DIVISION V
DWELLING PROGRAM

A. **DWELLING ELIGIBILITY** -- Risks eligible for the dwelling program are used solely for residential purposes.

1. The maximum coverage available for any one dwelling is $1,300,000. This limit includes coverage for the structure, contents, loss of use and increased cost in construction.

2. Dwellings, townhomes (regardless of the number of adjoining units) and condominium-unit owners (regardless of the number of individual units in a building) are eligible for the dwelling program.

   a. Condominium ownership – The owner has title to the inside space of his unit. The legal definition is: The absolute ownership of a unit based on a legal description of the airspace the unit actually occupies, plus an undivided interest in the ownership of the common elements, which are owned jointly with the other condominium unit owners.

   b. Townhomes - In contrast to condominium ownership, real estate may be titled as fee simple. Fee simple ownership is the absolute and unqualified legal title to real property, **including both buildings and land**. This is the most commonly used type of ownership. With individual ownership of the land, deed restrictions may apply to the property. There may be mandatory dues to pay for common area maintenance, or, in some cases, the dues may pay for partial maintenance of the individual properties.

3. Detached buildings with living quarters will be rated as a separate dwelling and will require a separate application and policy.

4. Modular homes qualify as dwellings under the following conditions:

   a. The producer is able to obtain a copy (photograph) of the manufacturers NTA Inc. certification that states that the modular structure has been inspected to (and conforms with) the applicable code compliance standards. The sticker is typically affixed to the home at completion. Additional information can be found at www.ntainc.com.

   b. If the sticker has been removed from the structure, then it will be necessary to obtain building plans/specs that detail the construction details of the building. Modular homes built prior to **1995** are not eligible for consideration for rating under this provision and must be rated under Division VI. Manufactured Home Program.

5. Dwellings under construction (builders risk coverage) may be insured under the dwelling program. The premium is determined by multiplying the Coverage A premium times a factor of 1.00. Form WHP 43 will be attached. Contents coverage, replacement cost coverage, loss of use coverage and increased cost in construction coverage are not available.

B. COVERAGE FORM -- Coverage for dwellings and townhomes is provided using the WHP 1 Form. Coverage for condominium-unit owners is provided using the WHA 1 Form.

C. REPLACEMENT COST COVERAGE -- Replacement Cost Coverage is provided by endorsement using form WHP 10.

1. Coverage is available for a single family dwelling which is an owner-occupied, primary residence with no rental of premises built after 1950. A dwelling qualifies as a primary residence, if at the time of loss, the insured (or the insured's spouse) have lived in the dwelling for either:

   a. 80% of the calendar year immediately preceding the loss, or

   b. 80% of the period of the insured's ownership of the insured dwelling, if less than one calendar year immediately preceding the loss.

2. Replacement cost coverage is not provided for a:

   a. Unit in a condominium building, or

   b. Townhome, or

   c. Manufactured or mobile home including any attached structures.

3. Replacement cost coverage for contents is not available.

4. The dwelling must be insured to 100% of value or for the maximum limit available from the Association. If the Loss Scale is applicable to the risk, then the calculations must be based on replacement costs, not actual cash value.

5. Dwellings built prior to 1950 are not eligible for replacement cost coverage.

6. Flood insurance is required.

   a. Insured's must carry a flood policy either through the National Flood Insurance Program (NFIP) or through a Write-Your-Own Company participating in the National Flood Insurance Program.

   b. Non-NFIP flood policies are acceptable (i.e. Lloyd's or excess and surplus lines flood policies).

   c. A flood policy is required even though the property may not be in a Special Flood Hazard Area (SFHA). Properties in "lower" risk flood zones are also required to carry a flood policy in order to qualify for replacement cost coverage (i.e. B, C or X zone properties).

   d. The replacement cost policy form requires the insured to produce a copy of the in-force flood policy to the adjuster at the time of loss. If the policy is not in effect, the loss will be handled on an actual cash value basis.

e. The maximum limits available from the NFIP must be purchased in order to meet the SCWHUA requirements for replacement cost coverage. The purchase of excess flood insurance is not required.

7. There is a 5% surcharge of the dwelling premium for this coverage.

D. RATING - COVERAGE A AND C -- The following steps are used in rating Coverages A and C:

1. From the Key Premium Chart, select the appropriate Key Premiums.

2. Use the Key Factor Chart to determine the Key Factor for the desired limit of liability. If the desired limit of liability is not shown in the chart, use one of the following steps:

   a. If the desired limit is less than the highest limit shown, interpolate the Key Factors shown for the nearest limit above and below the desired limit.

   b. If the desired limit of liability is more than the highest limit shown, determine the key Factor for the desired limit using the loading for "Each Additional $1,000."

3. Multiply the Key Premium by the Key Factor and round to the nearest whole dollar to develop the Gross Base Premium.

E. RATING - COVERAGE B -- Coverage may be added for specific, Other Structures. Other structures must not contain finished space. For example, a detached garage with an apartment is considered a dwelling and would require the submission of a separate application.

1. Select the Key Premium from the Key Premium chart for Coverage A.

2. Multiply the Key Premium by .027.

3. The result is the rate per $1,000 of coverage.

F. RATING - OUTDOOR PROPERTY -- Select classes of outdoor property may be covered as specified items. The rates per $1,000 of coverage appear in the chart labeled "Outdoor Property."

G. LOSS OF USE COVERAGE -- The following underwriting and rating procedures are in place for Loss of Use Coverage:

1. Loss of Use will be provided only at the request of the applicant/insured.

2. Loss of Use is not available for Builder's Risk Policies.

3. Loss of Use Coverage will be provided only if the Association is providing the direct coverage.

a. If the applicant/insured is the owner of the dwelling, then the Association must insure the Dwelling.

b. If the applicant/insured is not the dwelling owner, the Association must insure the Personal Property.

4. The maximum limit per location for the Dwelling Program will include the sum of the limits for the Dwelling, Personal Property, Loss of Use and Increased Cost in Construction.

   a. If the applicant/insured is the owner of the dwelling, the limit of liability for Loss of Use will be either 20% or 10% of Coverage A. If the sum of the limits exceeds the per location maximum limit, then Coverage A and/or Coverage C and/or Extension of Coverage – Increased Cost in Construction must be reduced.

   b. If the applicant/insured is not the dwelling owner, the limit of liability for Loss of Use will be either 40% or 20% of Coverage C. If the sum of the limits exceeds the per location maximum limit, then Coverage C must be reduced.

5. Coverage is provided in the policy form when the coverage amount and premium are shown on the declaration page. The coverage is available for owner occupied and rental dwellings as well as seasonal/secondary dwellings. The Form provides two basic types of coverage – Additional Living Expense and Fair Rental Value.

6. Coverage will be rated as follows:

   a. If the Dwelling is insured under the policy, the gross dwelling rate will be used (including the surcharge for replacement cost coverage, if applicable).

   b. If the Dwelling is not owned by the insured, then the gross personal property rate will be used.

   c. In a. or b. above, the net rate will be determined ignoring the existence of Loss of Use. This is the rate to be used per $1,000 of Loss of Use Coverage.

7. The deductible that applies in the calculation of the rate determines the deductible used with Loss of Use.

   a. A 10 day deductible will apply when the 1% deductible rate is used.

   b. A 15 day deductible will apply when the 2% deductible rate is used.

   c. A 20 day deductible will apply when the 3% deductible rate is used.

   d. A 25 day deductible will apply when the 4% deductible rate is used.

   e. A 30 day deductible will apply when the 5% deductible rate is used.

f. A 55 day deductible will apply when the 10% deductible rate is used.

H. EXTENSION OF COVERAGE – INCREASED COST IN CONSTRUCTION – Extension of Coverage – Increased Cost in Construction is provided by endorsement using form WIC.

1. This endorsement eliminates General Exclusion 1a (Ordinance or Law). The coverage will pay the increased cost in construction due to the requirement to comply with building codes.

2. Increased Cost in Construction Coverage will be provided only at the request of the applicant/insured.

3. Increased Cost in Construction Coverage is not available for multi-family structures (i.e. duplexes), Builder's Risk Policies, Townhomes or Condominium-Unit Owners.

4. Increased Cost in Construction Coverage will be provided only if the Association is providing the dwelling coverage.

5. The maximum limit per location for the Dwelling Program includes the sum of the limits for the Dwelling, Personal Property, Loss of Use, and Increased Cost in Construction Coverage.

6. The limit of liability and premium charge for Increased Cost in Construction Coverage is as follows:

Coverage Limit	Premium
5% of Coverage A	2% of dwelling premium
10% of Coverage A	3.5% of dwelling premium
15% of Coverage A	5% of dwelling premium

7. Coverage is provided when the coverage amount and premium are shown on the declaration page.

I. MITIGATION PROGRAM – DWELLINGS/TOWNHOMES

1. Institute for Business and Home Safety (IBHS)

   a. The Institute for Business and Home Safety (IBHS) has developed a program known as “Fortified …For Safer Living”. This is a system to assist builders in making inspection and site location decisions to make homes more disaster-resistant.

   b. Specific building guidelines have been prepared for each state to qualify for Fortified Home status. South Carolina requirements include standards for the perils of wind and earthquake. Natural disaster – related building codes, even in areas where they have been strengthened in the wake of past events, provide minimum requirements for property protection.

   c. “Fortified …For Safer Living” offers a range of building techniques and materials that, taken together and independently verified, can make a home better able to survive nature’s perils.

   d. In recognition of the superior construction techniques employed by “Fortified …For Safer Living” builders, the Association provides a 20% credit for the dwelling (Coverage A), contents (Coverage C), Increased Cost in Construction (ICC), and Loss of Use (Coverage D) coverages.

   e. The insured must provide a copy of the IBHS certificate that is presented to the homeowner on completion of the “Fortified …For Safer Living” construction.

   f. More information about the IBHS program can be found at www.disastersafety.org.

2, SC Safe Homes

   a. The South Carolina Department of Insurance sponsors the SC Safe Homes Program. Consumers can have a certified inspector conduct an inspection of the property. If deficiencies are found, there is a list of certified contractors that can perform the work. There is a grant program in place to assist consumers in funding these repairs.

   b. The Association provides a 5% credit for the dwelling (Coverage A), contents (Coverage C), Increased Cost in Construction (ICC), and Loss of Use (Coverage D) coverages.

   c. The insured must provide a copy of the SC Safe Home inspection and a copy of the report by the SC Safe Home inspector that the home is in compliance.

   d. More information about the SC Safe Home program can be found at doi.sc.gov/605/SC-Saffe-Home/.

3. Other Mitigation Techniques

MITIGATION MEASURE	DESCRIPTION	ESTIMATED CREDIT
1. Opening protection	All glazed openings are protected for impact resistance and all other openings (garage doors, entry doors, other non-glazed openings) are protected for impact resistance. Acceptable measures include storm shutters or impact resistant glass. A glazed opening is glass or transparent materials used in windows, skylights or doors.	1% to 1.25% credit depending on the number of mitigation measures present
2. Roof tie downs	A structure with clips, single wraps, double wraps, or welds qualifies for the credit. Clips – Is a piece of metal nailed into the side of the rafter or truss and into the side of the wall's top plate or stud? The metal does not wrap around the top of the rafter/truss and the clip is located on one side of the connection. Single Wraps – Is a metal strap attached to the side and/or bottom of the wall's top plate and wrapped and nailed around the top of the rafter/truss? Double Wraps – Are metal straps attached to the side and/or bottom of the wall's top plate and wrapped and nailed around the top of the rafter/truss from each side? Welds – Are connections designed for the site on which the structure is located?	1% to 1.25% credit depending on the number of mitigation measures present
3. Construction standards	Masonry non-combustible (does not include masonry veneer or hardiplank)	1% to 1.25% credit depending on the number of mitigation measures present
4. Building codes	South Carolina Building Code Compliance Buildings built to meet or exceed the International Building Code as adopted by the SC Building Codes Council as of 2007. Credit will be provided for structures where the certificate of occupancy is issued in 2007. Remodeled structures are not eligible for the credit. Consideration for remodeled/retrofitted structures may be eligible for the SC Safe Home Credit.	1% to 1.25% credit depending on the number of mitigation measures present

a. Credit is provided as follows:

(1) 1% for any one of items 1. - 4.
(2) 3% for two or three of items 1.-4.
(3) 5% if all four items (1.-4.) are adopted.

b. The Insured's Mitigation Verification must be submitted **along** with the Contractor's Mitigation Certification. The Contractor's Certification must be completed by a licensed building contractor, registered architect, engineer, SC Safe Home inspector or building code official.

c. The forms can be found at www.scwind.com, Forms, Mitigation.

J. MITIGATION PROGRAM – CONDOMINIUM-UNIT OWNERS

MITIGATION MEASURE	DESCRIPTION	ESTIMATED CREDIT
1. Opening protection	All glazed openings are protected for impact resistance and all other openings (garage doors, entry doors, other non-glazed openings) are protected for impact resistance. Acceptable measures include storm shutters or impact resistant glass. A glazed opening is glass or transparent materials used in windows, skylights or doors.	1% to 1.25% credit depending on the number of mitigation measures present
2. Roof tie downs	A structure with clips, single wraps, double wraps, or welds qualifies for the credit. Clips – Is a piece of metal nailed into the side of the rafter or truss and into the side of the wall's top plate or stud? The metal does not wrap around the top of the rafter/truss and the clip is located on one side of the connection. Single Wraps – Is a metal strap attached to the side and/or bottom of the wall's top plate and wrapped and nailed around the top of the rafter/truss? Double Wraps – Are metal straps attached to the side and/or bottom of the wall's top plate and wrapped and nailed around the top of the rafter/truss from each side? Welds – Are connections designed for the site on which the structure is located?	1% to 1.25% credit depending on the number of mitigation measures present
3. Construction standards	Masonry non-combustible (does not include masonry veneer or hardiplank)	1% to 1.25% credit depending on the number of mitigation measures present
4. Building codes	South Carolina Building Code Compliance Buildings built to meet or exceed the International Building Code as adopted by the SC Building Codes Council as of 2007. Credit will be provided for structures where the certificate of occupancy is issued in 2007. Remodeled structures are not eligible for the credit. Consideration for remodeled/retrofitted structures may be eligible for the SC Safe Home Credit.	1% to 1.25% credit depending on the number of mitigation measures present

1. Credit is provided as follows:

   a. 1% for any one item 1. - 4.
   b. 3% for two or three of the items 1.-4.
   c. 5% if all four items (1.-4.) are adopted.

2. The Insured's Mitigation Verification must be submitted **along** with the Contractor's Mitigation Certification. The Contractor's Certification must be completed by a licensed building contractor, registered architect, engineer, SC Safe Home inspector or building code official.

3. The forms can be found at www.scwind.com, Forms, Mitigation.

K. KEY PREMIUMS

EFFECTIVE DATE	COVERAGE A	COVERAGE C
12/1/2012	346.100	48.510
12/1/2021	371.365	52.051
12/1/2022	387.120	54.260
6/1/2024	469.580	65.820

L. KEY FACTOR TABLE

LIABILITY LIMIT	KEY FACTOR COVERAGE A	KEY FACTOR COVERAGE C	LIABILITY LIMIT	KEY FACTOR COVERAGE A	KEY FACTOR COVERAGE C
1,000	0.566	0.17	28,000	1.182	4.68
2,000	0.588	0.33	29,000	1.205	4.85
3,000	0.611	0.50	30,000	1.228	5.02
4,000	0.634	0.67	31,000	1.250	5.19
5,000	0.657	0.83	32,000	1.273	5.36
6,000	0.680	1.00	33,000	1.296	5.53
7,000	0.703	1.17	34,000	1.320	5.70
8,000	0.726	1.34	35,000	1.342	5.87
9,000	0.749	1.50	36,000	1.365	6.04
10,000	0.771	1.67	37,000	1.388	6.21
11,000	0.794	1.84	38,000	1.411	6.38
12,000	0.817	2.00	39,000	1.433	6.55
13,000	0.840	2.17	40,000	1.456	6.72
14,000	0.862	2.33	41,000	1.479	6.89
15,000	0.885	2.50	42,000	1.502	7.06
16,000	0.908	2.67	43,000	1.524	7.23
17,000	0.931	2.84	44,000	1.547	7.40
18,000	0.953	3.00	45,000	1.570	7.57
19,000	0.976	3.17	46,000	1.593	7.74
20,000	1.000	3.34	47,000	1.615	7.91
21,000	1.023	3.51	48,000	1.639	8.08
22,000	1.046	3.67	49,000	1.662	8.25
23,000	1.068	3.84	50,000	1.685	8.42
24,000	1.091	4.00			
25,000	1.114	4.17			
26,000	1.137	4.34			
27,000	1.159	4.51	Each Add'l 1,000	0.023	0.17

M. OUTDOOR PROPERTY

Rates are per $1,000.

		Effective 12/01/2012
1.	Structures with rooflike covering including awnings	
	A. Cloth or Fabric	316.932
	B. Other	192.433
2.	Screen/supports around a pool, patio, etc.; Pool enclosures	83.093
3.	Fences, property walls, seawalls, trellis, walkways with rails or siding	
	A. Masonry or iron	22.159
	B. Other	340.961
4.	Greenhouses, solar panels, hothouse panels in wood or metal frame made of:	
	A. Glass	227.121
	B. Fiberglass or other rigid plastic material	244.970
5.	Slathouses or pergolas	93.584
6.	Cabanas, boathouses, walkways without rail or siding	
	A. Frame	133.884
	B. Masonry or metal	21.258
7.	Outdoor equipment – Includes pumps, tanks, other property NOC	15.806
8.	Signs	
	A. All metal	220.891
	B. Any part frame	594.690
9.	Outdoor radio and television equipment; Street lights	
	A. All metal	36.456
	B. All others	622.855
10.	Swimming Pools	
	A. Inground	21.984
	B. Above ground	614.372
11.	Swimming pool cover	281.305
12.	Open sided structures	105.408