Fannie Mae®

Multifamily Selling and Servicing Guide

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501.02I Regional Perils Insurance

Requirements

You must ensure:

- if a Property is in an area prone to geological phenomena, the property insurance coverage includes those phenomena; and
- the coverage equals 100% of the Insurable Value.

Guidance

Examples of geological phenomena include

- sinkhole,
- mine subsidence,
- volcanic eruption, and
- avalanche.

Glossary

I

Insurable Value	For any Property, the estimate of the maximum dollar amount needed to replace, repair, or reproduce the Property, but excluding any land value. **Synonyms** • Insurable Values

P

Property	Multifamily residential real estate securing the Mortgage Loan, including the • fee simple or Leasehold interest, • Improvements, and • personal property (per the Uniform Commercial Code). **Synonyms** • Properties • Property's