



# Homeowners Newsletter

*H.R. Hatch Insurance Agency, Inc.*

## **SUGGESTIONS AND LIMITATIONS CONCERNING YOUR HOMEOWNERS INSURANCE POLICY**

Your homeowners policy is a standard contract designed to protect against most of the loss exposures you face as a homeowner. However, buying a homeowners insurance policy is like purchasing a suit off the rack. In most cases it needs to be tailored to fit your individual needs.

As your agent we feel it is our responsibility to make you aware of some of the optional endorsements that are available to customize your policy. Hopefully, many of you will already be aware of these coverages because we have discussed them with you in the past. Outlined in this newsletter are some conditions that can affect payment in the event of a loss and several examples of losses that are not covered by the policy.

## **LIFE INSURANCE**

Homeowners insurance protects against physical loss to property. Life insurance protects against financial hardship caused by premature death.

As the cost for this coverage has gone down dramatically in the past few years, now is a good time to review your options. Please give us a call to obtain a proposal.

## **DISCOUNTS**

There are various credits available on the homeowners policy, such as the account credit, non-smoker discount, alarm credit, or credit for a higher deductible.

## **Company Claim Department Numbers:**

**Hanover Insurance Company (800)628-0250**  
**Andover Insurance Company (800)225-0700**  
**Quincy Mutual Ins. Company (800)490-0047**  
**Premier/Travelers Ins. Company (800)442-4820**  
**Vermont Mutual Ins. Company (800)451-5000**  
**Plymouth Rock Ins. Company (888)324-1620**  
**Chubb Insurance Company (800)252-4670**  
**Mass Property Insurance (617)723-3800**  
**Commerce Insurance Company (800)-221-1605**

## **Optional Coverages**

### ***Event Coverage***

Planning a wedding? For as little as \$160 you can cover your event for losses due to weather, lost deposits, cancellations/postponements and loss to gifts/jewelry, special attire or photos.

### ***Identity Theft***

Fraudulent use of your social security or credit card numbers can cause thousands of dollars of damage. Most insurers now offer identity theft protection. The cost is about \$30 per year for \$25,000 coverage.

### ***Time Share Condominiums***

Your homeowners policy contains an exclusion for "owned" time sharing condominiums. Liability coverage can be added for approximately \$15 per year.

### ***Ordinance or Law Coverage***

Most states and many towns have ordinances that require you to rebuild your residence to current building codes in the event of a fire or casualty loss. Your homeowners policy automatically provides coverage equal to 10% of the dwelling limit. We can increase it to 25% for approximately 10% of your annual premium.

### ***Lead Paint Poisoning***

If you rent to anyone with children six years old or younger, you could be exposed to suits for lead paint poisoning. The coverage is typically excluded and can be quite expensive to purchase. It may be in your best interest to consider deleading the property.

### ***Replacement Cost on Contents***

For an additional charge of 10% the policy can be changed to settle personal property losses on a cost new basis rather than on the item's depreciated value.

### ***Extended Replacement Cost***

If your house is insured to 100% of its current replacement cost, for a small charge the insurance company may be able to add this endorsement. This coverage provides up to 150% of the dwelling limit if the cost to rebuild goes beyond your policy limit.

### ***Earthquake & Flood***

Damage caused by either of these perils is excluded on the standard policy. The peril of earthquake can be added at a cost of about \$39 per \$100,000 of coverage for frame construction, slightly more for brick. Remember, even with the coverage you are subject to a 2% or 5% deductible. The peril of flood cannot be added to the policy but we can obtain a policy through the Federal Flood Insurance Program.

### ***In-Home Daycare***

Liability for in-home daycare is excluded on the standard homeowners policy. If you are running an in home daycare service, coverage may be purchased separately.

### ***Personal Injury***

The standard liability coverage on the homeowners policy protects against bodily injury and property damage lawsuits. For a nominal charge, personal injury coverage can be added. This includes claims for libel, slander, & false arrest.

### **Losses Not Covered**

#### ***Home Business Exposures***

Most policies exclude or limit coverage for home based businesses. Coverage can be obtained by endorsement or commercially.

#### ***Theft of Building Materials***

The homeowners policy specifically excludes coverage for theft of building materials. If you are remodeling, call us and we can add a builders risk endorsement which adds the coverage back onto the policy.

#### ***Surface Water & Water Backup***

The homeowners policy does not cover damage caused by ground water that seeps through a foundation. Even the federal flood policy may not cover damage caused by ground water.

Additionally, the policy does not cover damage caused by water that backs up through sewers or drains, or failure of a sump pump. However, some of our companies can add it to the policy for a small charge.

#### ***Vacant Properties***

If a house has been vacant for a period of 30 days the fire insurance is automatically voided. Vacant means no furniture in the house. If needed, we can obtain a policy to cover a vacant house.

#### ***Household Help***

If you have any employees, such as in-house servants or day care providers, you are responsible to provide workers compensation coverage for them. This cannot be obtained on the homeowners policy. You must purchase a separate workers compensation policy.

#### ***Watercraft***

Although the homeowners policy states that there is \$1,000 coverage on watercraft and its equipment the conditions are so restrictive that you should not rely on this policy for coverage. Boats are more properly covered on a boat insurance policy.

#### ***Stereo Equipment in a Car***

Slide-mount car stereos, tapes, and CD's are not covered while in a car. Also, these items are not covered on an auto policy.

### **Other Considerations**

#### ***Ownership of Property***

If your house has been put in a trust, please let us know so that we can amend the policy to protect the trust.

#### ***Appraisals***

Appraisals should be updated at least every five years, as jewelry tends to appreciate in value. In the event of a loss, the maximum paid will be the amount for which your item is scheduled.

#### ***Secondary Residences***

We are licensed in Massachusetts, New Hampshire, Vermont, and Maine. Please call us if you would like a quote on your secondary, seasonal, or rental property in any of these states.

### **PERSONAL PROPERTY LIMITATIONS**

There are several types of personal property that have limited coverage on the standard homeowners policy. Many of these can be increased, if necessary. Please see page two of your policy for additional information.

### **Thank You**

**Most importantly, we would like to thank you for your continued patronage and hope that you will always call us when you have any questions or concerns about your insurance policies.**

31 Milk Street  
Boston, MA  
02109  
tel(617)426-3711  
fax(617)482-5109  
josiah@hrhatch.com

281 Main Street  
Charlestown, MA  
02129  
tel(617)242-2200  
fax(617)242-2518  
wendy@hrhatch.com

*On the web at: [www.hrhatch.com](http://www.hrhatch.com)*