines

**Requested Response Date:** December 2, 2024 (7 business days)

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## SECTION 1: SECURED PARTY INFORMATION

### Loan Details

**Borrower/Debtor Names:** Sarah M. Thompson and Michael J. Thompson

**Co-Borrower:** N/A

**Type of Security:** ☒ First Mortgage ☐ Second Mortgage ☐ Auto Loan ☐ Other

**Original Loan Date:** June 28, 2019

**Original Loan Amount:** \$336,000

**Current Principal Balance:** \$298,457

**Total Payoff Amount:** \$299,842 as of November 25, 2024

### Payment History

**Payment Status:** ☒ Current ☐ Days Past Due

**Last Payment Date:** November 1, 2024

**Last Payment Amount:** \$2,850

**Monthly Payment:** \$2,850 (P&I: \$2,270, Escrow: \$580)

**Next Payment Due:** December 1, 2024

**Payment History:** 53 of 53 on-time payments

### Property/Collateral Value

**Original Appraised Value:** \$420,000 on June 15, 2019

**Current Estimated Value (Pre-Loss):** \$465,000

**Loan-to-Value Ratio:** 64.2%

**Property Tax Status:** ☒ Current ☐ Outstanding  
**HOA Fees:** ☒ Current (\$85/month) ☐ Outstanding

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**SECTION 2: LOSS INFORMATION**

**Incident Details**

**Date of Loss:** October 28, 2024, 3:45 PM  
**Date Reported to Insurance:** October 29, 2024  
**Date Reported to You:** November 25, 2024 (this letter)  
**Cause of Loss:** Severe windstorm with water intrusion  
☐ Fire/Smoke  
☒ Water/Wind  
☐ Vehicle Impact  
☐ Theft/Vandalism  
☐ Other

**Insurance Coverage Details**

**Insurance Carrier:** Statewide Insurance Company  
**Policy Number:** HO-2024-GA-4827-001  
**Policy Period:** January 1, 2024 to January 1, 2025  
**Claim Number:** CL-2024-11-00789  
**Adjuster Name:** Robert Jenkins  
**Adjuster Phone:** (404) 555-9876  
**Adjuster Email:** [rjenkins@statewideins.com](mailto:rjenkins@statewideins.com)

**Coverage Confirmation**

**Coverage Type:** ☒ Replacement Cost ☐ Actual Cash Value  
**Policy Limits:** \$500,000 dwelling, \$250,000 contents  
**Deductible:** \$2,500  
**Coverage Status:** ☒ Confirmed ☐ Under Review

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**SECTION 3: DAMAGE ASSESSMENT**

**Extent of Damage**

**Pre-Loss Value:** \$465,000  
**Damage Category:** ☒ Partial Loss ☐ Total Loss ☐ Constructive Total Loss

**Percentage of Damage:** 28% of property affected

**Professional Assessments**

**1. Insurance Adjuster Estimate**

- Amount: \$127,500
- Date: November 18, 2024
- Report #: ADJ-2024-11-00789

**2. Independent Contractor Estimate**

- Amount: \$134,750
- Company: RestorePro Construction
- Date: November 10, 2024
- License #: CGC-123456

**3. Structural Engineer Assessment**

- Amount: \$8,500 (structural repairs only)
- Company: StructureSafe Engineering
- License #: PE-45678

**SECTION 4: INSURANCE SETTLEMENT DETAILS**

**Settlement Breakdown**

Coverage Component	Amount	Status
Dwelling	\$98,500	Approved
Personal Property	\$18,000	Approved
Additional Living Expense	\$15,000	Approved
Debris Removal	\$3,500	Approved
Subtotal	\$135,000	
Less Deductible	-\$2,500	
Less Depreciation (RCV holdback)	-\$12,000	
Net Settlement	\$120,500	

## Payment Structure

**Initial Payment:** \$65,000 - Available now

**Second Payment:** \$43,500 - Upon 50% completion

**Depreciation Hold-Back:** \$12,000 - Released upon completion

**Total Expected Proceeds:** \$120,500

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## SECTION 5: PROPOSED DISPOSITION PLAN

**Option Selected:** ☒ **OPTION A: REPAIR/RESTORATION**

- Repairs will restore collateral to pre-loss or better condition
  - Licensed contractor selected and vetted
  - Work will meet all code requirements
  - Timeline established and reasonable
  - Warranty provided for all work
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## SECTION 6: REPAIR DETAILS

### Contractor Information

**Company Name:** RestorePro Construction

**License Number:** CGC-123456

**Insurance Carrier:** Builders Mutual

**Policy Number:** BM-2024-789456

**Bond Number:** SB-123456

**Years in Business:** 12

**Better Business Bureau Rating:** A+

### Scope of Work

**Detailed Work Description:** (See attached 8-page scope)

- Roof replacement (partial - 1,800 sq ft)
- Second floor structural repairs
- Complete drywall replacement in 5 rooms
- Hardwood floor replacement (1,200 sq ft)
- Electrical system repairs and code updates

- HVAC system restoration
- Complete interior painting

**Materials Quality:** ☒ Like Kind and Quality ☐ Upgraded

**Code Compliance:** All work meets current Georgia building codes

**Permits Required:** ☒ Yes - Building, Electrical, Plumbing ☐ No

## Timeline

**Start Date:** December 5, 2024

### Phases:

1. Emergency Mitigation: December 5-10, 2024
2. Demolition: December 11-15, 2024
3. Structural Repairs: December 16-31, 2024
4. Finish Work: January 2-31, 2025

**Completion Date:** January 31, 2025

**Total Duration:** 8 weeks

## Quality Assurance

**Inspections:** Municipal inspections at framing, electrical, plumbing, final

**Warranty:** 2-year warranty on workmanship, manufacturer warranties on materials

**Your Right to Inspect:** Available upon request with 48-hour notice

**Documentation:** Weekly photo reports and invoices provided

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## SECTION 7: FINANCIAL ANALYSIS

### If Repair is Completed:

**Repair Cost:** \$120,500

**Post-Repair Value:** \$470,000 (slight increase due to code improvements)

**Loan-to-Value After Repair:** 63.5%

**Security Position:** ☒ Improved ☐ Maintained ☐ Acceptable

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## SECTION 8: REQUESTED ACTIONS

### Immediate Needs:

**1. CONSENT TO SETTLEMENT** - Formal approval of insurance settlement terms

**2. CHECK ENDORSEMENT** - Endorse insurance draft(s) for: ☒ Joint control disbursement account

☐ Direct payment to contractors

☐ Partial release to borrower

☐ Full loan payoff

**3. EXPEDITED PROCESSING** - Due to:

- Additional living expenses: \$3,000 per month
- Risk of further damage without immediate repairs
- Limited contractor availability (must start by December 5)
- Material prices increasing 5% on January 1
- Insurance settlement expires: December 15, 2024

**4. FEE CONSIDERATION** - Request to: ☒ Waive administrative fees due to casualty loss

☒ Reduce inspection fees to actual cost only

☐ Defer any late fees during repair period

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## SECTION 9: BORROWER'S COMMITMENTS

### We hereby commit to:

#### During Repair/Settlement Process:

##### 1. Use Proceeds Appropriately

- Apply all funds solely to property repairs
- Maintain detailed records and receipts
- Provide documentation within 5 days of request

##### 2. Maintain Loan Obligations

- Continue monthly payments on schedule
- Keep insurance coverage active (\$500K minimum)
- Pay property taxes when due

- Maintain property security

### **3. Communication & Documentation**

- Provide bi-weekly progress reports
- Submit photos every Friday
- Notify of any delays within 24 hours
- Provide access for inspections with 48-hour notice

### **4. Project Management**

- Supervise contractor performance daily
- Ensure permit compliance
- Address any issues immediately
- Complete repairs by January 31, 2025

#### **Post-Completion:**

- Provide certificate of occupancy
- Submit final inspection report
- Provide all warranties
- Confirm restoration of full insurance coverage

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## **SECTION 10: DOCUMENTATION ATTACHED**

#### **Insurance Documentation:**

- ☒ Complete adjuster's estimate (18 pages)
- ☒ Insurance settlement letter
- ☒ Claim summary report
- ☒ Photos of damage (47 photos)

#### **Repair Documentation:**

- ☒ RestorePro detailed estimate
- ☒ Contractor's license and insurance
- ☒ Signed repair contract
- ☒ Permit applications
- ☒ Materials specifications



## Financial Documentation:

- ☒ Last 3 mortgage payment receipts
  - ☒ Current property tax receipt
  - ☒ Proof of continued insurance
  - ☒ Bank statements (3 months)
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## SECTION 11: TIME SENSITIVITY ALERT

### Critical Deadlines:

**Insurance Offer Expires:** December 15, 2024

**Contractor Must Start:** December 5, 2024

**Material Price Lock Expires:** December 1, 2024

**Temporary Housing Expires:** December 31, 2024

**Response Required By:** December 2, 2024

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## SECTION 12: PROPOSED ENDORSEMENT LANGUAGE

For your convenience, we suggest the following endorsement language:

*"First National Bank of Georgia as mortgagee hereby consents to the insurance settlement in the amount of \$120,500 for claim #CL-2024-11-00789 and endorses the draft(s) payable jointly to Sarah Thompson, Michael Thompson, and RestorePro Construction for the purpose of repairing the described property. This endorsement is given with the understanding that all proceeds will be used for the stated purpose and does not waive any rights of First National Bank of Georgia under the security agreement, note, or deed of trust. Funds to be disbursed according to the attached disbursement schedule."*

Authorized By: \_\_\_\_\_

Title: \_\_\_\_\_

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

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## SECTION 13: HOLD HARMLESS AGREEMENT

The undersigned borrowers agree to indemnify, defend, and hold harmless First National Bank of Georgia, its officers, directors, employees, and agents from and against any and all claims, losses, damages, liabilities, costs, and expenses (including reasonable attorney fees) arising from or related to:

1. The insurance claim settlement process

2. The repair of collateral
3. Disbursement of insurance proceeds
4. Any acts or omissions of contractors
5. Any liens or claims against the property

This indemnification survives the completion of repairs and continues until the loan is satisfied.

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## SECTION 14: CONTACT INFORMATION

### Primary Contact (Borrower):

**Name:** Sarah Thompson

**Best Phone:** (770) 555-0123

**Email:** [sthompson@email.com](mailto:sthompson@email.com)

**Best Times:** Weekdays 8 AM - 6 PM

### Secondary Contacts:

#### Insurance Adjuster:

Robert Jenkins

(404) 555-9876

[rjenkins@statewideins.com](mailto:rjenkins@statewideins.com)

#### Contractor:

Tom Anderson, RestorePro

(770) 555-7890

[tanderson@restorepro.com](mailto:tanderson@restorepro.com)

License #CGC-123456

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## SECTION 15: REQUEST FOR RESPONSE

### Please provide written response indicating:

1. **Consent Decision:** ☐ Consent Granted  
☐ Consent Granted with Conditions: \_\_\_\_\_  
☐ Additional Information Required: \_\_\_\_\_  
☐ Consent Denied: \_\_\_\_\_

### 2. Processing Requirements:

- Disbursement procedures
- Inspection requirements
- Documentation needed
- Timeline for each phase

### **3. Fee Schedule:**

- Administrative fees: \$\_\_\_\_\_
- Inspection fees: \$\_\_\_\_\_
- Other charges: \$\_\_\_\_\_

### **4. Contact Person:**

- Name and title: \_\_\_\_\_
  - Direct phone: \_\_\_\_\_
  - Email address: \_\_\_\_\_
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## **CONCLUSION**

Your prompt consent to this insurance settlement is essential for protecting the collateral value, maintaining the security interest, minimizing losses, and preserving our excellent borrower-lender relationship.

We have provided comprehensive documentation and commit to full cooperation throughout the process. Time is of the essence due to the deadlines noted above.

Please contact me immediately with any questions. Thank you for your prompt attention.

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## **SIGNATURES**

### **BORROWER:**

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Sarah M. Thompson

Date: November 25, 2024

### **CO-BORROWER:**

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Michael J. Thompson

Date: November 25, 2024

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## NOTARIZATION

STATE OF GEORGIA

COUNTY OF HALL

On this 25th day of November, 2024, before me personally appeared Sarah M. Thompson and Michael J. Thompson, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

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Nancy Peterson

Notary Public

My Commission Expires: 06/30/2026

[Notary Seal]

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## DELIVERY CONFIRMATION

**Sent via:** ☒ Certified Mail #: 7024-1670-0000-3421-5432

☒ Email to: [insuranceloss@firstnationalbank.com](mailto:insuranceloss@firstnationalbank.com) on 11/25/24 2:45 PM

☐ FedEx/UPS Tracking #: \_\_\_\_\_

☐ Fax to: \_\_\_\_\_

☐ Hand Delivered on: \_\_\_\_\_

**Copies to:** ☒ Insurance Adjuster

☒ RestorePro Construction

☒ James Mitchell, Public Adjuster

☒ File