



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
- Dwellings built near water, over water, or on an open foundation
- Homes with overhanging trees

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

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- Properties built on a concrete slab with cross-linked polyethylene (PEX) plumbing embedded in the concrete slab
- Water heaters older than 10 years

Exposure

- Protection classes 9-10
- 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

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|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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 |

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| 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:

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| 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 |

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| 08723 | 08732 | 08734 | 08735 | 08736 | 08738 | 08740 | 08742 | 08750 | 08751 | 08752 | 08753 |
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New York

- Properties within the following zip codes are ineligible:

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| 11224 | 11770 | 11569 | 11691 | 11793 | 11758 | 11702 | 11782 | 11693 | 11960 |
| 11558 | 11561 | 11694 | 11798 | 11959 | 11968 | 11976 | 11932 | 11940 | 11978 |
| 11692 | 11509 | 11697 | 11962 | 11975 | 11937 | 11930 | 11954 | 11946 | 11941 |
| 11969 | 11972 | 11942 | 11963 | 11709 | 11933 | 11721 | 11724 | 11935 | 11939 |
| 11783 | 11967 | 11552 | 11795 | 11590 | 11598 | 11731 | 11732 | 11542 | 11545 |
| 11020 | 11021 | 11022 | 11023 | 11024 | 11025 | 11026 | 11027 | 11740 | 11944 |
| 11743 | 11754 | 11560 | 11952 | 11765 | 11764 | 11766 | 11780 | 11768 | 11957 |
| 11958 | 11777 | 11961 | 11901 | 11778 | 11579 | 11964 | 11965 | 11786 | 11787 |
| 11789 | 11971 | 11790 | 11791 | 11797 | 11701 | 11703 | 11704 | 11510 | 11706 |
| 11705 | 11710 | 11713 | 11715 | 11718 | 11719 | 11934 | 11726 | 11730 | 11772 |
| 11518 | 11520 | 11739 | 11557 | 11096 | 11751 | 11559 | 11757 | 11950 | 11951 |
| 11566 | 11955 | 11769 | 11572 | | | | | | |

- Homes located in the following areas will be subject to a separate Hurricane Deductible of 5%:
 - Within 1 mile inland of the coast on the North or South Shores of Nassau and Suffolk counties
 - Within 1 mile inland 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 inland 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:

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| 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 |

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| 78374 | 78379 | 78382 | 78385 | 78401 | 78402 | 78404 | 78407 | |
| 78411 | 78412 | 78414 | 78418 | 78419 | 78521 | 78566 | 78578 | |
| 78583 | 78597 | 78598 | | | | | | |

- 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.