GENERAL REQUIREMENTS

- ➔ Average or better condition to qualify for the Steadily DP-3 program
- ➔ Fair or better condition to qualify for the Steadily DP-1 program
- ➔ 1 to 4 family dwellings
- ➔ Condominiums units are acceptable
- ➔ Tiny homes are acceptable if not mobile
- ➔ Structure on permanent and fixed location
- ➔ Dwellings and condominium buildings built within last 100 years eligible for straight through processing; older than 101 years require Underwriter approval

GENERAL INELIGIBLE CHARACTERISTICS - All Forms and Tiers

See Prohibited Risks section for full list*

- ➔ Excess debris
- ➔ Damaged or unsound structures
- ➔ Broken windows
- ➔ EIFS construction
- ➔ Unacceptable wildfire or coastal exposure
- ➔ Electrical or plumbing not updated within the last 30 years for dwellings with a year built of pre-1940.

ADDITIONAL INELIGIBLE CHARACTERISTICS
DP-3, DP-1 in Tier 2 and DFW Metroplex only

See Prohibited Risks section for full list*

- ➔ Dwellings lacking pride of ownership or not adequately maintained
- ➔ Extensive missing paint and/or rot

OCCUPANCY

- ➔ Rentals (including short-term)
- ➔ Seasonal (with rental exposure)
- ➔ Rental with Owner: Formal lease agreement required for single-family or one-unit dwellings with this occupancy type (not available for condominiums)
- ➔ Landlord Primary Home: Owner occupied (must have other non-occupied locations insured with Steadily)
- ➔ Vacant risks** **ineligible**

ELIGIBLE CONSTRUCTION

- Brick veneer
- Frame
- Stucco
- Masonry
- Tiny Homes and Barndominiums will be rated as frame
- Hardiboard will be rated as brick veneer
- Concrete

BARNDOMINIUMS

- Eligible for DP-1 only
- Single-family dwellings only
- Cosmetic damage exclusion is automatically applied
- Must be 20 feet of defensible space from wildfire from all elevations of the structure
- Any heavy equipment is not allowed including manufacturing, auto repair, etc.
    - Farm/ranch equipment used to service the location are acceptable

SCHEDULES

- Multi-location risks will be subject to further underwriting review
    - Reviews will consider accumulation / proximity of insured locations and total insured values Steadily currently writes in a given area
- All locations on a single policy must be in the same state and same policy form

INSPECTIONS

- Exterior inspections may be ordered on all bound applications
- Completed by 3rd party vendor
- Dwellings insured for greater than $750,000 may require exterior and interior inspection
- If inspector is denied access, we may cancel the policy according to applicable laws and regulations
- Risks may be inspected prior to any renewal term

PPC (Protection Class)

- PPC 1 - 8 are eligible
- PPC 9 - 10 are eligible but may require additional underwriting review.

ROOF CHARACTERISTICS

- ➔ Roofs must be in average or better condition. Click here for additional roof characteristic resources.
- ➔ Initial roof condition is assessed using aerial imagery and data from a third-party vendor. Exterior inspections are ordered at new business.
    - ◆ At renewal, inspections may be ordered if third-party data indicates the roof is in below-average condition.
- ➔ Flat roofs must have adequate drainage and no areas of water pooling or gathering.

None of the following may be present

- ➔ Existing storm or mechanical damage
- ➔ Improperly repaired prior damages
- ➔ Evidence of prior repairs or patching
- ➔ Tarped roofs (either whole or in part)
- ➔ Broken skylights or missing vents
- ➔ Curling or missing shingles
- ➔ Rotten or warped decking
- ➔ Manufacturing defects or improperly installed roof components
- ➔ Multiple roof layers (e.g., composition shingle over wood shake) unless the policy includes a Multi-Layer Roof Exclusion, at Underwriting's discretion.
- ➔ Tile roofs, including but not limited to concrete and clay, that are improperly maintained or showing signs of significant wear and tear

The roof requirements above may be waived by Underwriting at its discretion by applying an Actual Cash Value Roof Endorsement or a full Roof Surfacing Exclusion.

Prohibited Roof Types

- ➔ Aluminum
- ➔ Tin
- ➔ Earthen or Vegetative Material
- ➔ Flat roofs lacking proper drainage systems
- ➔ Solar
- ➔ Wood Shake
- ➔ T-Lock shingles

COVERAGE LIMITS

- ➔ Maximum Dwelling Limit $1,500,000
- ➔ Maximum Combined Parcel Dwelling Limit $1,500,000
  - ◆ No individual dwelling on the parcel can be intended for more than 4 families
  - ◆ Combined Parcel Dwelling Limits above $1,500,000 require prior underwriting approval
- ➔ Condominium dwelling limits of $350,000+ requires underwriting approval
- ➔ Maximum Private Structures Limit = 50% of Dwelling Limit
- ➔ Maximum Personal Property Limit = 30% of Dwelling Limit
  - ◆ Personal Property Limit of $200,000+ requires underwriting approval
- ➔ Maximum Additional Living Costs / Fair Rental Value Limit = 30% of Dwelling Limit
- ➔ Maximum TIV = $2,500,000
  (Total Insurable Value = Dwelling + Private Structures + Personal Property + Additional Living Expense/Fair Rental Value)

LIABILITY LIMITS

- ➔ Maximum Premises Liability Limit $1,000,000.
- ➔ Maximum Personal Liability Limit of $500,000 (only available for Rental with Owner occupancy type)
- ➔ Maximum Medical Payments Limit $25,000

EXTENDED REPLACEMENT COST (ERC) ENDORSEMENT

- ➔ ERC is an optional endorsement for up to $1,200,000 Coverage A.
  - ◆ ERC endorsement cannot be applied when Coverage A exceeds $1,200,000

INSURANCE TO VALUE

- ➔ DP-3 must be insured to 100% of replacement cost, less land.

EARTHQUAKE COVERAGE

Not available in most states. Coverage is available through Palomar in states with mandatory earthquake offer requirements.

FLOOD COVERAGE

Not available.

SHORT-TERM RENTALS

Notwithstanding other prohibited risks sections in these guidelines, the following are **ineligible**:

- ➔ Rentals available for less than 24 hours
- ➔ Rentals for large events (ex. weddings, rehearsal dinners, special events)
- ➔ Rentals which allow exotic or dangerous animals and any Pitbull, German Shepherd, Belgian Malinois, Rottweiler, Doberman Pinscher, Chow, Akita, Wolf or Wolf Hybrid or any mix thereof when liability is purchased unless the policy is endorsed with the Animal Liability Exclusion, at our sole discretion
- ➔ Short-term rentals where the Named Insured's permanent residence is 120+ miles from the insured location, unless the property is professionally managed by a property manager
    - ◆ Dwellings listed on Airbnb, Vrbo, or any other similar platform are considered professionally managed.

OWNERSHIP

- ➔ Named Insureds must have insurable interest in the property.
- ➔ Multiple ownership by more than 2 individuals (not including spouses) must be pre-approved by Underwriting
- ➔ Any property with more than 2 mortgage interests ineligible

Limited Liability Companies (LLCs), Corporations or Partnerships are acceptable if:

- ➔ they have insurable interest in the property,
- ➔ they are listed as the owner on the deed,

Limited Liability Companies (LLCs), Corporations or Partnerships with:

- ➔ business operations other than the ownership and maintenance of rental properties, such as realtors and property management companies, **must provide proof of an in-force General Liability coverage or declarations page** with minimum $1,000,000 per occurrence/ $2,000,0000 aggregate limits **prior to binding** to be eligible for Premises Liability coverage.
- ➔ any contractor operations **must provide proof of an in-force General Liability coverage or declarations page** with minimum $1,000,000 per occurrence/ $2,000,0000 aggregate limits and primary non-contributory policy language **prior to binding** to be eligible for Premises Liability coverage.

Limited Liability Companies (LLCs), Corporations or Partnerships are not acceptable for Personal Liability coverage or Personal Injury Liability coverage.

Examples of strictly Ineligible Named Insureds include but are not limited to

- ➔ Nursing homes, halfway houses, long-term care facilities
- ➔ Condominium or Homeowners Associations
- ➔ Land Trusts
- ➔ Co-ops
- ➔ Any industrial or manufacturing operation
- ➔ Daycares and childcare facilities
- ➔ Welders, metal fabrication, and sawmills
- ➔ Any business operation that presents an excessive risk or hazard, determined at our sole discretion.

Definitions

Named Insured: Entitled to all the benefits and coverage provided by the policy

Additional Insured: Someone not the owner, but who, under certain circumstances, may be entitled to some of the benefits and a certain amount of coverage under the policy.

Additional Interest: A 3rd party who benefits from knowing an insurance policy is in place, but does not need coverage. *Does this third party need the benefits of coverage under this insurance policy? If the answer is no, it is likely they just need to know of any changes made to the policy and they should be added as an additional interest.*

PRIOR LOSS HISTORY

Note: This section pertains to underwriting eligibility and does not necessarily impact rating factors. A loss history report is required on all new business applications prior to binding coverage.

General Rules

- ➔ Eligibility is determined based on reported losses within the past five (5) years from the policy's effective date, regardless of whether the claim was paid. This includes:
- ➔ Losses at the insured location(s)
- ➔ Losses at any other property owned or previously owned by the applicant
- ➔ Losses that occurred prior to ownership but are associated with the property
- ➔ **Important**: Only fully closed and completely repaired losses are eligible. Open claims or unrepaired damage at any insured risk location render the property ineligible for binding.

DP1 and DP3 Programs

Single Location

- ➔ Water: Maximum of two reported losses
- ➔ Fire: Maximum of one reported loss
- ➔ Wind/Hail: Maximum of two reported losses (at the insured risk location)
- ➔ Theft: Maximum of one reported loss
- ➔ Liability/Medical Payments: Maximum of one reported loss; if loss amount over $10,000, limit cannot exceed $100,000
- ➔ All Other Losses: Maximum of two reported losses

Multi-Location (2+ Locations)

In addition to single-location limits

- ➔ 2 locations: Maximum of three reported losses
- ➔ 3 locations: Maximum of four reported losses
- ➔ 4 locations: Maximum of five reported losses
- ➔ 5+ locations: Maximum total reported losses is equal to the number of insured locations
- ➔ Maximum of one fire, theft, or liability loss per every five locations
- ➔ Maximum of two vandalism losses per every five locations on DP3. More than two vandalism losses must be written on DP1 without vandalism coverage (*not available in California*).

Underwriting Approval Required for

- ➔ Any situation exceeding the stated thresholds above
- ➔ Non-weather-related loss over $100,000
- ➔ Fire-related loss over $30,000
- ➔ Theft, liability, or water loss over $15,000
- ➔ Loss Assessment coverage requested over $5,000 with prior Loss Assessment claim
- ➔ Limited Hidden Water or Seepage Coverage requested over $5,000 with prior reported water loss
- ➔ Off-Premises Liability Extension is requested with reported liability loss (*non-admitted programs only*)

OLDER HOME REQUIREMENTS

Electrical

- ➔ Knob and tube wiring, aluminum wiring or fuse boxes ineligible.

Plumbing

- ➔ Galvanized plumbing ineligible.

Heating

- ➔ Primary heat sources must be thermostatically controlled.
- ➔ Portable kerosene heaters ineligible.

ABOVE GROUND FUEL TANK REQUIREMENTS

- ➔ Fuel tanks must be in compliance with 2024 International Fire Code (IFC) 6104.3
- ➔ Fuel tanks must be properly maintained and in good condition
- ➔ Fuel tanks must be painted a bright, reflective color (white, gray, silver or similar)
- ➔ Do-it-yourself repairs and painting are prohibited
- ➔ Refer to Fuel Tank Guidelines for additional information

PROHIBITED RISKS*

The following are ineligible for coverage with Steadily in all programs:

- ➔ Unsound structures, broken windows and excess debris
- ➔ Electrical or plumbing not updated within the last 30 years for dwellings with a year built of pre-1940.
- ➔ Dwellings with unrepaired damages, incl. but not limited to flood, water, fire, or hail damage
- ➔ Apartments or dwellings intended for more than 4 families; single family homes, duplexes, triplexes, quadplexes, and condominiums units are eligible
- ➔ Dwellings under construction or undergoing significant renovations
- ➔ Risks vacant for 60+ consecutive days may have coverage limitations applied (see policy form)
- ➔ Dwellings located in areas where Steadily's risk concentration exceeds established contractual thresholds
- ➔ Mobile homes or any structures intended to be mobile or moved using attached wheels (i.e. motorhomes or travel trailers)
- ➔ Manufactured homes
- ➔ Properties wholly or partially abandoned, condemned, or in foreclosure or receivership
- ➔ Unusual construction i.e., log, yurts, dome homes, Lustron homes, straw, do-it-yourself, Morgan buildings, houseboats, earthen materials, below ground, treehouses, shipping containers or EIFS
- ➔ Historical homes
- ➔ Student housing
- ➔ Townhouses or similar structures with more than 20 contiguous individual units or more than 4 family units per fire division are ineligible unless specifically approved by underwriting. (For clarification, up to 20 contiguous units are eligible, while 21 or more are ineligible.)
- ➔ Presence of underground fuel or oil tanks
- ➔ Dwellings intended for public use
- ➔ Dwellings located over old landfills
- ➔ Isolated locations or those not accessible by vehicle 365 days per year without assistance of ferry, plane or other alternate transportation
- ➔ Location on islands including barrier islands. Risks located in these areas may be eligible for a wind-excluded policy.
- ➔ Locations with farm, ranch or commercial exposures that increase risk of physical loss
- ➔ Houseboats
- ➔ Coverage automatically excluded for structures wholly or in part over water

- ➔ Dwellings used by institutional or group living, including use as a sorority, fraternity, halfway house, assisted living, nursing home, daycare, group home, shelter, boarding house, transitional housing, sober living, hostel, rehab center, reentry housing, or any similar service.
- ➔ Coverage for solar panels is automatically excluded with minimal coverage for removal/reinstall. Solar panel coverage can be purchased via the Solar Panel Coverage buy-back endorsement.
    - ◆ Risks with solar panels covering more than 50% of the roof surface area are not eligible in the following states - AL, AR, CO, IA, IL, KS, MO, MS, MT, NE, OK and TX.
    - ◆ Risks with more than 10 ground mounted solar panels are ineligible.
- ➔ Location on more than 20 acres
- ➔ Presence of Knob & Tube or aluminum wiring, Federal Pacific or Zinsco electrical panels, polybutylene plumbing, and/or fuse boxes
- ➔ Risks where primary heat source is not controlled by thermostat; presence of portable kerosene heaters ineligible
- ➔ Dwellings unable to be inspected
- ➔ Timeshares
- ➔ Unacceptable brush fire and coastal exposure
- ➔ Applicant(s) with history of arson or insurance fraud
- ➔ Applicant(s) canceled or non-renewed for underwriting reasons (unless approved by Underwriting)
- ➔ Prior Lapse:
    - ◆ Coverage gap preceding the effective date of our policy of greater than 30 calendar days
    - ◆ Prior coverage must have been in effect for a minimum of 30 days to be considered acceptable
        - Forced-placed lender coverage is not considered valid proof of prior coverage
        - Proof of prior coverage may be requested at the discretion of Underwriting
- ➔ Risks in violation of any local, city, state or federal ordinances or laws, including but not limited to building, fire, sanitation, pollution, housing or safety codes.
- ➔ Barred windows and doors are ineligible unless 50% of the dwellings openings on the lowest level do not have bars. Barred openings are acceptable if they have a quick release mechanism. Does not apply to New Mexico.
- ➔ Any existing disputes or issues concerning the habitability of the dwelling or the tenant's right to occupy the residence will render the property ineligible.
- ➔ Presence of washing machines and/or dryers outside the dwelling.

PREMISES & PERSONAL LIABILITY PROHIBITED RISKS*

The following are ineligible for liability coverage with Steadily in all programs:

- ➔ Risks with attractive nuisance like empty swimming pool, playfort in front yard, unprotected hot tub, etc.
- ➔ Presence of trampoline, pool, spa, pond, or hot tub without fully enclosed, 4 ft. high permanently installed, locking fence unless specific liability exclusion is applied, at our sole discretion. *Trampolines must be in good condition with safety netting installed.*
- ➔ Presence of pool with diving board or slide in poor condition unless specific liability exclusion is applied, at our sole discretion.

- ➔ Dangerous exotic animals unless policy endorsed with Animal Liability Exclusion, at our sole discretion
- ➔ Presence of dog(s) or cat(s) with bite history as well as Pitbull, German Shepherd, Belgian Malinois, Rottweiler, Doberman Pinscher, Chow, Akita, Wolf or Wolf Hybrid or any mix thereof unless the policy is endorsed with the Animal Liability Exclusion, at our sole discretion
- ➔ Presence of atypical or out-of-the-ordinary liability exposure
- ➔ Risks with stairs, ramps and/or access points that present a significant liability exposure, do not meet local, state, or international building codes, or are in unsound or unsafe condition.
- ➔ Properties not solely used for residential purposes. Limited incidental commercial, farming, and ranching activities acceptable as long as they do not present an increase in hazard
- ➔ Unacceptable commercial use includes but is not limited to customer, employee, contractor foot traffic on premises, manufacturing facilities, welding, food processing, day care, hair salon, or dangerous equipment on premises
- ➔ Limited and incidental farm and ranch means the activities result in nominal (less than $1,000 per annum) income and/or profits for named insured or tenant
- ➔ Dwellings sub-leased as short-term rentals i.e. rental arbitrage

MISCELLANEOUS*

The following apply to all Steadily programs:

- ➔ Agents may quote up to 60 days in advance of the prospective effective date. This period may be reduced based on Steadily's contracts with insuring companies.
- ➔ Policies issued which exclude wind, hurricane or hail coverage are required to sign the Insured Affidavit to Exclude Windstorm or Hail. Failure to acknowledge the exclusion via signature will result in policy cancellation.