C. Property Repairs

Generally, only those repairs needed to preserve the property or required to perfect a hazard insurance claim will be completed (refer to <u>Section</u> <u>13000.07</u>). Other recommended repairs will be reviewed on a case-by-case basis.

The Servicer may approve emergency repairs only when the repairs are needed to prevent further damage to the property. Within 5 business days, the Servicer must notify AHFC of the action taken.

Repairs on AHFC-owned property should be done by licensed, bonded and insured contractors.

Procedures

The Servicer must obtain bids for any repairs other than initial emergency repairs to prevent further damage. Two bids are required for any expense up to \$2,500 and three bids are required for any amount above \$2,500. Bids must be submitted to and approved by AHFC before proceeding with any further restoration of the property. AHFC will consider alternative estimates of repair on a case-by-case basis if a hardship is unduly created.