



# SURPLUS LINE MANAGERS INC.

A Certified Managing General Agency (Cmga)

Vermont

*American Reliable Insurance Company*

## FLEX CHOICE- BUILD YOUR OWN PACKAGE MANUFACTURED HOME PROGRAM OVERVIEW

The American Reliable Flex Choice - Build Your Own Package Manufactured Home Program is an unpackaged program designed for homes that do not require all of the coverages included in the Special Program. This program is also good for insureds who own dogs with a bite history or any non domestic animals as it can be written without liability. The Flex Choice - Build Your Own Package Program still offers most of the optional coverages available under the Special Program.

**Policy Form:** American Reliable uses the A5153P0892(R12/97) Special Mobile Homeowners Policy for this program.

### Manufactured Homes on the Rise:

Since the housing bubble burst in 2008 many people can no longer afford to own a home. This has increased the number of renters. Many of these renters would still like to be homeowners. According to HouseLogic, in 2013 80% of Americans thought owning a home was a good decision. 36% of renters were thinking about buying a home and 51% of renters said owning a home was their highest priority. This was up from 25% and 42%, respectively, in 2012. Unfortunately home ownership is still unaffordable for many people.

Manufactured homes provide a good alternative to people who want to own a home but can't afford a site built home. According to the US Census Bureau, entry level manufactured homes can be purchased for under \$40,000 in most markets, while more residential style multi-sectional homes have an average cost of under \$70,000. In 2011 the American Housing Survey found that the average rent was \$725. Manufactured homes priced between \$40,000 and \$70,000 would have mortgages significantly lower than the average cost of rent. Additionally, 36% of manufactured home households have a net worth under \$25,000. Considering the average renter falls in this threshold it becomes clear that manufactured homes are a financially viable alternative to site built homes for many people.

For more information please see the "Rental Housing Affordability" report from the Harvard Joint Center for Housing Studies and the "Manufactured Homes and the Harvard Joint Center for Housing Studies reports on America's Rental Housing: Evolving Markets and Needs" from [www.ManufacturedHomeLivingNews.com](http://www.ManufacturedHomeLivingNews.com).

### Included Package Coverages:

- Additional Living Expense – 10% of Coverage A
- Earthquake
- Flood

### Additional Coverages Included\*:

- \$250 Debris Removal
- \$250 Fire Department Service Charge
- \$100 Radio and Television Antenna
- \$250 Tie Down Equipment
- Trees, Shrubs, Plants and Lawn - \$50 per Shrub or Plant/\$100 per Lawn or Tree/\$200 Maximum
- \$500 Emergency Removal
- Claim Expenses – Including up to \$50 per day loss of earnings if liability is purchased

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## Additional Coverages (continued)\*:

- First Aid Expenses if liability is purchased
- \$250 Damage to Property of Others if liability is purchased

## Features/Advantages:

- Available for primary and seasonal/secondary occupancies
- Coverages A, B and C include comprehensive coverage
- Available for manufactured homes 1940 and newer
- All Protection Classes qualify, including Protection Classes 9 and 10
- The minimum Coverage A value is \$1,000 and the maximum Coverage A value is \$300,000
- Liability coverage is available to all dwellings with dogs that do not have a bite history. However, a Specific Breed Animal Exclusion is attached to all policies.
- Liability coverage is available for homes with trampolines. A Trampoline Exclusion is attached to all policies.
- Horses are allowed. The total number of horses cannot exceed the number of family members.
- Livestock and farm animals for 4H type projects are allowed as long as there is no revenue from the activities.
- Supplemental heating devices do not require an additional questionnaire if installed by a licensed contractor.
- Swimming Pools are allowed if they are within underwriting guidelines. If the pool does not meet the guidelines, the policy may still be written but the swimming pool exclusion will be attached.

## Optional Coverages:

They offer a variety of optional coverages for you to market.

- Other Structures
- Personal Property
- Personal Liability
- Medical Payments to Others
- Scheduled Personal Property
- Identity Fraud
- Occasional Rental
- Manufactured Home Replacement Cost
- Manufactured Home Full Repair Cost
- Personal Property Replacement Cost
- Increased Radio & Television Antenna
- Increased Fire Department Service Charge
- Water Back Up and Sump Discharge or Overflow
- Extended Replacement Cost
- Builders Risk – Coverage until the home is hooked up to utilities
- Extended Theft

\*Additional Coverages Included are subject to provisions, exclusions, and conditions of the applicable policy.

Connecticut

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