

Mobile/Manufactured Home Buying Tips

The goal of these mobile home / manufactured home insurance buying tips is to help you be adequately insured against everyday risks and disasters and avoid insurance gaps. Please refer to our [Manufactured Home Insurance Basics](#) for more info on the types of coverage in a typical policy.

Mobile/Manufactured Home Buying Tips:

- **Aim for adequate Dwelling coverage.** The most important coverage to focus on when shopping for manufactured home insurance is the “Dwelling.” New manufactured homes cost upwards of \$100,000 or more. Shop for Replacement Cost (RCV) insurance, which pays to replace your dwelling, up to policy limits. In many policies, Personal Property coverage limits are set automatically as a percentage of Dwelling limits – so if your dwelling is underinsured, your personal property will be underinsured too.
- **Aim for Replacement Cost (RCV) not Actual Cash Value (ACV) coverage.** A standard Mobile/Manufactured Home policy gives you only actual cash value (ACV), not replacement cost value (RCV). If you have lived in your home a while there is likely a HUGE cost difference between the depreciated value of your current home and the cost of purchasing a new one. This is the same for your personal property– RC is better, ACV is cheaper. If you have RC coverage, your insurance company will reimburse you for the actual cost of replacing what you lost. If you only have ACV, your insurance company will pay the used (depreciated) price a willing buyer would have paid you immediately before the loss. We **strongly** recommend replacement cost coverage if you can afford it.
- **Create a basic inventory list** of everything you own. Start with the most valuable items. A convenient time to do this is when you are packing or unpacking for a move. Use your phone to take pictures or a video of your belongings. To create your inventory on a computer, you can use [UP’s free home inventory spreadsheet](#). (clicking the link will automatically download the

spreadsheet.)

- **Do the math.** Estimate approximately how much it would cost to replace each item on your inventory.
- **Store your inventory** in a safe location online or outside your home. If you ever have a loss and need to file a claim, the insurance company will ask you to itemize every item that was damaged or destroyed. Having a pre-loss inventory will be a huge time and hassle saver.
- **Think about your local risks.** Fires and theft can happen anywhere; earthquakes and floods are more region-specific. You may need to buy a separate policy for earthquakes and/or flooding.
- **If you live in a manufactured home community with Homeowners Association (HOA),** you may be required to include “Special Loss Assessment” coverage in the policy on your unit.

Find the policy that best fits your wants and needs:

As tempting as it is to shop on price alone, we recommend against that. The old saying, “Don’t be penny-wise and pound-foolish” applies here. We know you don’t want to waste money, but having enough insurance is important.

- **Work with a good Agent or Broker:** “Captive agents” can only sell one insurer’s policies so they offer fewer choices. “Independent agents” also called “brokers” sell a wider array of choices.
- **Shop Around:** Aim to get a few quotes and compare what they offer.
- If there are claims on your **“CLUE” report** that put you in a higher risk category, your insurance will cost more. Request a copy of this report at www.consumer.risk.lexisnexis.com, review it and correct any errors that may flag you as a higher risk.

- **Avoid paying for coverage you don't need.** Ask an agent to help you customize.
- **Ask for discounts:** Don't wait for insurers to offer. Consider multi-line discounts by purchasing your auto, life, and/or liability umbrella insurance coverage from the same company. Discounts may also be available for having a fire extinguisher in your home, a home security system, having a clean claim history, and having good credit. Ask if there are any special membership-related discounts (AAA, Costco, Sams, AARP, etc.). If your MH has secure anchoring to concrete slab or foundation, you may be eligible for discounts.
- **Customize your safety net:** A standard manufactured homeowner's policy has caps/limits on payments for certain items such as business equipment, jewelry, firearms and electronics. If you work from home, have collections, art or high value items, consider buying extra coverage, known in insurance lingo as a "rider" or an "endorsement."
- **"Personal property"** means clothing, furnishings, furniture, but also refrigerators, stoves, washing machines, dryers, and, in most cases, HVAC systems (less the ducts and vents built into the MH). A standard MH policy will typically cover personal property items on an "actual cash value" basis. If you only have ACV, your insurance company will not pay the full cost of replacing items. We **strongly** recommend replacement cost coverage if you can afford it.
- **Higher deductibles = lower premium:** Your deductible is a set dollar amount of a loss that you have to pay out of pocket before insurance kicks in. Ask for a higher deductible if you want to pay less for your insurance.