

.07 PRESERVATION OF PROPERTY

A. AHFC Loans (Excluding Type II Manufactured Home Loans)

It is the Servicer's responsibility to be fully aware of the condition of the property and to protect AHFC's interest. Servicers retain responsibility for the property until the principal and interest due on the loan is paid in full, the property is liquidated or AHFC relieves the Servicer of its responsibility. It is AHFC's goal to preserve the value of the collateral and to minimize any potential for loss due to property deterioration. If the Servicer becomes aware that there may be an environmental issue, the Servicer must notify AHFC's Servicing Department in writing within 5 business days.

Failure to take immediate steps to preserve the property may result in denial of expenses associated with the cleanup.