

## **TOP 10 MISTAKES MADE WHEN INSURING A MOBILE HOME PARK**

- 1.) Failure to list/insure all your improvements on your policy.** Many simply don't include above ground utility infrastructure, signs, fences and smaller buildings;
- 2.) Undervaluing your Property.** Too often, people insure things based on its tax value or what the prior owner valued it at. For most regular construction buildings, start at \$70/ft. For mobile homes, don't forget the transportation/installation costs;
- 3.) I won't insure my park owned homes because each isn't worth a lot.** A \$10k loss might not be catastrophic, but if you lose 10 homes at \$10k each in a single storm, that's too large a loss to not seriously impair your long term investment. With a higher deductible policy, you can have good coverage and low premiums;
- 4.) Buying insurance from a non-specialty agent.** They don't have the knowledge or insurance company contacts to get you the right coverage or a good premium;
- 5.) Not buying loss of Business Income and extended loss of business income coverage.** Both are critical for park owners;
- 6.) Paying for the insurance of every contractor that works for you.** If they don't have insurance, you and/or your insurance company will pay their claims. Make them prove coverage with appropriate Certificates of Insurance;
- 7.) Failure to include data breach and tenant discrimination coverage.** These are large and growing loss drivers for park owners;
- 8.) Calling an Employee an Independent contractor.** What functions, and when and how they perform them define who is an employee. A simple contract stating otherwise won't do it;
- 9.) Not buying Workers comp when needed.** And if you have employees you need workers compensation insurance. Employers are responsible for medical expenses and lost wages for up to life when employees are injured on job;
- 10.) When you sell mobile homes, not including this coverage on your policy.** You need general liability insurance that covers the park, any home sales, and all associated operations;