



## Premium Discounts for Hurricane Loss Mitigation

### Personal Residential Insurance Policies

Dear Homeowner,

Hurricanes have caused tens of billions of dollars in insured damages and predictions of more catastrophic hurricanes making landfall in Florida have triggered increases in insurance premiums to cover potential future losses. Enclosed is information regarding wind loss mitigation that will make your home more resistant to wind and help protect your family during a catastrophic event. In addition to reducing your hurricane wind premium by installing mitigation features, you may also reduce the likelihood of out of pocket expenses, such as your hurricane deductible, you may otherwise incur after a catastrophic event.

#### **What factors are considered in establishing my premium?**

Your location: The closer a home is to the coast, the more vulnerable it is to damage caused by hurricane winds. This makes the hurricane-wind premium higher than for similar homes in other areas of the state.

Your policy: Your insurance policy is divided into two premiums: one for damage caused by hurricane force winds (hurricane-wind) and one for all other damage (all perils), such as fire.

Your deductible: Under the law, you are allowed to choose a \$500, 2%, 5% or 10% deductible, depending on the actual value of your home. The larger your deductible, the lower your hurricane-wind premium. However, if you select a higher deductible your out-of-pocket expenses in the event of a hurricane claim will be higher.

Improvements to your home: The state requires insurance companies to offer discounts for protecting your home against damage caused by hurricane winds. Securing your roof so it doesn't blow off and protecting your windows from flying debris are the two most cost effective measures you can take to safeguard your home and reduce your hurricane –wind premium. These discounts apply only to the hurricane-wind portion of your policy.

The costs of the improvement projects vary. Homeowners should contact a licensed contractor for an estimate. You can find a Certified Contractor in your area by visiting the Florida Department of Business and Professional Regulation online at [www.myfloridalicense.com](http://www.myfloridalicense.com).

Your maximum discount: Discounts are not calculated cumulatively. The total discount is not the sum of the individual discounts, because a maximum discount could apply. Thus, when one discount is applied, other discounts could be reduced so that the total amount of the discount does not exceed the maximum, until the maximum is reached.

## How can I take advantage of the discounts?

Homeowners will need a qualified inspector such as a general, building, or residential contractor licensed under Section 489.111, Florida Statutes, or a professional engineer licensed under Section 471.015, Florida Statutes, who has passed the appropriate equivalency test of the Building Code training program as required by Section 553.841, Florida Statutes, or a professional architect licensed under Section 481.213, Florida Statutes, or a building code inspector certified under Section 468.607, to inspect the home to identify potential mitigation measures and verify improvements. For a listing of individuals and/or inspection companies meeting these qualifications contact your insurance agent or insurance company.

**The following construction techniques and home features can reduce insurance premiums. The items below result in discounts for hurricane-wind premium,\* which is a portion of the total annual premium and, as noted above, the discounts for the construction techniques and features listed below are not cumulative.**

**\* Wind mitigation credits apply to that portion of your premium that covers the peril of wind, whether or not a hurricane exists.**

**Homes built prior to the 2001 building code – amounts of premium discounts vary by policy**

Description of Feature
<u>Roof Covering (i.e., shingles or tiles)</u> <ul style="list-style-type: none"><li>• Meets the Florida Building Code.</li><li>• Reinforced Concrete Roof Deck. (If this feature is installed on your home you most likely will not qualify for any other discount.)</li></ul>
<u>How Your Roof is Attached</u> <ul style="list-style-type: none"><li>• Using a 2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li><li>• Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 12" in the field of the plywood.</li><li>• Using a 2 1/2" nail spaced at 6" from the edge of the plywood and 6" in the field of the plywood.</li></ul>

#### Roof-to-Wall Connection

- Using "Toe Nails" – defined as three nails driven at an angle through the rafter and into the top roof.
- Using Clips - defined as pieces of metal that are nailed into the side of the rafter/truss and into the side of the top plate or wall stud.
- Using Single Wraps – a single strap that is attached to the side and/or bottom of the top plate and are nailed to the rafter/truss.
- Using Double Wraps - straps are attached to the side and/or bottom of the top plate and are nailed to the rafter/truss.

#### Roof Shape

- Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid).
- Other.

#### Secondary Water Resistance (SWR)

- SWR – defined as a layer of protection between the shingles and the plywood underneath that protects the building if the shingles blow off.
- No SWR.

#### Shutters

- None.
- Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards.
- Hurricane Protection Type -- shutters that are strong enough to meet the current Miami- Dade building code standards.

**Homes built under the 2001 building code or later – amounts of premium discounts vary by policy**

Description of Feature
<p>Homes built under the 2001 Florida Building Code or later edition (also including the 1994 South Florida Building Code for homes in Miami-Dade and Broward Counties) are eligible for a minimum 68% discount on the hurricane- wind portion of your premium. You may be eligible for greater discount if other mitigation features are installed on your home.</p>
<p><u>Shutters</u></p> <ul style="list-style-type: none"><li>• None.</li><li>• Intermediate Type —shutters that are strong enough to meet half the old Miami-Dade building code standards.</li><li>• Hurricane Protection Type -- shutters that are strong enough to meet the current Miami-Dade building code standards.</li></ul>
<p><u>Roof Shape</u></p> <ul style="list-style-type: none"><li>• Hip Roof – defined as your roof sloping down to meet all your outside walls (like a pyramid).</li><li>• Other.</li></ul>

Alternately and regardless of the year of construction, if you meet the minimum fixture and construction requirements of the 2001 Florida Building Code you have the option to reduce your hurricane-wind deductible.

If you have further questions about the construction techniques and features or other construction techniques and features that could result in a discount, your insurance agent is your best source of advice.