

BE DILIGENT

Protect Your Loans From Environmental Impact



Phase I Site Assessments are only as good as the humans who perform them. Now you can insure your loans against the consequences of less than perfect due diligence with environmental coverage that insures the loan, not the property. Coverage is triggered when:

- The loan defaults for any reason given in the mortgage document and
- Environmental contamination in excess of actionable limits is discovered on the property used as collateral for the loan.

If the policy is triggered and a claim is made prior to foreclosure, it will pay the unamortized balance of the mortgage loan, including interest accruing until the time the claim is paid.

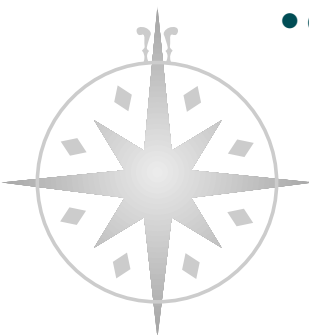
Program Features

- The policy is in your name only, so limits of liability cannot be eroded by third parties.
- Loans of up to \$100,000,000 can be insured.
- Policy terms of up to 25 years are available. The policy is not cancelable by the insurer once the premium is paid.
- The policy protects the loan, so you can sell the loan with the environmental insurance intact.
- Coverage is available with no deductible.
- Insurers are rated AA and AAA.

Advantages To You

The advantages of this policy to the lender are:

- **Coverage is available even in the absence of any environmental due diligence.**
- **No need to discover and mitigate pre-existing environmental contamination.**
- **Contamination coming onto the property from adjacent sites triggers the policy.** No need to sue the originator of the pollution.
- **Covers contamination discovered at the property for up to the length of your loan.** A Phase I ESA offers no protection for future occurrences, and only attempts to assess existing contamination.
- **No cost to obtain a quote.** In essence, the due diligence is free if you don't close the loan.



Increased Productivity

The lender's environmental insurance program can help you be more profitable by:

- **MAKING** the loan process faster and more predictable. On a loan-by-loan basis, a quote can be provided in less than 7 business days. On a portfolio basis, your pricing is known in advance and is often less than the cost of a Phase I ESA. Even if the property has contamination on it, it still can be considered for the insurance.
- **INSURING** properties that have recognized environmental problems. This allows you to evaluate loans based on traditional risk factors and eliminates environmental concerns.
- **ALLOWING** you to differentiate your loan closing process from your competitors.
- **ELIMINATING** the risk that you get in the chain of possession of a contaminated property and become the responsible party for the cleanup.

The NorthStar Difference

NorthStar serves insurance, risk management and financial communities. With headquarters centrally located in Kansas City, our organizational structure and markets allow us to successfully provide risk solutions and asset protection in virtually all states and abroad. If our current product line does not address your needs, we will create a custom solution that works for you. Please contact us for further details.

*NorthStar Insurance Management Company
NorthStar Risk Management
NorthStar Benefits, Inc.
Steven A. Clemmensen
6240 West 135th Street, Suite 200
Overland Park, KS 66223
Tel 913.647.5373
Fax 913.647.5355*

www.nstarmgt.com

