

What Does Homeowners Insurance Cover?

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Let's face it: Homeowners insurance is overwhelming. People spend hours researching and selecting a carrier and plan but still don't fully understand their coverage. In fact, when people call the professionals at ServiceMaster Restoration by Simons for their various restoration-related needs, they have many questions about what their insurance does and does not cover. So, what does homeowners insurance cover? When it comes to coverage for "personal property," things get complicated, and unless someone has a background in insurance, they likely don't realize the full potential of their policy.

Here at ServiceMaster Restoration by Simons, we believe in demystifying homeowners insurance to help our clients get the most out of their coverage. That's why we've done a ton of research and combined it with our 20 plus years of experience dealing with insurance agents to bring you this ultimate guide to 13 totally surprising things your home insurance may cover.

13 Surprising Things You May Not Know You Are Covered For

1. Mandated upgrades

If your home is out of compliance with a newly-passed city ordinance, your insurance "ordinance coverage" clause might help you bring your home up to code. Sam Simon, our managing director, has also seen upgrades covered for clients under an "HO-3" policy:

"It's a clause in standard basic homeowner policies that provides coverage for most city ordinances that require bringing a property up to code after a covered loss. For example, in vintage Chicago homes that experience fire and smoke damage, the policy

would provide not only coverage for the damage, but also extra coverage to upgrade old two-pronged electric outlets to the now standard three-pronged outlets. It helps homeowners meet City of Chicago ordinances at the same time as it makes the home safer and increases its overall value . . . a bonus for the homeowner.”

2. Spoiled food

After a power outage that renders a refrigerator useless for many hours or days, you'll probably have to throw out hundreds of dollars worth of spoiled food. But if you file a claim with your home insurance carrier, you could find yourself covered up to \$500 depending on the reason for the power outage.

3. Slander/libel

Let's pretend you slandered someone or published libelous materials about a company and they took legal revenge and sued you. Before you pay your legal costs outright, take a look at your home insurance policy. We're not saying we recommend slandering others, but you wouldn't be the first to file a claim for this!

4. Student property

If you have –or will eventually have — a kid at college, you might not have to worry so much about the rampant theft some campuses experience. Even though your student takes his or her things out of the house with them to college, your home insurance policy could cover their belongings as “off-premises personal property” in the case that they are stolen. However, according to Carolyn Streett, a sales consultant at Dakota Insurance Group, this coverage can be difficult to obtain:

“If the student is living in an off campus residence, they might not be covered and should instead inquire about renter’s insurance. I always recommend the insurance buyer call their agent and explain that their child is away at school, explain where they are living and ask how that affects the personal property coverage.”

Other requirements for claiming stolen student property could include full-time student status and verification that your student is under 26 years old.

5. Falling objects

Standard home insurance policies cover damage caused by falling objects. Nasutsa Mabwa, our president, says she's seen clients use their policy to cover damage to property, contents, vehicles and personal injury caused by objects such as asteroids, meteors and falling satellites.

"Your policy will also commonly cover damage caused by a falling tree or even falling ice from an airplane, which is more common than you think," Nasutsa adds. "If you own a property next to or near a high-rise building, odds are your property will be struck by a falling object at some point."

6. Additional living expenses

This category is ambiguous and encompasses a variety of things, from natural disaster relief to weather damage repairs. Common "additional living expenses" people are covered for include repair costs for damages caused by snow or burst pipes and hotel costs if your home is uninhabitable after a storm. Additionally, our clients often find their policy covers spikes in electricity bills they may experience during a restoration job (our equipment uses a lot of watts!).



7. Away-from-home accidents

If you accidentally break someone's leg in a pick-up basketball game while you're on vacation, try filing a liability claim. Random accidents that happen outside your home might be covered by your homeowner's insurance if no vehicles are involved.

8. Gravestones

The only thing worse than vandalism is vandalism done to a loved one's gravestone. But gravestones are personal property, so if you're the primary caretaker, you can probably use your home insurance to cover the damages.

"Depending on the carrier, grave markers could also be covered," says Carolyn Streett of Dakota Insurance Group.

9. Fire department bills

According to State Farm agent Brent Becker, fire department visits can result in a bill. "Fire departments can charge you for their service," he says. "But your home insurance policy might help pay for it depending on the reason for the visit."

10. Dog bites

According to the CDC, approximately 4.5 million dog bites occur in the US each year, and 1 in 5 of those will become infected. If Fido mistakes Aunt Susie's leg for his favorite chew toy and you are served a lawsuit, your wallet could avoid a hit. Most policies have \$100,000 to \$300,000 of liability coverage for injuries caused by pets, in addition to medical coverage for the bitten party. One-third of home insurance claims are actually for dog bites, so your insurance agent will be a well-versed resource.

11. Identity theft

In the age of digital data, identity theft is a real and serious threat. If the unthinkable happens to you, your home insurance policy might help restore your peace of mind faster. Some policies will cover lawyer fees, lost wages and fees charged for loan re-applications if you were rejected based on inaccurate credit bureau information. However, you probably aren't covered under your standard policy, warns Carolyn Streett of Dakota Insurance Group. "Usually, carriers have identity theft insurance available for purchase as an add-on to your policy," she says. "Make sure you speak with your insurance agent before you assume this coverage is automatic."

12. Volcanic eruptions

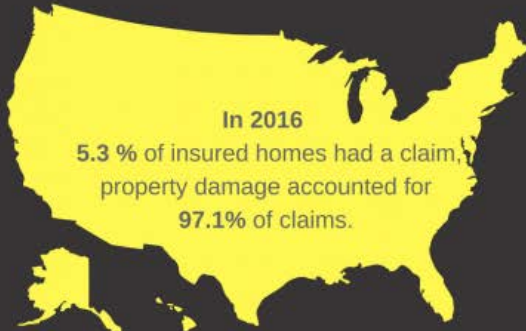
If you don't live in Hawaii, are volcanic eruptions enough of a threat to include with standard home insurance coverage? Some insurance carriers think so — including State Farm, according to Brent Becker:

“Earthquake coverage is available under endorsements, while flood coverage must be purchased separately, but if lava destroys your home, you’ll be covered under most policies without any special add-ons.”

13. Riots/terrorist attacks

If rioters loot your shed, or a terrorist attack (like an explosion or fires) damages your property, your home insurance may cover it. There are, however, some specific restrictions for most policies when it comes to terrorism.

FACTS ABOUT HOMEOWNERS INSURANCE

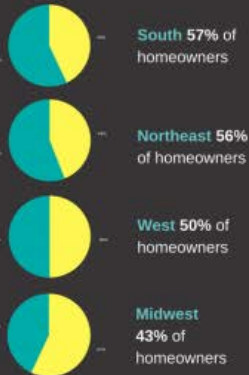


Over the last 9 years,
about **half** of
homeowners



said they've prepared
an **inventory** of their
possessions to help
document losses.

Breakdown by Region



Homeowners claims
related to **wind or hail**



are the **most frequent**.

The costliest are related
to **fire and lightning**.



Homeowners
insurance losses and
net of reinsurance



rose to \$41.2 billion
in 2015 from \$39.9
billion in 2014,
according to S&P
Global Market
Intelligence.



<https://servicemaster-restorationbysimons.com/>

What does homeowners insurance NOT cover?

Dog bites? Volcanic eruptions? Betcha didn't see that coming! We know, some of the things people have gotten their home insurance to cover seem a little out of left field, but believe us, it's been done. And if you file a claim in response to any of the above events, you might save some money. One disclaimer, though — you'll have to weigh the money you might get back by filing a claim against the increase in your premiums you'll risk with most insurance carriers. In general, it might not be worth making claims that result in payouts of less than \$500. But hey, it's a pretty cool party trick to know home insurance covers spoiled food!

It's also important to remember that not all home insurance is created equal, and what kinds of things you'll be able to obtain reimbursement for is likely dependent upon the terms of your plan. Insurance is definitely not black-and-white, and carriers will provide different levels and scopes of coverage. We recommend further discussion with your insurance broker or agent, who can adequately educate you on what must be added to your policy based on your coverage goals versus what you are already covered for.

Now that you have a better understanding of what your home insurance could cover, you're probably wondering how you can use that to your advantage. Great question! We know that understanding your coverage is only half the battle, and what comes afterwards — filing claims and dealing with insurance agents — is just as difficult. But no worries, we have a guide for that too. Just click below to download it. What's that saying, again? Ah, yes . . . when the student becomes the master. We see you, budding expert. Happy filing!

[Read More Expert Tips on How to File a Homeowners Insurance Claim!](#)

ServiceMaster Restoration By Simons is a MBE/WBE certified minority and women-owned and family run company serving the Chicago Area. The business provides disaster restoration services for damages caused by tornadoes, water, fire, flooding, mold remediation, and a wide range of interior specialty cleaning (hoarder/clutter, post construction, carpet & upholstery) to residential and commercial customers. For more information, give us a call at 773-376-1110 or visit servicemasterbysimons.com.



Nasutsa Mabwa

President of ServiceMaster by Simons, Nasutsa oversees the disaster restoration and specialty cleaning departments and handles all finance, compliance, and marketing at ServiceMaster. Nasutsa is a 2018 influential Women in Business Daily Business Herald Honoree, and a member of Crain's Chicago Business 40 under 40.