



**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.

Coverage Overview

Valuation Methods

The minimum ITV in the REInsurePro program is \$60 per sq. ft. at Actual Cash Value, giving investors the most flexibility in the market to determine their insured value. Replacement Cost coverage begins when insuring to \$80 per square foot. In the REInsurePro technology platform, if Actual Cash Value is selected, but the Building Value meets or exceeds \$80 per square foot, the system will overwrite to Replacement Cost. If a location is requested below \$60 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 \$1 million/\$5 million or \$2 million/\$5 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. Coverage includes:

- ▶ Choice of \$60,000 or \$100,000 limit of liability for tenant-caused losses (subject to a \$500 deductible)
- ▶ \$10,000 sublimit for Sewer & Drain Backup (subject to a \$500 deductible)*
- ▶ \$10,000 in contents coverage (with a \$500 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, and Smoke. Tenant contents coverage is also afforded in the event of a Wind/Hail loss.

**Please note that we also have a policy option with a \$50,000 limit of liability available for clients with portfolios larger than 20 locations. Under this policy, Sewer & Drain Backup falls under that limit of liability, but must be a tenant-caused loss.*

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).

Service Lines: This product provides coverage for damage to any exterior underground service line that

Optional Additional Coverages Cont'd

runs from the structure to the main line that provide service to the premises.

Covers repair or replacement of the line itself, excavation costs, and replacement of damaged

- ▶ outdoor property caused by service line failure (does not include damage inside the property resulting from the failure)
- Limits of \$10,000 or \$15,000 are available (lines over 50 years old are limited to \$2,500)



Covered perils include a leak, rupture, or collapse caused by wear and tear, deterioration, mechanical breakdown, weight of equipment or vehicles, external force of excavation, tree roots, or vermin.

Property Management Errors & Omissions: Investors who self-manage their properties can be at risk of liability claims due to inadequate work or negligent action while performing property management duties.

\$1 million limit of liability* and \$25,000 sublimit for tenant discrimination

- ▶ Available in 43 states (excluded in AR, IL, IN, NY, ME, OR, and WY)

Covered activities may include placing tenants, collecting rent, property maintenance, and enforcing lease requirements.

**This coverage is offered through program participation. Participants will share an aggregate limit of \$5 million per policy period.*



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 collected or applied each month the coverage is in effect. This allows your clients to make changes at any time. Payment is required when binding coverage on a location, or when making a change that requires additional charges. REInsurePro reports all covered locations to our carriers at the end of each month. Monthly payments are fully earned for any month where coverage is afforded.

Payment Methods

When you bind coverage through the REInsurePro platform, you will have the option to choose from several billing plans.

- ▶ **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 on the same day each subsequent month.
- ▶ **Direct Bill – with Agency Down Payment**
In this plan, you, the Agent will pay the first month of coverage when you bind using your payment method on file with REInsurePro, then bill the Insured. At the time of binding, the Insured will provide a credit card or ACH account to be charged each subsequent month on the same day the coverage was bound.
- ▶ **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.
- ▶ **Paid in Full – Agency**
In this plan, you, the Agent will pay for the first 12 months of coverage using the payment method on file with REInsurePro, then bill the Insured. 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 Agent'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. Checks are made out and mailed to REInsurePro.

- ▶ **For Escrowed Locations**
In order to bind coverage, the first month's cost (including monthly premium, account set up and other applicable taxes and fees) will be drafted from the Agent's payment method on file (or a 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 cost will be refunded to the Agent or 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 Agent's payment method on file (or a 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. Once payment is received from the IRA, the charge will be refunded to the original payment method.

Coverage Changes

Coverage changes to currently insured locations can be backdated to the first of the current month, or up until the Close of Business on the first of the next month (e.g. Changes can be made for a Jan 1 effective date through Feb 1). New locations added cannot be backdated and are effective on the day coverage is bound. Any changes that affect the cost will be reflected on the next monthly payment. It is your responsibility as the agent to confirm that all of the location and coverage information is accurately reported in the REInsurePro system.

Cancellations

If a payment fails or annual payment is not received by the anniversary date (or when pre-paid funds are depleted), 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 is not applied within 10 days of the NOC, the coverage is canceled. If payment is received within 10 days of the NOC to bring the account current, a letter of rescission will be sent to the client, to you (the Agent), and to the lender on file.

▶ **Reinstatement**

Once a location is canceled, it cannot be reinstated without a lapse in coverage. If your client would like to reinstate coverage on a canceled location, it will be subject to a \$50 account setup fee, and requires the submission of a No Known Loss letter. Coverage starts over with a new effective date. If a client wishes to reinstate coverage on a canceled location, and still has other active locations in the REInsurePro program, 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
- ▶ **Installment fee:** Up to \$7 per transaction 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 submitting a claim in your Agent Portal.



Technology

As a part of REInsurePro, you have access to our state-of-the-art technology platform that allows you to propose and bind coverage, make changes to a location or add coverage endorsements, service your clients' needs, and review your commission reports.

Sales

The process to obtain coverage for a new location in REInsurePro is simple. You'll Sign In to our Agent portal to begin the process.

1. **Get Rate:**

When you enter the location address, the system uses a lookup feature to autofill the information that is available through third-party sources. Such items include: County, Square Footage, Year Built, Flood Zone, and a Crime Score for underwriting purposes.

You will fill in the remaining property information, coverage requirements, and underwriting questions, then be able to get a Rate.

- ▶ If your client would like a proposal for multiple locations, you can manually enter as many as you'd like, or upload a Statement of Values for larger portfolios. Submissions of more than 10 properties will be submitted to REInsurePro to review.

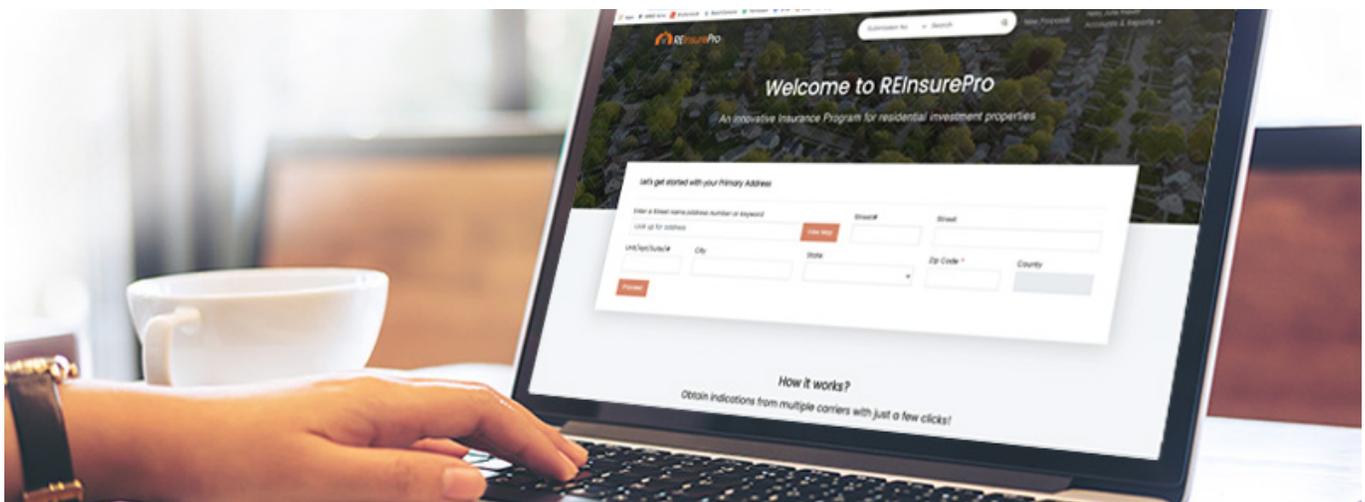
2. **Propose:**

If the Rate is favorable, you will be able to create a Proposal by entering the Client/Named Insured contact information, Desired Effective Date and Claims History. This will create a PDF that you can present to your client for them to sign off. The proposal includes hyperlinks to the policies on which your clients' coverage is placed so that you can review and explain them to your client.

- ▶ There are certain situations based on the underwriting questions that require approval by REInsurePro to obtain a Proposal. We seek to turn around these approvals within 24 hours on regular business days.

3. **Bind:**

Once the Proposal is signed, you can Request a Binder. Here you will enter any Lenders or Additional Insureds. Then you will sign required affidavits and enter Billing information to obtain a Binder.



Technology Cont'd

Service

The system allows you to log in to service your client's account in the following ways:

- ▶ Add a new location to the account
- ▶ Delete a location from the account
- ▶ Make changes to a location such as Insured Value, Coverage Form, Occupancy Status, or Lender Information
- ▶ Add ancillary coverage such as Earth Movement, Equipment Breakdown, or Tenant Protector Plan
- ▶ Update Payment Methods
- ▶ Download an Evidence of Insurance

Agency Administration

Within your Agent Portal, you will see the following modules:

- ▶ Outstanding Proposals – those proposals you have submitted for REInsurePro approval, those that have been approved, and proposals you are waiting for the client to sign off on.
- ▶ Commission Reports – the agency principal will be able to view monthly commission reports, including the selling agent for each location.

Marketing Support

All agencies appointed with REInsurePro have access to an online Marketing Toolkit through a platform called Lucidpress. This platform has a variety of templates for marketing materials to help you effectively market and sell REInsurePro to your investor clients. The materials in the platform can be co-branded with your logo and contact information, then downloaded for your use, or submit to get printed through an online third-party print vendor.

Each agency will be set up with a profile containing your contact information and logo that can be modified as needed. The toolkit will continue to grow with new materials added regularly.

You'll be able to access such materials as:

- ▶ Flyers (general and product-specific)
 - ▶ Brochures
 - ▶ Videos
 - ▶ Web banners
 - ▶ Informational packets
 - ▶ Social media graphics and posts
 - ▶ Educational white papers
- And more.

As an appointed REInsurePro agent, you may only use these pre-approved materials. If you have a need for other pieces, you may request custom materials by emailing Marketing@REInsurePro.com.

Working Together

As an REInsurePro agent, you are assigned a Sales Manager to be your primary point of contact. Your Sales Manager will work with you on larger portfolios, help answer questions about the Program, and review any proposal submissions that require underwriting approval. For any needs you have, your first stop should be your Sales Manager. If you are unsure of your Sales Managers contact information, you can email Info@REInsurePro.com or call **816-398-4080**.

As the agent, you will be the primary point of contact for your clients. The only communication your clients will receive directly from REInsurePro are Notices of Cancellation for Non-payment and Cancellation Rescission letters. If a client contacts REInsurePro directly, we will direct them back to you, the agent.



We look forward to working with you!



REInsurePro

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