



## *TEXAS MANUFACTURED HOME UNDERWRITING GUIDELINES*

### GENERAL UNDERWRITING GUIDELINES FOR ALL RISKS SUBMITTED

1. APPLICATIONS—All questions must be answered, the applicant and producer must sign the application and the application must be mailed within five (5) days from the effective date.
2. C.L.U.E.—Will be obtained on all submissions.
3. TOTAL INSURED VALUE—The maximum limit for the manufactured home (Coverage A) is \$125,000 and the total exposure for the manufactured home, personal property and unattached structures is \$200,000.
4. TRANSFER—A policy may not be transferred to a new owner. A new application for the new owner must be submitted for approval.
5. VALUATION—Manufactured homes must be insured to 100% of the actual cash value which can be found in the NADA Manufactured Home Appraisal Guide. If replacement cost is requested the manufactured home must be insured for 100% of the *current year* replacement value. The limit requested should not include the value of land. If the manufactured home is a new purchase and is insured for ACV, it should not be insured for more than the purchase price, excluding land.
6. OWNERSHIP—The applicant must be the titled owner of the manufactured home. If the risk is occupied by the named insured on a full-time basis or a seasonal / secondary home, the applicant must be an individual and the home may not be titled in a business name. If the named insured rents the manufactured home to another, it may be in a business name; however, liability coverage is not available.
7. ADDITIONAL INSURED—Owner Occupied Program—If more than one individual owns the manufactured home (titled owners); however, one or more of the individuals does not live in the manufactured home, they should be listed as additional insured (s) and not as an insured.
8. REPLACEMENT COST MANUFACTURED HOME—To qualify, the manufactured home must be fifteen (15) years or newer and owner occupied by the named insured on a full-time basis.
9. FULL REPAIR COST MANUFACTURED HOME—To qualify for full repair cost on the manufactured home, the home must be fifteen (15) years or newer and be owner occupied by the named insured on a full-time basis.
10. AGE REQUIREMENT—There is no age requirement.
11. PHOTO REQUIREMENT—Two (2) photos, one of the front and one of the back of the manufactured home, are required: (1) owner occupied risks with \$300,000 liability, (2) rental risks with more than \$25,000 premises liability and (3) manufactured homes that have been substantially modified.
12. PERSONAL PROPERTY—May not exceed 100% of the manufactured home limit (Coverage A) or \$25,000, whichever is greater.

### SUBMIT—DO NOT BIND

1. TEMPORARY SUSPENSION—If there is a watch / warning for a tornado, hurricane, tropical storm, flood, earthquake, wildfire or any other natural disaster, do not bind new business, increase coverage on existing business or accept payment for lapsed or cancelled policies.
2. SUPPLEMENTAL HEAT SOURCE—If the manufactured home, attached structure or unattached structure is equipped with a supplemental heat source not installed by the original manufacturer, provide details. If there is a wood burning, coal burning, pellet burning, etc. stove a completed Aegis Woodstove report must be submitted with details and two (2) photos, one of the woodstove and one of the chimney outside.
3. UNINSURED RISK—If the applicant has been uninsured for more than ten (10) days, submit with an explanation.
4. SWIMMING POOL—If there is a swimming pool on the premises, the pool must be surrounded with a stockade type fence at least 4' high with a locked gate. An unfenced pool or a pool with a diving board or slide must be written with the swimming pool exclusion (TAS-168). The exclusion must be signed by the applicant. The maximum liability limit is \$100,000. There is no coverage for physical damage to the pool or related items as they are excluded in the TAS-1 policy. Note: The premises liability form used for seasonal and rental risks excludes coverage for swimming pools.
5. SUBSTANTIALLY MODIFIED—Manufactured homes that have been substantially modified must be submitted with details of the modification. If two (2) manufactured homes are attached, there must be a properly supported roof over both the manufactured homes.
6. CANCELLED OR NONRENEWED—If the applicant was cancelled or nonrenewed, provide the reason for and the date of the cancellation or non renewal.
7. LOSSES / CLAIMS
  - Fire Loss—If the applicant has had a fire loss at any location in the past three (3) years, submit with a copy of the fire report and amount paid; more than one (1) fire loss is unacceptable.
  - Theft Loss—If the applicant has had a theft loss at any location in the past three (3) years, submit unbound. If the applicant had two (2) or more theft losses in the past three (3) years at any location, the risk is unacceptable.
  - Water Damage Loss—If the applicant has had two (2) or more water damage losses in the past three (3) years, the risk is unacceptable.
  - Liability Loss—If the applicant has had any liability losses at any location in the past three (3) years, submit with details including if the liability exposure still exists. If the applicant has had two (2) or more liability losses in the past three (3) years, the risk is unacceptable. If the loss involved an animal that has bitten or caused injury, the animal injury exclusion must be signed by the applicant. Note: The premises liability form used for seasonal and rental risks excludes coverage for animal injury liability.

## DO NOT SUBMIT UNDER ANY PROGRAM—UNACCEPTABLE RISK

1. If the manufactured home is unoccupied or vacant.
2. If the manufactured home is under construction.
3. If the manufactured home is condemned.
4. If the manufactured home is without utilities.
5. If there is a kerosene heater in the manufactured home, attached structure or unattached structure or any other place on the premises.
6. If there is any hazardous liability exposure on the premises. *NOTE:* The risk may be written without liability coverage. The applicant must sign acknowledgement of the deletion of liability coverage.
7. If supplemental heat or a wood burning, coal burning, pellet burning, etc. stove is the only means of heating the manufactured home.
8. If the manufactured home is not well maintained.
9. If the manufactured home has damage that has not been repaired.
10. If the manufactured home is used for student housing.
11. If there is a business conducted on the premises or in the manufactured home or any attached or unattached structure.
12. LOSSES / CLAIMS:
  - If the applicant has had two (2) or more fire, theft, water damage or liability losses at any location in the past three (3) years.
  - If the applicant has had three (3) or more minor losses at any location in the past three (3) years.
  - If the applicant has a loss that is unresolved or open with a prior carrier.

## PREFERRED / MULTI-SECTIONAL PROGRAM—ELIGIBILITY

1. The manufactured home must be owner occupied by the applicant (titled owner).
2. The manufactured home must be at least 16' wide.
3. The manufactured home must have a minimum value of \$25,000 for 16' and \$30,000 for multi-sectional.
4. The manufactured home must be located within five (5) miles of a fire department and 1,000 feet of a fire hydrant (protection class 1-8).
5. The manufactured home must be tied down or be on a permanent foundation.
6. The manufactured home must be fully skirted or have an enclosed foundation.
7. The manufactured home must have a composition roof.
8. The manufactured home must be ten (10) years old or newer.
9. The manufactured home must have vinyl or hardboard siding.
10. Manufactured homes with a wood, coal, pellet, etc. stove or any other supplemental heating system not installed by a licensed contractor or not installed by the original manufacturer is ineligible for the Preferred / Multi-Sectional Program.
11. Not available in Territories 4 & 8.
12. All other underwriting guidelines apply.

## VINTAGE

If the manufactured home and personal property limit equals \$30,000 or less and the liability limit is \$25,000, no underwriting is required. The only optional coverage available is replacement cost for personal property. If the unattached structure limit exceeds 10% of the Coverage A limit and results in the total manufactured home, personal property and unattached structure limit exceeding \$30,000 or if the liability limit exceeds \$25,000, the risk must be underwritten.

## SEASONAL PROGRAM

1. Must be written under the non-package program.
2. The following coverages are not available: replacement cost, full repair, scheduled personal property and \$300,000 premises liability.
3. All other underwriting guidelines apply.

## RENTAL PROGRAM

1. The following coverages are not available: replacement cost, full repair, scheduled personal property and \$300,000 premises liability.
2. Maximum personal property limit—\$5,000.
3. The name of the tenant must be provided.
4. Any risk with a supplemental heat source, including wood, coal, pellet, etc. stoves are unacceptable.
5. If the total exposure exceeds \$200,000, submit unbound with details, including name of tenants, total exposure to be insured, number of manufactured homes to be insured, limit for each home, number of homes in the park and how far apart are the manufactured homes.
6. If the manufactured home is in a business name, premises liability coverage is not available.
7. If the landlord lives out of state, submit, do not bind.
8. All other underwriting guidelines apply.

## SCHEDULED PERSONAL PROPERTY

1. A current appraisal or receipt is required.
2. The maximum limit per category—\$2,500 per item and \$5,000 aggregate for all categories. Call for an exception.
3. The risk must be owner occupied on a full-time basis.

## MINIMUM EARNED PREMIUM—\$50

If the risk is acceptable and a policy is issued, the policy is subject to the minimum earned premium shown on the declarations page if the insured requests mid-term cancellation. If the policy is cancelled by the company on a pro rata basis, the minimum earned premium will not apply.

## LATE PAYMENT

If a policy cancels for non payment of premium or if the renewal payment is not received before the expiration date, upon Company approval, the policy will be rewritten the day after postmark. A new application is not necessary on a lapsed policy unless the Company requests one; however, if a new application is submitted on a lapsed policy the effective date will be the day after postmark. THERE IS NO GRACE PERIOD.