

# **TEXAS MANUFACTURED HOME UNDERWRITING GUIDELINES**

***New Business Effective: 06/01/14***

***Renewal Business Effective: 07/01/14***

Texas All Risk General Agency, Inc.

9696 Skillman St. #170

Dallas, Texas 75243

800-627-0303

# ELIGIBILITY AND COVERAGES

COVERAGES	SPECIAL PROGRAM L.O.B. 37	SPECIAL BY-LINE PROGRAM L.O.B 77	ALL PURPOSE PROGRAM L.O.B. 48
Min/Max Value	\$35,000 - \$150,000	\$25,000 - \$150,000	\$20,000 - \$100,000
Occupancy	Primary/Permanent/ Seasonal/Secondary	Primary/Permanent/ Seasonal/Secondary	Rental/Light Commercial. No Owner Occupied.
Home Age	25 Years & Newer	40 Years & Newer	N/A
Claims History	N/A	N/A	N/A
Comprehensive Manufactured Home Coverage	Included	Included	Optional
Unattached Other Structures	Varies by Territory	Optional	Optional
Personal Property Coverage	Varies by Territory	Optional	Optional
Liability/Medical Payments	Varies by Territory	Optional	Optional
Additional Living Expense	10% of Coverage A Limit	10% of Coverage A Limit	N/A
Manufactured Home Replacement Cost (Homes 15 years and newer)	Optional	Optional	N/A
Personal Property Replacement Cost	Optional	Optional	N/A
Loss Settlement	Agreed Value	Agreed Value	ACV
Deductible	Various	Various	Various
Earthquake Coverage	Included - 10% (\$1,000 Minimum) Deductible	Included - 10% (\$1,000 Minimum) Deductible	Included - 10% (\$1,000 Minimum) Deductible
Flood Coverage	Included Except Territory 1	Optional	Optional
Radio and Television Antenna Coverage	Included - \$100 Limit Option to Increase Limit Available	Included - \$100 Limit Option to Increase Limit Available	Included - \$100 Limit Option to Increase Limit Available
Fire Department Service Charge	Included - \$250 Limit Option to Increase Limit Available	Included - \$250 Limit Option to Increase Limit Available	Included - \$100 Limit Option to Increase Limit Available
Emergency Removal	Included - \$500 Limit	Included - \$500 Limit	Included - \$500 Limit
Reasonable Repairs	Reasonable & Necessary	Reasonable & Necessary	Reasonable & Necessary
Debris Removal	Included - \$250 Limit	Included - \$250 Limit	N/A
Trees, Shrubs, Plants, Lawns	Included - \$50 for any one plant or shrub, \$100 for lawn or tree. Maximum combined is \$200 per Occurrence	Included - \$50 for any one plant or shrub, \$100 for lawn or tree. Maximum combined is \$200 per Occurrence	N/A
Collapse	Included	Included	Comprehensive Coverage - Included Named Peril Coverage - Excluded

## MANUFACTURED HOME OPTIONAL COVERAGES

COVERAGES	SPECIAL PROGRAM L.O.B. 37	SPECIAL BY-LINE PROGRAM L.O.B 77	ALL PURPOSE PROGRAM L.O.B. 48
Golf Cart Coverage	Optional	N/A	N/A
Scheduled Personal Property Coverage	Optional	Optional	N/A
Enhancement Coverage	Optional	N/A	N/A
Hobby Farm or Ranch	Optional	Optional	N/A

# GENERAL RULES

**ELIGIBILITY:** Manufactured homes used for family habitation and light commercial use, are eligible.

**POLICY TERM:** A policy may be written for a term of 12 months. Renewal policies will be based upon the rules, rates and forms in effect on the effective date of the renewal.

**DETERMINING THE MANUFACTURED HOME VALUE:** The manufactured home, and its attached adjacent structures, must be insured to its full actual cash value. If it has been recently purchased, use the purchase price (excluding land) as the base value. If it has not recently been purchased, the current value can be determined from a source such as the manufactured home blue book or similar guide.

**Wiring, Heating, Plumbing and Electrical Updates: Required on all homes 20 years old or over. Water heater must be updated within the past 10 years or water coverage will be excluded. 200 amp electrical service required on all homes.**

**WHOLE DOLLAR PREMIUM ROUNDING:** All policy and endorsement premiums will be a full dollar amount. For this purpose, an amount of fifty (50) cents or more will be rounded to the next whole dollar.

**CHANGES/WAIVER OF PREMIUM:** If insurance is increased or reduced, the additional or unearned premium shall be computed on a pro-rata basis, subject to the minimum premium. If the change results in a premium adjustment of less than \$5, this adjustment may be waived unless the named insured requests the unearned premium be refunded.

**CANCELLATIONS:** If the insurance is canceled at the request of the Company or the insured, the unearned premium will be computed on a pro-rata basis.

**MINIMUM PREMIUMS:** A minimum written premium of \$250, and a minimum earned premium of 25% will apply to each new and renewal policy.

**POLICY FEE:** A policy fee will be charged on all new and renewal policies. This fee will be fully earned and is not included in the minimum written and earned premium amount.

**Taxes and fees** All applicable state surplus lines taxes and stamping fee will apply. This is written on a surplus lines basis.

## DEFINITIONS:

**Manufactured Home:** A factory fabricated structure that is a transportable, permanent housing unit, which is set on a permanent site and is connected to utilities. It may consist of two or more sections that are joined together when the home is installed at a permanent site.

**Primary/Permanent Home:** A home that is a primary residence occupied by one family. The home must be occupied by the insured for at least six (6) consecutive months.

**Rental Home:** A home rented to others for monetary compensation.

**Commercial Home:** A home used for light office, professional or institutional purposes.

**Insured Age:** Year the policy is effective minus the year the insured was born.

**Home Age:** Year the policy is effective minus the manufacturer year of the home.

**In Park:** Manufactured homes that are in a manufactured home park or subdivision with 25 or more occupied spaces or PC class 1-8.

**Out of Park:** All manufactured homes not meeting the definition of In Park.

**Special Program:** Program is designed for owner occupied homes used on a primary/permanent basis.

**All Purpose Program:** Program is designed for homes used on a rental or commercial basis.

# GENERAL RULES (Continued)

## TERRITORY DEFINITIONS:

### Territory 1: Only locations in the Catastrophe Area designated by the Commission of Insurance

Aransas	Cameron	* Harris - Partial	Kleberg	Refugio
Brazoria	Chambers	Jefferson	Matagorda	San Patricio
Calhoun	Galveston	Kenedy	Nueces	Willacy

- \* 1. Areas located east of the boundary line of State Highway 145 and
- |                                       |   |
|---------------------------------------|---|
| a. within the city limits of Seabrook | c. within the city limits of Shoreacres |
| b. within the city limits of La Porte | d. within the city limits of Pasadena   |
2. The City of Morgan's Point

### TERRITORY 2 - Entire County:

Bee	Fort Bend	Hardin	Jim Wells	Orange	Wharton
Brooks	Goliad	Jackson	Liberty	Victoria	

### Remainder of the following counties:

Harris (Territory 2)

### TERRITORY 3:

Anderson	Burleson	Erath	Henderson	Lavaca	Medina	Rusk	Waller
Angelina	Burnet	Falls	Hill	Lee	Milam	Sabine	Washington
Atascosa	Caldwell	Fayette	Houston	Leon	Mills	San Augustine	Webb
Austin	Cherokee	Freestone	Jasper	Limestone	Montgomery	San Jacinto	Williamson
Bandera	Colorado	Frio	Jim Hogg	Live Oak	Nacogdoches	San Saba	Wilson
Bastrop	Comal	Gillespie	Karnes	Llano	Navarro	Shelby	Zavala
Bell	Comanche	Gonzales	Kendall	McLennan	Newton	Travis	
Bexar	Coryell	Grimes	Kerr	McMullen	Panola	Trinity	
Blanco	DeWitt	Guadalupe	Kinney	Madison	Polk	Tyler	
Bosque	Dimmit	Hamilton	Lampasas	Mason	Real	Uvalde	
Brazos	Duval	Hays	LaSalle	Maverick	Robertson	Walker	

### TERRITORY 4:

Andrews	Cockran	Donley	Hall	Jeff Davis	Mitchell	Reeves	Upton
Archer	Collingsworth	Ector	Hansford	Kent	Moore	Roberts	Val Verde
Armstrong	Cottle	Edwards	Hardeman	King	Motley	Schleicher	Ward
Bailey	Crane	Fisher	Hartley	Knox	Ochiltree	Scurry	Wheeler
Baylor	Crockett	Floyd	Haskell	Lamb	Oldham	Sherman	Wichita
Borden	Crosby	Foard	Hemphill	Lipscomb	Parmer	Sterling	Wilbarger
Brewster	Culberson	Gaines	Hockley	Loving	Pecos	Stonewall	Winkler
Briscoe	Dallam	Garza	Howard	Lubbock	Potter	Sutton	Yoakum
Carson	Dawson	Glasscock	Hudspeth	Lynn	Presidio	Swisher	
Castro	Deaf Smith	Gray	Hutchinson	Martin	Randall	Terrell	
Childress	Dickens	Hale	Irion	Midland	Reagan	Terry	

### TERRITORY 5:

Collin	Denton	Harrison	Hunt	Marion	Smith	Upshur
Dallas	Ellis	Hood	Johnson	Rains	Somervell	Van Zandt
Delta	Gregg	Hopkins	Kaufman	Rockwall	Tarrant	Wood

### TERRITORY 6

Bowie	Clay	Eastland	Jones	Montague	Red River	Throckmorton
Brown	Coke	Fannin	Kimble	Morris	Runnels	Titus
Callahan	Coleman	Franklin	Lamar	Nolan	Shackelford	Tom Green
Camp	Concho	Grayson	McCulloch	Palo Pinto	Stephens	Wise
Cass	Cooke	Jack	Menard	Parker	Taylor	Young

### TERRITORY 7:

El Paso

### TERRITORY 8:

Hidalgo	Starr	Zapata
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## GENERAL RULES (Continued)

### RESTRICTED AREAS - FLOOD:

No new policies, binders or increases in coverage will be accepted when flooding is within 5 miles of manufactured home. No new or renewal business may be written in these areas or on manufactured homes located:

- a. inside any levee;
- b. on any island, key, cape or peninsula;
- c. in any area subject to flooding or mudslides;
- d. within one mile of any salt water.

Risks located in the following flood restricted areas are not eligible for flood coverage. Attach endorsement A4194E0290 (R8/92).

County	City/Area	Applies To:	Zip Code
Bandera	Bandera	Riverbed Estates	78003
Bandera	Pipe Creek	Alamo Beach	78063
Bastrop	Bastrop	Riverwood Acres Subdivision (Off Jones Rd./Cr 41)	78602
Bexar	San Antonio	C A Kelley MHP & Trailer City MHP	78211
Coryell	Gatesville	FM 116 @ Cowhouse Creek	76528
Guadalupe	Cibolo	Crescent Bend Subdivision	78108
Hardin	Batson	Batson Prairie Loop Area	77519
Harris	Huffman	Brentwood MHP	77336
Harrison	Karnack	Parts of Karnack (call office)	75661
Harrison	Uncertain	Entire Uncertain area	75661
Hildago	Mission	Heritage Square	78572
Hood	Granbury	Arrowhead Community, Lake Granbury / Harbor & Brazos River Acres	76048
Johnson	Mansfield	Pecanwood Estates	76063
Johnson	Burleson	County Rd. 600/FM 3391 — Miller & Quail Creek Area	76028
Liberty	Dayton	Dayton Lakes Estates & Towering Oaks II Subdivision & Oak Meadows Subdivision & Timber Lake Subdivision & Hunter's Cove Subdivision	77535
Liberty	Liberty	Twin Oaks MHP	77575
Medina	Pipe Creek	Alamo Beach	78063
Montgomery	Conroe	Fire Tower Rd. - Between FM 1485 to the South & FM 2090 to the North, PLUS all roads within 2 miles East & West of Fire Tower Rd.	77303
Montgomery	Conroe	Chasewood Subdivision	77303
Montgomery	Conroe	Waukegan Rd. - Between FM 1485 to the South & Hwy. 105 to the North, PLUS all roads within 2 miles East & West of Waukegan Rd.	77303
Montgomery	Conroe	Magnolia Bend Subdivision & River Oaks Dr. area	77302
Montgomery	Magnolia	Decker Prairie Subdivision & Oak Hollow Subdivision & Margolia Bend Estates & Decker Woods Subdivision	77355
Montgomery	New Caney	Peach Creek Colony & Wood Branch & Arbor Oaks	77357
Montgomery	Pinehurst	Autumn Woods Subdivision & Foxwood Subdivision & Flower Mound & Decker Prairie area	77362
Montgomery	Porter	Live Oak Square & Porter Lane & Live Oak Burr Dr.	77365
Montgomery	Splendora	Harvest Acres Subdivision & Twin Lakes Estates Lake Splendora Subdivision	77357
Montgomery	Patton Village	Cheatum Street	77372
Montgomery	Woodloch	2 mile radius of Woodloch	77302
Navarro	Kerens	City Lake Road	75144
Parker	Soda Springs/Millsap	Mountain River Estates	76066
Parker	Weatherford	Horseshoe Bend Community	76086
Polk	Camilla/Coldspring	Camilla Twin Harbor	77331
Polk	Goodrich	Riviera Estates	77371
Polk	Livingston	Penwaugh Marine & Campground	77351
Polk	Onalaska	Yaupon Cove Subdivision (Lakefront Property)	77360
San Jacinto	Coldspring	Camilla/Camilla Twin Harbors	77331
San Jacinto	Goodrich	Camilla Twin Harbors & Riviera Estates	77371
San Jacinto	Shepherd	Grist Mill Lane Area & Independence Acres areas	77371
Travis	Austin	Austin Hill Mobile Home Estates	78724
Travis	Austin	Hudson Bend Camper Resort, West Beach Road & Annie Stewart Subdivision, Lake Travis Area	78734
Travis	Austin	Stonegate MHP Flood Zone Spaces 401-413, 3-31, 209-223, 227-229 & 332-347	78753
Travis	Del Valle	FM 973 & Pearce Lane, Onion Creek Area	78617
Trinity	Trinity	White Rock Creek Subdivision & Deer Run Subdivision	75862
Walker	Magnolia	Oak Hollow Subdivision	77355
Walker	Trinity	Deep River Plantation	75862
Wise	Lake Bridgeport	Runaway Bay & Hideaway Bay	76026

# GENERAL RULES (Continued)

**HURRICANE RESTRICTIONS:** During period of hurricane and tropical storm activity we find it necessary to restrict the binding authority of all producers on manufactured homes located in the below listed area in the following manner:

- a. Do not bind or write coverage on new business in the HURRICANE RESTRICTED COUNTIES when any hurricane is within the area of 65 West and 100 West Meridians and 15 North and 40 North Parallels.
- b. Do not bind or write coverage on new business in the HURRICANE RESTRICTED COUNTIES when any tropical storm is within 75 West and 100 West Meridians and 20 North and 40 North Parallels.
- c. No endorsements to existing policies may be issued which have the effect of increasing the limit of liability on personal effects, cabanas, awnings, carports, or shelters while a hurricane or tropical storm is within the above quadrants.
- d. Renewal or expiring Rancher and Farmers, Voyager Indemnity or "BMS" policies may be written providing there is no increase in coverage provided, such as higher limits on Personal Effects Coverage, coverage on cabanas, carports, awnings, screen rooms, etc.
- e. When a hurricane or tropical storm has diminished to a point where the National Hurricane Center has declared that it no longer poses a threat and is no longer classified as a tropical storm or hurricane, all restrictions indicated here are removed.

## HURRICANE RESTRICTED COUNTIES:

Angelina	Caldwell	Fayette	Hays	Kinney	Maverick	Refugio	Tyler	Wilson
Atascosa	Calhoun	Fort Bend	Hidalgo	Kleberg	McMullen	Robertson	Uvalde	Zapata
Austin	Cameron	Frio	Houston	La Salle	Medina	Sabine	Victoria	Zavala
Bastrop	Chambers	Galveston	Jackson	Lavaca	Milam	San Augustine	Walker	
Bee	Cherokee	Goliad	Jasper	Lee	Montgomery	San Jacinto	Waller	
Bexar	Colorado	Gonzales	Jefferson	Leon	Nacogdoches	San Patricio	Washington	
Brazoria	Comal	Grimes	Jim Hogg	Liberty	Newton	Shelby	Webb	
Brazos	DeWitt	Guadalupe	Jim Wells	Live Oak	Nueces	Starr	Wharton	
Brooks	Dimmit	Hardin	Karnes	Madison	Orange	Travis	Willacy	
Burleson	Duval	Harris	Kenedy	Matagorda	Polk	Trinity	Williamson	

## EARTHQUAKE RESTRICTIONS:

When a major earthquake occurs, the Company will impose binding authority restrictions on all agents in the affected area:

- a. Binding authority will be restricted when an earthquake reading 5.0 or greater in the Richter Scale occurs.
- b. Binding authority will be restricted for the day of the quake and for the 3-day period following the quake.
- c. An aftershock reading 5.0 or greater on the Richter Scale will be considered a new earthquake, and will result in a new period of suspended binding authority.
- d. The restrictions will apply to all counties located within 150 miles of the earthquake's epicenter.
- e. The same above restrictions apply to any requests to increase coverage limits.
- f. Renewals are not affected by these restrictions.

**BINDING COVERAGE:** For coverage to begin as requested, the application must be fully completed and signed within 48 hours of the requested effective date. Otherwise, coverage is bound at 12:01 a.m. the day the application is received by the General Agent.

## PREMIUM RULES:

1. Determine use of the home and determine proper program the risk will be written in.
2. Determine the location of the risk (county, territory, park status).
3. Locate appropriate table for base premium.
4. Add any Deductible credit, the result is the new base premium.
5. Apply the net of any credits and surcharges, event score factor applicable to the policy, to the new base premium.
6. Add any optional coverages.
7. The result is the Total Premium.

# CLAIMS PROCEDURES

## ASSIGN ALL PROPERTY AND LIABILITY CLAIMS TO:

Texas All Risk General Agency  
9696 Skillman St. #170  
Dallas, Texas 75243  
800-627-0303

# UNDERWRITING GUIDELINES

## INELIGIBLE RISKS

1. Applicants that have been convicted of arson or insurance fraud.
2. Homes without permanently installed water, electricity, and sewage utility services.
3. Homes that have been salvaged or have existing structural damage.
4. Homes that are vacant, under construction/major renovation or in foreclosure.
5. Homes with liquid fuel-powered space heaters.
6. Homes where the **primary** source of heat is a wood/coal/pellet burning device or space heater.
7. Homes with polybutelene pipes.
8. Homes or other structures used to store flammables or explosive materials.
9. Homes located in areas subjected to floods or mudslides in the last 10 years.
10. Homes with more than 2 lien holders. Two lien holders are acceptable if one is a financial institution.
11. Homes with lodging, auto repair or chemical processing conducted on the premises. **All other business pursuits must be submitted for approval.**

## RISKS TO BE WRITTEN WITH NO LIABILITY COVERAGE

1. Any premises with a swimming pool or spa that does not have a four-foot fence with a self-latching gate or a motorized pool cover.
2. Any premises with a trampoline.
3. Homes with no permanently installed steps at all entrances or that has 3 or more steps at any exit without a handrail.
4. Owner Occupied risks titled in the name of a corporation.

## SUBMIT RISKS

1. Applicants that have had 2 or more property losses in the past 36 months or any single fire, theft, liability or flood loss in the past 36 months. If yes, give date of loss, describe the loss and the amount paid to repair the damage.
2. Applicants that have had a manufactured home/dwelling policy cancelled or non-renewed for underwriting reasons (except age of manufactured home) during the past 36 months.
3. Applicants that have filed for bankruptcy in the past 36 months.
4. Applicants that have been 30 days past due on mortgage payments in the past 12 months.
5. Applicants who are unemployed. (Retirees with guaranteed income and disabled persons with a consistent income are considered employed.)
6. Homes that have been uninsured for more than 30 days immediately prior to the requested effective date. (Does not apply to a new purchase.)
7. Homes with more than two unrelated owners.
8. Homes that are built on stilts, posts or piers.
9. Homes or other structures (other than porches, decks, awnings, skirting or carports) that are not factory/contractor built or two separate homes that are joined together. **Photos must be included.**
10. Homes equipped with a supplemental heating device that was not installed by the manufacturer or a licensed contractor. **Photos and the Woodstove Inspection Report must be included.**
11. Homes within 1,500 feet of water – excluding reservoirs (river, lake or creek) or in a Special Flood Hazard Area.
12. Homes with multiple horses, livestock or farm animals on the premises.
13. Any premises with 5 or more acres.
14. Homes with farming activities conducted on the premises.
15. Applicants who own, keep or shelter any Akita, Anatolian Shepherd, Chow, Doberman, Pit Bull, Presa Canario, Rottweiler, Wolf or Wolf Hybrid. Any mix of these breeds with any other breed, whether listed or not.
16. Applicants who own, keep or shelter any animal with a previous bite history or any non-domestic animal.
17. Unattached structures that exceed 100% of the value of the manufactured home or \$25,000 whichever is greater. **Docks, Piers or Boathouses should be submitted with Photos.**
18. Personal effects that exceed 70% of the value of the manufactured home. **Personal Effects Inventory must be included.**