

Multifamily Housing Units (Habitational) Guidelines. (Farmers BOP)

Real and Personal Property must be insured to 100% replacement cost.

- Marshall and Swift/Boeckh Commercial Building Cost Estimator will be considered in valuation of buildings.
- Deviation in values in excess of 10% compared to the Marshall and Swift/Boeckh Commercial Building Cost Estimator require documentation and verification.

Habitational risks including subsidized housing program and other risks with unique exposures as detailed below are subject to the following guidelines.

- Buildings built prior to 1955 must have renovated plumbing, heating, wiring and roofing. This means that the roof, electrical, heating and plumbing systems have been duly maintained and regularly updated for the operations carried out in the building. Information regarding updates must accompany the application.
- Occupancy rate of at least 85% of living units in each building is required at policy inception and through the policy period for continued coverage. Existing accounts, which fall below the minimum requirement, may jeopardize the ongoing acceptability of the risk.
- Incidental occupancies (up to 25% of the total square footage) may be permissible if the type of business would be eligible under other offered Programs.
- Incidental Restaurants (other than those with no cooking) are generally not eligible, however under certain underwriting guidelines outlined below such exposures may be considered.
- Businesses must be located in protection class 1-8.
- Risks must comply with state and federal laws and requirements.

- Risk must furnish verifiable loss history from prior carrier reflecting an acceptable claims experience for the length of time in business or the last consecutive three years, whichever is less.
- Buildings of six stories or greater must have automatic sprinkler protection. Fire extinguishers and standpipe hoses must be located on each floor in accordance with NFPA standards.
- In buildings of more than two stories, all vertical or horizontal openings (stairways, air conditioning systems, heating ducts, air and elevator shafts) must be protected.
- All units and common areas must be equipped with working smoke detectors.
- All life safety standards must be met:
 - Lighted exit signs on all exits.
 - Emergency lighting systems in exit halls and stairwells.
- The maximum number of living units in a fire division is 24.
- Management must offer tenants a reasonably secure environment.
- Recreational facilities must be responsibly managed:
 - Swimming pools must be fully enclosed with at least a 5' fenced, self-locking gate, and a non-climbable fence (no chain link fence allowed).
 - No diving board or slides present.
 - Must meet current code requirements.
 - This guideline does not apply to timeshares and short term rentals.

If you're not sure your property meets these guidelines be sure to call us at 503-557-7989, we may have a market for you!