

Agreed Value RV Insurance Coverage

We recently received an email from an Airstreamer asking where they could obtain Agreed Value Insurance for their Airstream they had just finished restoring.

A good question and one I did not have a quick answer to, so I thought I would do some digging. What is Agreed Value Insurance? With custom or restored vehicles, there are no standard market values. This type of coverage is especially good for vintage trailers and upgraded trailers, and motorhomes because it locks in the value of your vehicle up front with a qualified appraisal or bill of sale. An appraisal, receipts and photos of your vehicle establishes a market value and determines an amount for which to insure it. Then if your RV is declared a total loss, particularly in a fire where there would be nothing left but ashes to verify what you had, Agreed Value Coverage ensures you're paid the agreed-upon value of your RV, meaning the amount predetermined by your appraisal or bill of sale. This way there is no question by the insurance company about what your custom vehicle was worth.

To get a little more insight into how the Agreed Value Insurance process works, I contacted John McGinnis, a CAGA Senior Appraiser for McGinnis Appraisal Service. They specialize in antique & classic vehicles, high-end motor coaches, special purpose & limited use vehicles, and most any vehicle appraisal work. To date, John has previewed over 3000 Blue Bird Wanderlodges, including the BMC, and has performed over 300 appraisals & several pre-purchase inspections for the Blue Bird community alone. John's appraisals have been accepted by every major insurance company in the U.S.; also, his appraisals have been accepted by many major lenders for loans on classic & vintage recreational vehicles. Clients owning Airstream, Barth, Blue Bird, County Coach, GMC, Prevost, Travco and many other vintage recreational vehicles have stopped by for an appraisal.

John McGinnis can be contacted at 502-417-5681.

Here is some information John has put together to better explain the process: **Agreed Value** applies typically to situations where a Blue Book value may not apply, an example would be a bus conversion, or a renovated/restored RV, and you have a huge sum invested in restoring it. When getting an "Agreed Value Policy" (AVP) you will need an appraisal sooner or later. Then in the event of damage resulting in a total loss, the "agreed value" is the sum you'll receive in the event of a total loss. Agreed value policy appraisals need to be updated every three years. Your premium will be adjusted to reflect that potential loss coverage based on the new appraisal. Note that if you add special equipment of considerable value to your coach, like sophisticated satellite systems, security monitoring/alerting systems, you should report that fact to the insurance company. Your premium may or may not be changed with these additions in upgraded equipment. Agreed value insurance is generally available to vehicles under 25 years of age and for new insurers and/or on new purchases.

Some things one should know about insurance companies which provide an AVP. Let's say you have a 99 Lx and have been with company "A" for 10 years and you just completed a substantial upgrade on your coach, flooring, upholstery reconfiguration of the floor plan and you want to update your coverage to an AVP, don't be alarmed when company "A" may not cover you, because you did not have an AVP to begin with. You may have to switch to a different company to obtain the AVP coverage you desire. Another situation, you have been with company "B" for 3 years with an AVP and your coach just turned 26 years old, you should still be covered with a new appraisal providing there has not been a change in your status. Each company has their own guidelines or requirements they follow when providing coverage and these guidelines are always subject to change. Contact the company directly to find their

particular requirements or guidelines. Many insurance companies require an appraisal on the coach before coverage is issued. If it is newly purchased, some will accept the purchase agreement or a copy of the Bill of Sale. Most companies honor appraisals for 3 years.

Other things which may affect your coverage or denial for renewal, traffic violations, change of home address, state residency, age of vehicle, medical conditions, credit rating and the list goes on & on.

Other issues we need to understand about insurance coverage are, what I am able to obtain for my coach licensed in Montana with Blue Sky does not mean someone in Pennsylvania will be able to get the same coverage. Insurance company policies can vary from state to state because of each state's statute or regulatory requirements on the insurance companies licensed in that state.

Another issue which has been brought to my attention is most companies provide their coverage service through an insurance agency or an insurance brokerage, so take note of this; you may get better rates if you shop different agencies which represent the same company. What you need to know, is that the insurance company is licensed to provide insurance on your vehicle for the state of vehicle registration? So if you live in state (X) your insurance agency can be from state (Y) because the insurance company is licensed or registered to do business in state (X). I hope that makes sense.

When you need an appraisal and you're looking for an appraiser, make sure they have some recognized credentials, Association online Appraisers, Certified Appraiser Guild of America, International Society of Appraisers, and there are others. Most importantly make sure their appraisal meet the Uniform Standard of Professional Appraisal Practices (USPAP) Standards. Always look for some sort of certification standards, USPAP standard are accepted by the Federal Government and the U.S. judicial systems, others may not. I can provide you with an appraisal either online or in person. My personal preferences are to do them in person. In person, I can see better details, care and attention paid to the vehicle which may not be as visible through online photos.

Listed below are known insurance companies who will provide an agreed value policy coverage, I will update this listing as I find additional companies. I have no connection with or am I a representative with any of these companies. If anyone knows of additional companies please bring them to my attention so I can post them here. Allied, Blue Sky RV, Diversified Insurance Management, Foremost, National Interstate, Progressive RV are some of the known providers. When you need insurance, do a Google search for Agreed Value RV Insurance Providers.

I am sure there are other appraisers qualified to help you determine the value of your project but John was willing to help me with the information and seems well versed with this topic. Thank You John!