



## Lemonade's Underwriting Positions

Below is an abbreviated and not exhaustive list of Lemonade's non-preferred risk characteristics for HO3 and HO6 applicants that should be avoided. Applicants with low insurance scores may have more restrictive eligibility requirements.

### Properties to avoid

#### Occupancy status

- Properties that are not owner-occupied, or are vacant
- Properties under construction, for sale, or in foreclosure
- Properties owned by an LLC or used for business purposes
- Homeowner properties rented out for more than 7 days a year
- 5+ multi-family homes
- Properties with more than one family in a unit
- Properties hosting more than one roomer/boarder

#### Home types

- Container homes, mobile homes, trailer homes, log homes, house trailers, modular homes, manufactured homes, and farms
- Dwellings listed on the State or National Register of Historic Places

#### Renovation and maintenance

- Properties that are poorly maintained, have pre-existing damage, or present hazardous conditions
- Homes in disrepair, with obvious cosmetic damage either inside or outside of the structure
- Noncompliance with building codes, permits, or inspections at the time of construction or renovation
- Properties lacking a smoke detector

#### Roof lifespan and material

- Roofs in disrepair or poor condition
- Flat roofs (in states with Hail exposure)
- Asbestos shingles, T-lock shingles, Atlas Chalet shingles, rolled material, or wood shingles or shakes
- Slate roofs older than 50 years
- Concrete, clay tile, or metal roofs older than 25 years
- Other roof types older than 20 years

#### Heating, electrical, and plumbing

- Electrical, plumbing, and heating systems that have not been renovated within the last 80 years
- Homes with an oil or fuel tank buried underground
- Properties heated by a wood stove, coal stove, pellet stove, fireplace, portable electric space heater, or other means that lack a thermostatically controlled heating system
- Knob and tube wiring, or aluminum wiring
- Properties without circuit breakers
- Properties built on a concrete slab with cross-linked polyethylene (PEX) plumbing embedded in the concrete slab
- Water heaters older than 10 years

# Lemonade

## Exposure

- Protection classes 9-10
- Dwellings built near water, over water, or on an open foundation
- Homes with overhanging trees
- Properties with swimming pools, hot tubs, trampolines, skateboard ramps, playground equipment, or any other attractive nuisances that are in disrepair or without fencing or gates
- Properties with evidence of hazardous conditions or risks in the immediate vicinity
- Properties used for an illegal or demonstrably hazardous purpose
- Risks with home-based businesses that may attract increased foot traffic

## Applicant characteristics to avoid

### Ownership

- Homes where the name insured is not the title holder or mortgage holder
- Private mortgage holders
- Properties with more than two mortgages
- Complex ownership structures

### Animals

- Residences with a dog with a prior bite history or animals with dangerous propensities. While we love all dogs, that list unfortunately includes Akitas, American Bulldogs, Chow Chows, Doberman Pinschers, Mastiffs, Pit Bulls, Rottweilers, Staffordshire Terriers, Wolf Hybrids, or any mix or variation of these breeds
- Residences with non-domestic, dangerous, exotic animals, including alligators, lions, tigers, and snakes (sorry, Joe Exotic)

### Criminal history

- Applicants or household members who have been convicted (or pled no contest) to a financial crime or a crime involving bodily injury or property damage
- Applicants or household members who have been convicted of, arrested for, or charged with arson, fraud, or crimes related to an insurance claim

### Coverage and Claims History

- Applicants who have been declined, canceled, or non-renewed by any property insurance carrier for any reason
- Risks with a lapse in insurance coverage
- Applicants with more than two paid losses over \$500 or one paid loss of the same type over \$500 in the previous 5 years
- Applicants with paid losses that have not been fully remedied or otherwise resolved that continue to impact the future loss potential
- Applicants with a past loss that indicates extreme negligence on the part of the insured
- Applicant with any paid theft or mysterious disappearance losses

**Coastal and catastrophe exposures**

**General (all states)**

Avoid applicants with the below criteria:

- Properties surrounded by debris or flammable materials, including flammable roof types, vegetation, overhanging branches, wood piles, or fuel tanks
- Dwellings subject to a landslide or mudslide—or built on a hillside, stilts and/or pilings, or on terrain with a slope of more than 30 degrees
- Properties in Special Flood Hazard Areas without adequate NFIP Primary Flood Insurance
- Properties with prior earthquake damage or prior earthquake claims
- Properties with prior wildfire damage or prior wildfire claims
- Properties with prior Windstorm or Hail damage or prior Windstorm or Hail claims
- Properties located on off-shore islands or within 5 miles inland from the coast
- Properties with a wildfire score above 3 (or 12 in Colorado) or a positive SHIA score
- Condos, co-ops, and renters that have fewer than 5 units and are within 2,500 feet of the coast
- Condos, co-ops, and renters in which the applicant lives on the ground floor or below
- Areas where Lemonade has placed a temporary moratorium

**Colorado**

- Homes in the following counties are subject to a minimum mandatory 1% Windstorm or Hail Deductible:
  - Adams, Arapahoe, Boulder, Denver, El Paso, Jefferson, Mesa, and Weld

**Connecticut**

- Homes in the following towns and zip codes are subject to a mandatory 2% Hurricane Deductible, or a 5% Hurricane Deductible if they are within 2,500 feet inland from the coast:
  - New London County: North Stonington, Stonington, Ledyard, Groton, New London, Waterford, East Lyme, Lyme, Old Lyme
  - Middlesex County: Old Saybrook, Westbrook, Essex, Deep River, Chester, Clinton, Killingworth
  - New Haven County: Madison, Guilford, North Branford, Branford, East Haven, New Haven, West Haven, Milford, Orange
  - Fairfield County: Stratford, Bridgeport, Fairfield, Westport, Norwalk, Darien, Stamford, Greenwich

06320	06333	06335	06339	06340	06349	06355	06357	06359	06371	06372	06375
06376	06378	06379	06385	06386	06388	06405	06409	06412	06413	06417	06419
06426	06430	06437	06439	06442	06443	06460	06461	06471	06472	06475	06477
06490	06497	06498	06501	06502	06503	06504	06505	06506	06507	06508	06509
06510	06511	06512	06513	06515	06516	06519	06520	06521	06530	06531	06532
06533	06534	06535	06536	06537	06538	06540	06605	06606	06607	06608	06610
06614	06615	06650	06673	06699	06807	06820	06824	06825	06830	06831	06832

# Lemonade

06836	06838	06850	06851	06852	06853	06854	06855	06856	06857	06858	06860
06870	06878	06880	06881	06888	06889	06890	06901	06902	06903	06904	06905
06906	06907	06910	06911	06912	06913	06914	06920	06921	06922	06925	06926
06927	06928	06604									

## Georgia

- Properties located within 20 miles inland from the coast are subject to a minimum mandatory 2% Hurricane Deductible
- Properties in the following counties are subject to a minimum mandatory 1% Hurricane Deductible: Camden, Glynn, McIntosh, Liberty, Bryan, and Chatham

## Iowa

- Properties in Des Moines are subject to a minimum mandatory 1% Windstorm and Hail Deductible

## Maryland

- Properties within the following zip codes are ineligible: 21864, 21841, 21813, 21843, 21829, 21811, 21842, 21862
- Homes located within 2 miles inland from the coast are subject to a 5% Hurricane Deductible
- Homes located between 2 - 5 miles inland from the coast are subject to a 2% Hurricane Deductible

## Massachusetts

- Properties within the following counties are ineligible:
  - Barnstable, Duke, and Nantucket
- Homes located in the following areas will be subject to a minimum mandatory 2% Windstorm or Hail Deductible and underwriting review:
  - Less than 1 mile inland from the coast in Bristol and Plymouth counties
- Homes located in the following areas will be subject to a minimum mandatory 1% Windstorm or Hail Deductible and underwriting review:
  - Within 1 - 5 miles inland from the coast in Bristol and Plymouth counties

## Missouri

- Homes located in the following areas will be subject to a minimum mandatory 1% Windstorm or Hail Deductible:
  - Clay, Greene, Jackson, Jasper, Jefferson, and St. Louis

## New Jersey

- Properties within the following zip codes are ineligible:

07717	07723	07732	07740	07750	07756	07760	07762	08006	08008	08087	08092
08201	08202	08203	08204	08210	08212	08221	08223	08225	08226	08230	08232
08242	08243	08247	08248	08251	08260	08401	08402	08403	08404	08406	08721

# Lemonade

08723	08732	08734	08735	08736	08738	08740	08742	08750	08751	08752	08753
-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------

## New York

- Properties within the following zip codes are ineligible:

06390	11224	11235	11430	11509	11561	11569	11691	11692	11693	11694
11697	11770	11930	11932	11935	11937	11939	11942	11944	11946	11948
11952	11954	11957	11958	11959	11960	11962	11963	11964	11965	11968
11971	11975	11976	11977	11978	10305	10306	10307	10308	10309	10312
11209	11214	11223	11228	11096	11208	11229	11234	11236	11239	11414
11422	11510	11516	11518	11520	11557	11558	11559	11566	11572	11598
11701	11702	11704	11705	11706	11710	11713	11715	11718	11719	11726
11730	11739	11751	11757	11758	11762	11769	11772	11782	11783	11793
11795	11796	11934	11940	11941	11950	11951	11955	11967		

- Homes located in the following areas will be subject to a separate Hurricane Deductible of 5%:
  - Within 1 mile of the coast on the North Shore of Nassau and Suffolk counties
  - Within 5 miles of the coast on the South Shore of Nassau and Suffolk counties
  - Within 1 mile of the coast in Richmond, Kings, and Queens counties
- Homes located in the following areas will be subject to a separate Hurricane Deductible of 2%:
  - All other areas of Nassau and Suffolk counties
  - Between 1 and 5 miles of the coast in Richmond, Kings, and Queens counties
- Homes located in the following areas will be subject to a separate Hurricane Deductible of 1%:
  - All other areas of Richmond, Kings and Queens counties

## Oklahoma

- All homes are subject to a 1% Windstorm or Hail Deductible

## Texas

- Properties within the following zip codes are ineligible:

77422	77428	77457	77510	77518	77520	77523	77530
77539	77541	77550	77551	77554	77562	77563	77565
77568	77571	77573	77586	77590	77597	77617	77623
77650	77655	77982	77983	78336	78338	78362	78373
78374	78379	78382	78385	78401	78402	78404	78407
78411	78412	78414	78418	78419	78521	78566	78578
78583	78597	78598					

# Lemonade

- All homes in the state are subject to a minimum 1% Windstorm or Hail Deductible
- Homes located within the First Tier coastal counties are only eligible if the peril of Windstorm or Hail is excluded. First Tier coastal counties include:
  - Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Refugio, San Patricio, and Willacy Counties, and parts of Harris County east of Highway 146.
- Homes located within Second Tier coastal counties are subject to a Minimum 5% Windstorm or Hail Deductible. Second Tier coastal counties include:
  - Bee, Brooks, Fort Bend, Goliad, Hardin, Hidalgo, Jackson, Jim Wells, Liberty, Live Oak, Orange, Victoria, Wharton Counties, and parts of Harris County west of Highway 146.

## Virginia

- Properties within the following areas are ineligible:
  - Accomack and Northampton Counties, and City of Virginia Beach
- Homes located in the following counties will receive a minimum mandatory Hurricane Deductible of 2%:
  - Chesapeake, Gloucester, Isle of Wight, Hampton, Lancaster, Mathews, Middlesex, Newport News, Northumberland, Norfolk, Poquoson, Portsmouth, Suffolk, Surry, Virginia Beach, York.