

Farmers Mutual of Tennessee
Homeowners Risk Selection Summary

The parameters below provide only a summary of the most important requirements in determining a risk's eligibility. Refer to the underwriting guidelines at the beginning of the manual for more detail on our underwriting philosophy and requirements for new business. Prior to submitting new business, verify that the home is in good condition with no known hazard. **Risks falling outside these parameters must be discussed with your underwriter prior to binding.**

	Special (ML-3) <i>Replacement Cost</i>	Broad (ML-2) <i>Replacement Cost</i>	Broad (ML-2ACV) <i>Actual Cash Value</i>	Basic (ML-1) <i>Actual Cash Value</i>
Description	For newer dwellings with central heating and air conditioning, and superior fire protection.	For newer dwellings with superior heating systems.	For older homes of above standard construction with superior heating systems; must be in an excellent state of repair.	For older lower value homes in good condition and exhibit superior pride of ownership.
Primary Heat Source	Central heat and air with ducted vents to all living areas.	Central heat and air with ducted vents to all living areas; baseboard electric, ceil heat or gas floor furnace, or natural gas or propane stoves providing heat to entire living area.	Central heat and air with ducted vents to all living areas; baseboard electric, ceil heat or gas floor furnace, or natural gas or propane stoves providing heat to entire living area.	Central heat and air with ducted vents to all living areas; baseboard electric, ceil heat or gas floor furnace, natural gas or propane stoves, or electric wall heater to entire living area.
Electrical	200-amp service. Grounded service, no fuse boxes.	200-amp service. Grounded service, no fuse boxes.	200-amp service. Grounded service, no fuse boxes.	200-amp service. Grounded service with fuse or breaker boxes.
Age	Less than 20 years old.	Less than 30 years old.	Homes built before 1900 should be submitted for prior approval.	Less than 60 years old; homes built before 1900 should be submitted for prior approval.
Minimum	Coverage of at least \$100,000; but no less than 80% or more than 90% of market value (excluding land value).	Coverage of at least \$75,000; but no less than 75% or more than 90% of market value (excluding land value).	Coverage of at least \$50,000; but no less than 70% or more than 90% of market value (excluding land value); homes must have a minimum market value of \$35.00 per square foot.	Coverage of at least \$40,000; but no less than 70% or more than 85% of market value (excluding land value).
Roof	Asphalt shingles less than 10 years old and in good condition. Metal roofs in good condition. <i>Not acceptable:</i> Roll, flat or built up roofing.	Asphalt shingles less than 12 years old and in good condition. Metal roofs in good condition. <i>Not acceptable:</i> Roll, flat or built up roofing.	Asphalt shingles less than 12 years old and in good condition. Metal, tile and slate roofs in good condition. <i>Not acceptable:</i> Roll, flat or built up roofing.	Asphalt shingles less than 15 years old and in good condition. Metal, tile and slate roofs in good condition. <i>Not acceptable:</i> Roll or built up roofing.
Protection Class	Located within city limits with Class 7 or better.	Class 8 or better; Class 9 and 10 if visible from street and within 300 feet of and in sight of at least 2 other occupied dwellings.	Class 8 or better; Class 9 and 10 if visible from street and within 300 feet of and in sight of at least 2 other occupied dwellings.	All protection classes are acceptable. Must be in sight of at least one other dwelling
Applicant	Financially stable – as evidenced by good financial responsibility report.	Financially stable – as evidenced by good financial responsibility report.	Financially stable – as evidenced by good financial responsibility report.	Financially stable – as evidenced by good financial responsibility report.