



Multifamily Selling and Servicing Guide

Effective as of November 25, 2019

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501.04A Commercial General Liability Insurance

Requirements

The general liability insurance coverage amount must be at least

- \$1 million per occurrence/\$2 million general aggregate limit, plus
- excess/umbrella insurance as follows:

| If the number of stories in the building is... | The minimum excess/umbrella insurance coverage is... |
|--|--|
| 1-4 | \$2 million |
| 5-10 | \$5 million |
| 11-20 | \$10 million |
| Over 20 | \$25 million |

The maximum deductible amount is based on the total insurable values of the Property insurance policy.

| If the insurable value is... | The maximum deductible amount per occurrence is... |
|--|--|
| Less than \$5 million | \$40,000 |
| Equal to or greater than \$5 million, but less than \$50 million | \$50,000 |
| Equal to or greater than \$50 million, but less than \$100 million | \$125,000 |
| Equal to or greater than \$100 million | \$275,000 |

You may satisfy the maximum deductible amounts by any combination of the deductibles on the primary liability insurance and excess/umbrella insurance policies.

The maximum deductibles apply to all liability insurance.

Guidance

You may satisfy the insurance coverage requirements with any combination of primary liability insurance and excess/umbrella insurance coverage, so long as they add up to the sum of the required minimum limits.



You may satisfy the insurance coverage requirements for excess/umbrella insurance when the coverage limit meets the requirement for the location with the most stories.



Glossary

P

Property

Multifamily residential property securing the Mortgage Loan and including the land (or Leasehold interest in land), Improvements, and personal property (as defined in the Uniform Commercial Code).

Synonyms

- Properties
- Property's