

Homeowners insurance is designed to protect both your house itself and your financial liability as a homeowner. It combines **property coverage** with **liability protection**, and most policies are built around these core parts:

1. Dwelling Coverage

- Protects the structure of your home (walls, roof, floors, built-in appliances, etc.) against covered risks like fire, windstorms, hail, lightning, and vandalism.

2. Other Structures Coverage

- Covers things on your property not attached to the house, like a detached garage, shed, or fence.

3. Personal Property Coverage

- Protects belongings inside (and sometimes outside) your home—furniture, clothing, electronics, etc.—from covered risks like theft or fire.

4. Loss of Use (Additional Living Expenses)

- Pays for temporary housing, meals, and extra costs if your home is unlivable due to a covered event.

5. Liability Coverage

- Covers legal costs and damages if someone is injured on your property or if you accidentally damage someone else's property.

6. Medical Payments to Others

- Pays for minor medical bills if a guest is hurt at your home, regardless of fault.

What It *Usually Doesn't* Cover

- Floods (requires separate flood insurance)
- Normal wear and tear or neglect
- Pest infestations (termites, rodents, etc.)
- High-value items (jewelry, art, collectibles) beyond standard limits, unless you add extra coverage

Common & Valuable Add-Ons

1. Flood Insurance

- Standard policies **don't cover floods**. If you live in a flood-prone area (or even nearby), this can be crucial.

2. Sewer/Water Backup Coverage

- Pays for damage if a drain, sewer, or sump pump backs up into your home — something usually excluded from base coverage.

3. Extended or Guaranteed Replacement Cost

- Ensures you can rebuild your home even if construction costs rise above your policy limit.

4. Scheduled Personal Property Coverage

- Provides higher protection for valuables like jewelry, fine art, collectibles, or high-end electronics that exceed standard policy limits.

5. Identity Theft Protection

- Helps with expenses related to restoring your credit and identity after fraud.

6. Home Business or Equipment Coverage

- Standard policies give very limited coverage for business equipment; you can boost this if you run a business from home.

7. Ordinance or Law Coverage

- Pays extra costs if you need to rebuild or repair your home to meet updated building codes.

8. Service Line Coverage

- Covers underground pipes or utility lines (like water, gas, or electrical) that run from the street to your home.

9. Inflation Guard

- Automatically adjusts your coverage limits to keep pace with rising construction costs.