



## REPLACEMENT COST PROVISION (Applicable to Mobile Homes)

(*Our* liability under this provision is subject to the *terms* of **HOW MUCH WE PAY FOR LOSS OR CLAIM** in the General Policy Provisions.)

1. This provision applies only to covered mobile homes, including additions and built-in components and fixtures, covered under Coverage A-**Residence** and Coverage B-Related Private Structures on the Premises. This provision does not apply to:
  - a. domestic appliances;
  - b. carpeting, curtains and drapes, all whether or not permanently installed;
  - c. detachable mobile home items including screens, awnings, storm doors and windows, and window air conditioners; or
  - d. outdoor structures (other than buildings) which are not permanent components or fixtures of a mobile home. These include (but are not limited to) swimming pools, fences, paved areas, submersible pumps and sump pumps.
2. If the limit of liability on the damaged mobile home is less than 100 percent of its replacement cost at the time of loss, *we* pay the larger of the following (in excess of the deductible):
  - a. actual cash value of the damaged part of the mobile home; or
  - b. that proportion of the replacement cost of the damaged part which *our* limit of liability on the mobile home bears to 100 percent of the full current replacement cost of the mobile home.
3. If the policy indicates that **Residence** Replacement Cost Coverage applies (see Declarations Page or Endorsement) and if the limit of liability on the damaged mobile home is 100 percent of its replacement cost at the time of loss, *we* pay the full cost of repair or replacement of the damaged parts without deduction for depreciation.

*We* pay the smallest of the following amounts:

  - a. the amount of insurance applicable to the mobile home;
  - b. the amount (in excess of the deductible) to repair or replace the damage on the same premises using materials of equivalent kind and quality, to the extent practicable;
  - c. the amount (in excess of the deductible) actually and necessarily spent to repair or replace the damage;
  - d. the amount (in excess of the deductible) to replace the covered mobile home, purchased new within one year of the date of loss, with a new mobile home of equivalent kind and quality, to the extent practicable; or
  - e. the amount (in excess of the deductible) to replace the covered mobile home, purchased more than one year from the date of loss, with a used mobile home of equivalent kind and quality, to the extent practicable.
4. When the cost to repair or replace exceeds the lesser of \$1,000 or 5 percent of the applicable amount of insurance on the damaged mobile home, *we* are not liable for more than the actual cash value of the loss until actual repair or replacement is completed.
5. *You* may make a claim for the actual cash value amount of the loss before repairs are made. A claim for any additional amount payable under this provision must be made within 180 days after the loss.
6. *We* do not pay for any increased cost of repair or reconstruction by reason of any ordinance, code or law regulating construction or repair.