



Contact us for more information or to get a quote:



405.701.6820

Submissions@GEUinsurance.com

**Welcome to
REInsurePro.**

REInsurePro is a national Program Manager offering a specialized Insurance Program developed specifically for residential real estate investment properties and portfolios. Our comprehensive and flexible solutions can accommodate tenant-occupied, vacant, renovation and new construction properties. With the ability to house all of your clients' portfolio of any size and variety of location types on one monthly schedule, you can seamlessly add, change, and delete properties for your clients.

Why Work with REInsurePro

- ▶ Coverage for one to 20-unit tenant-occupied, vacant, renovation, and new construction properties across the country.
- ▶ Seamless coverage changes without the need to cancel and rewrite policies, or issue refunds.
- ▶ Ability to insure Trusts, IRAs, LLCs, individuals, and corporations on one schedule.
- ▶ Flexible billing options – Monthly premium payments (through credit card or ACH), or the ability to pre-pay one year (including escrow and IRA) with payments applied monthly.
- ▶ Monthly reporting means recurring revenue for you, and no minimum earned premium for your clients.
- ▶ All coverage is underwritten by AM Best “A” rated or better insurers.
- ▶ Flexible and comprehensive property and liability coverage options to meet the needs of each individual investor.
- ▶ State-of-the-art technology platform to quote and bind coverage, or submit for approval where required (often with same day turnaround), and access to a Sales Manager to answer questions and help with complex portfolios.
- ▶ Marketing support with an online portal to customize and download pre-built materials to help drive business and close sales.

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Coverage Overview

Valuation Methods

Replacement Cost coverage begins when insuring to \$70 per square foot. Actual Cash Value with no co-insurance is available when insuring to \$50 per square foot. In the REInsurePro technology platform, if Actual Cash Value is selected, but the Building Value meets or exceeds \$70 per square foot, the system will overwrite to Replacement Cost. If a location is requested below \$50 per square foot, the Insured Value will be increased to meet this minimum. There is no co-insurance in the REInsurePro Program.

Occupancy Status

Accurate reporting of each location's occupancy status at all times is very important in maintaining proper coverage, but can easily be changed with a few clicks of a button. Just log into the REInsurePro platform to review a client's portfolio and confirm the correct occupancy status is reported, or edit the property as needed. The Occupancy Statuses in the REInsurePro program include:



Occupied: Property currently occupied by a tenant or that will be occupied by a tenant within 60 days.



Vacant: Property not undergoing renovation and not occupied. These properties must be locked and secured at all times – failure to do so may affect coverage in the event of a loss.



Renovation: Property currently undergoing cosmetic renovation or within 60 days after the completion of a renovation. Claims for such properties are settled based on the invested capital at the time of loss. The Insured Value can be updated if the client invests more into the property than initially anticipated. Major structural renovations such as “down to the studs” rehabs, removal of load-bearing walls, adding square footage, or foundation reconfiguration will be written on a Builder's Risk policy.



New Construction: Ground up construction of a new property.

Coverage Overview Cont'd

Terrorism Coverage

Terrorism and Political Violence coverage is included on all location proposals providing coverage for damage caused by Acts of Terrorism or Sabotage. This coverage does not require the same thresholds as TRIA, and priced as a fixed cost per location. This coverage can be removed at the client's request, and requires a TRIA declination to be submitted.

Creative Investing Strategies

No two real estate investors are alike. REInsurePro recognizes and understands the proper way to insure all kinds of creative investing strategies and transactions such as: Non-Performing Notes, Contracts for Deed, Subject To transactions, and properties owned by IRAs or Trusts, to name a few.

Loss of Rents (Business Income)

Up to 12 months of coverage is available, based on monthly rent amount, if requested by your client or required by their lender.

Business Personal Property

This coverage can be included in your client's proposal for the investor's owned assets, particularly for a partially or fully-furnished rental unit. It should especially be considered for vacation rentals.

Other Structures

Coverage for Other Structures such as a detached garage or shed can be added to your client's locations. If the structure is occupied to a different tenant, it must be insured as a separate location in the Program.

Premises Liability Limits

REInsurePro property coverage is always packaged with Premises Liability starting with limits of \$1 million per occurrence, \$2 million annual aggregate with the option to increase to \$2 million per occ/\$4 million agg in most states. Our General Liability coverage includes pollution coverage and has a Canine Liability sublimit. You have the option of purchasing standalone Liability coverage.

Our General Liability coverage does NOT include:

- ▶ Products and Completed Operations
- ▶ Faulty Construction
- ▶ Workers Compensation
- ▶ Errors and Omissions Insurance
- ▶ Directors and Officers
- ▶ Employment Practices Liability Insurance
- ▶ Damage to Premises Rented to You
- ▶ Personal and Advertising Injury
- ▶ Fire Legal Liability

Optional Additional Coverages

The following additional coverage endorsements are available through REInsurePro and we are regularly adding new product options.

Tenant Protector Plan (TPP): The TPP is an alternative to renters insurance that provides additional protection for both the investor and their tenant in the event of tenant-caused negligent losses. Coverage includes:

- ▶ \$50,000 limit of liability (no deductible)
- ▶ \$10,000 in contents coverage (with a \$1,000 deductible for the tenant)
- ▶ \$2,500 sublimit of contents coverage for tenants of non-negligent affected units (\$7,500 max)
- ▶ \$1,000 for Skip Rent coverage in the event of tenants who vacate the property midway through the lease, are deployed, pass away, or are evicted.

Covered perils under the TPP include Fire, Explosion, Vandalism (not intentional by the tenant), Smoke, Wind/Hail and Sewer & Drain Back-up. This policy can fill the gap in property coverage for the Sewer & Drain Back-up exclusion. The TPP can be purchased as a standalone coverage and is a fixed price per unit.

Earth Movement: The REInsurePro Earth Movement policy includes coverage for the perils of earthquake shock (does not extend to damage caused by mudslide, lava flow, or flood that may have been triggered by the earthquake) and sinkhole.

- ▶ This coverage is subject to a deductible of 10% of the TIV per location, subject to a \$2,500 minimum.
- ▶ Not available in Alaska, California, Florida, Hawaii, and Illinois.

Flood: REInsurePro's Flood option follows our monthly reporting form, allowing the investor to avoid annual terms, and waives the waiting period required by FEMA.

Equipment Breakdown: REInsurePro's Equipment Breakdown coverage is among the broadest in the industry, extending coverage to many types of equipment that others exclude. This coverage should be considered for all locations, but especially those with two units or more.

Ordinance or Law: This coverage for additional reimbursement needed due to enforcement of local ordinances or laws regulating construction and repair of damaged buildings includes:

- ▶ Coverage A to extend property coverage to the undamaged portion of the building.
- ▶ Coverage B for demolition costs (limit of 10% of the TIV).
- ▶ Coverage C for increased costs of construction (limit of 10% of the TIV).

What Fits in the Program



Single Family

Single Family home that is tenant-occupied, vacant, or under renovation.



Multi Family (up to 20 units)

Dwelling or complex with two to 20 units that is tenant-occupied, vacant, or under renovation.



Vacant Property

One to 20-unit property in between tenants or on the market to sell.



Renovation

One to 20-unit dwelling, condo, or mobile home being renovated.



New Construction

Ground up construction of entirely new structure.



Vacation Rental

Furnished property (up to 20 units) or condo rented out on a short-term basis.



Condo (individual unit)

Walls-in coverage on an individually owned unit in any stage of occupancy.



Mobile Home

Tenant-occupied or vacant manufactured, modular or mobile dwelling.



Vacant Land

Stand-alone liability coverage for a parcel of land with no dwelling.



Non-Performing Notes

A loan purchased from a borrower behind on or not making payments.



Lender-Placed Insurance

Protects the lender's interest when the borrower's insurance has lapsed or is insufficient.

What Doesn't Fit

- ▶ Owner-occupied locations
- ▶ Properties with more than 20 units
- ▶ Commercial or mixed-use properties
- ▶ Locations greater than \$2,000,000 in Total Insured Value
- ▶ Log cabins

Billing & Payment Process

REInsurePro is a monthly reporting form, which means premium payments are applied at the end of each month for coverage in effect the prior month. This allows us to account for any changes that are made throughout the month and report the correct property information to our carriers. Payment for the first month is required when binding coverage on a location.

Payment Methods

When you bind coverage through the REInsurePro platform, you will have the option to choose from several billing plans. You can apply the same payment method to all locations on one client account, or unique payment methods per location.

- ▶ **Direct Bill – 100% Direct**

In this plan, the Insured will provide a credit card or ACH account to be charged for the first month on binding, then each month on their selected auto-payment date (available dates are the 2nd through the 6th of the month).

- ▶ **Paid in Full – Insured Pay**

In this plan, the Insured will provide a credit card or ACH account to be charged for the first 12 months of coverage. This charge will be held in an account and the monthly premium will be applied each month based on the prior month's charges. When these funds are depleted (or at the time of that location's anniversary in the Program), the Insured's payment method will be charged for the next 12 months in full.

Check Payments

Check payments made directly to REInsurePro are allowed only for locations paid through escrow or an IRA, and must be paid for 12 months in full.

- ▶ **For Escrowed Locations**

In order to bind coverage, the first month's cost will be drafted from the client's backup payment method and an Invoice will be issued to the Lender. Once the check is received and applied by REInsurePro, the first month's down payment will be refunded to the Client payment method. A backup payment method should be on file for the client in the event that funds are depleted prior to receiving the next escrow payment or the payment is not received in time, and the location is in danger of cancellation for non-payment of premium.

Billing & Payment Process Cont'd

▶ **For Locations Purchased with an IRA**

In order to bind coverage, the Account Setup fee will be drafted from the client's backup payment method and an Invoice will be issued to the IRA. A backup payment method should be on file for the client in the event that the payment is not received in time, and the location is in danger of cancellation for non-payment of premium.

Monthly Billing Process

On the 1st of each month, you will receive the monthly invoices for all of your client Accounts. These invoices also serve as an Inventory Report listing out all of the locations covered on that client account, their Insured Values, their occupancy status, coverages, and the location's monthly cost. It is your responsibility to confirm that all of the location information is accurately reported in the REInsurePro system. Any changes that affect coverage for the prior month, or locations that need to be added to or removed from an account effective the prior month must be done before the close of business on the 1st. Any changes made after the first will be effective on the date of request, and those affecting cost throughout the month will be charged when the endorsements are bound.

Monthly auto-payments will run between the 2nd and 6th of the month (depending on the date chosen by the client), and any pre-payments on file will be applied. If an auto-payment fails and/or payment is not received before the 7th, a Notice of Cancellation will be issued by email directly to the client (notifying you, the Agent, and the lender on file). If a new payment method is not applied within 10 days of the NOC, the coverage is canceled.

Reinstatement

Any requests to reinstate coverage on a canceled location after the 17th of the month will have a lapse in coverage and start over with a new effective date. These reinstatements will be subject to a \$50 account setup fee, and requires the submission of a No Known Loss letter. If a client wishes to reinstate coverage on a canceled location, and still has other active locations, the \$50 account setup fee is waived in lieu of a \$25 reinstatement fee per canceled location. These locations will still have a lapse in coverage for the period of cancellation. Coverage cannot be backdated.

Taxes and Fees

Your investor clients may be subject to the following fees:

- ▶ Account setup fee: \$50 one time charge for a new client account. Clients can add as many locations as they would like to an account, or set up as many accounts as they would like.
- ▶ Program Administration fee: Your commission plus an REInsurePro service fee
- ▶ Monthly Installment fee: Up to \$7 per location per month
- ▶ Marketing Fee: Up to \$10 per location per month
- ▶ Surplus Lines Tax: Varies by state as a percentage of base rate premium. May include applicable filing or stamping fees as required by the state.

Renewals

Because REInsurePro is a monthly reporting Program, there are no traditional annual renewals. The coverage remains in force unless it is canceled (either manually at the request of the client or due to non-payment of premium).

Carrier Changes

REInsurePro is always building relationships with new carriers in an effort to maintain the health of the Program, manage capacity, and bring new coverage opportunities to bear on behalf of our agent partners and their investor clients. As such, we reserve the right to transfer a clients' location from one carrier policy to another. In the majority of these cases the move will mean no apparent change to the client, and in some cases may even be beneficial to the client. In the event that this move will result in a diminishment of coverage, a change in deductible that negatively affects the client, or a change in the monthly cost that is detrimental, we will notify you of these changes 30 days prior to them taking effect.

Claims

Claims with the REInsurePro program are managed with our carriers by a Third Party Administrator, but REInsurePro acts as a resource for our Agent partners. You can begin the process for your clients by reporting an incident in your Agent Portal.



We look forward to working with you!



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