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.<br><br>**Synonyms**<br>• Insurable Values |

## P

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