

Homeowners insurance is a comprehensive "package" policy designed to protect property and liability for homeowners, condo owners, and renters. It typically covers structures and personal possessions against various perils such as fire, theft, and vandalism, while also providing liability protection for injuries or damages caused by the insured or their property. However, standard policies exclude certain catastrophes like floods and earthquakes, which necessitate separate coverage. Additional exclusions may include neglect, intentional loss, and damage resulting from war or power failure. Coverage for personal property is generally limited, with specific monetary caps on valuable items like jewelry and firearms, prompting homeowners to consider additional coverage for high-value possessions.

Policyholders must understand their coverage, as mortgage lenders often require homeowners insurance to safeguard their investment. While mortgage companies may manage payments, the choice of insurance policy remains with the homeowner. Claims can significantly impact premiums, highlighting the importance of selecting appropriate coverage. Homeowners should note that their policy typically does not cover tenants' possessions or liabilities, although family members living in the home are generally covered. For renters or condo residents, similar coverage applies without the need to insure the building itself. Understanding the specifics of one's policy, including coverage limits and exclusions, is essential for adequate protection against potential losses.

The insurance policy content emphasizes consulting a Trusted Choice® insurance professional for specific coverage details. For vacation homes, personal liability is usually covered under the primary homeowners policy, while a separate dwelling policy may be necessary for property coverage. If renting out a second home, additional endorsements may be required to address increased liability exposure, and renters should secure their own coverage for personal property. Homeowners insurance extends to possessions even while traveling, covering losses from covered events regardless of location, but excludes business activities and intentional harm. Business property used at home is covered within limits, but business liability is not included, necessitating separate

business insurance.

In the event of a loss, policyholders should create an inventory of possessions and make emergency repairs while notifying their insurance agent. Liability coverage applies to non-auto accidents both at home and off-premises, and policyholders should contact their agent if sued. Renters insurance is advisable for those unable to afford to replace their belongings or cover legal fees, as it provides similar coverage to homeowners insurance. Landlords' policies do not cover tenants' personal property or liability, and renters should evaluate the cost-effectiveness of their insurance based on property value. Roommates may share a policy or obtain individual coverage, while condo owners need insurance that covers personal property and liability, as well as potential assessments from the condo association for uncovered losses. The document also distinguishes between captive agents, who represent a single insurer, and independent agents, who can offer multiple options, ensuring clients receive tailored insurance solutions.