**Home Insurance**

[Homeowners insurance](https://www.allstate.com/home-insurance.aspx) helps provide financial protection for your home and personal belongings.

**WHAT IS HOMEOWNERS INSURANCE?**

* Home insurance (also called **building insurance**, **property insurance**, **house insurance**, or **homeowners insurance**) is designed to protect your property from damage caused by **insured events** (also called defined events) such as floods, fire, storm damage, and more. It helps to cover the cost of repairing or replacing damage to your home, garage, other outbuildings, and permanent fixtures such as built-in wardrobes or plumbing. It also helps to cover the cost of legal liability if someone should be injured while visiting your property.
* Homeowners insurance is made up of coverages that may help pay to repair or replace your home and belongings if they are damaged by certain [**dangers**](https://www.allstate.com/tr/home-insurance/perils.aspx), such as fire or theft. It may also help cover costs if you accidentally damage another person's property or if a visitor is injured at your home.

**WHAT DOES HOMEOWNERS INSURANCE COST?**

The costs of homeowners insurance depend on a number of factors, including the coverage you select, features of your home and the value of your personal belongings. There may also be extra costs for additional coverage or increased coverage limits. An agent can help you choose the coverage that fit your needs.

**WHAT DOES HOMEOWNERS INSURANCE COVER?**

Homeowners insurance typically [**helps cover**](https://www.allstate.com/home-insurance/homeowners-insurance-basics.aspx):

* [**Your dwelling**](https://www.allstate.com/tr/home-insurance/dwelling-insurance.aspx)
* Other structures on your property

**What Is Dwelling Insurance Coverage? (Incase policy holder has only purchased Dwelling Insurance)**

Dwelling coverage, sometimes called "dwelling insurance," is the part of your [**homeowners insurance**](https://www.allstate.com/home-insurance.aspx) policy that may help pay for the rebuilding or the repair of the physical structure of your home if it's damaged by a [**covered hazard**](https://www.allstate.com/tr/home-insurance/perils.aspx).

Here's a look at what this type of insurance covers, what types of perils and structures are not covered, and how deductibles and limits work if you have to make a claim.

**WHAT IS COVERED BY DWELLING INSURANCE?**

Generally, there are certain hazards that are covered by most standard homeowner insurance policies. While the coverage can vary from place to place or from one geographical region to another, homeowners policies typically help cover damage from the following events:

* Fire/smoke
* Lightning strikes
* Windstorms
* Hail
* Explosion
* Vandalism
* Theft
* Falling objects
* Damage from an aircraft
* Damage from a motor vehicle

**While these hazards are typically covered by dwelling insurance, you should always check your own homeowner insurance policy to determine what it covers.**

Additional Information

* Falling Objects Damage to personal property from falling objects is covered. However, loss to property inside the building is not covered unless the roof or outside wall of the building is first damaged by the falling object. For example, if a mirror on a stand falls and breaks, the loss is not covered. But if the mirror falls and breaks because the exterior of the dwelling is first damaged by a falling tree, the loss would be covered.
* **Vandalism** If someone intentionally damages your personal property, the loss is covered.
* Damage to personal property from a riots
* if a commercial jet crashes into your residence, damage to your personal property is covered.

**WHAT IS NOT COVERED BY DWELLING INSURANCE?**

A standard homeowner insurance policy typically does not cover floods, earthquakes, or damage that occurs from a lack of maintenance. You may be able to buy additional coverage or a separate insurance policy to help cover some of these additional dangers. For example, you may be able to buy [flood insurance](https://www.allstate.com/home-insurance/flood-insurance.aspx) to help protect your home against flooding. The policy holders may discuss with their insurance agent to find out what options are available to them.

**WHAT IS YOUR DWELLING?**

Although a lot of people think of their dwelling as just the physical structure that they live in, dwelling coverage may help protect more than that. Dwelling insurance typically helps cover the home you live in plus attached structures. What this means is that a structure like your garage may also be covered by dwelling insurance, as long as the garage is attached to your house.

If damage to an attached structure occurs as the result of a covered hazard, your homeowners insurance may help cover the costs to repair or rebuild it. If it's attached to your home, a deck or front and back porch may also be considered a part of your dwelling, and therefore may be covered by the dwelling coverage in your homeowner insurance policy.

**INSURANCE FOR STRUCTURES NOT COVERED BY DWELLING COVERAGE**

If you have a structure on your property that isn't connected to your home and doesn't qualify as part of your dwelling — like a detached garage, fence or shed — it is likely not protected by dwelling coverage. Instead, the [other structures coverage](https://www.allstate.com/tr/home-insurance/other-structures-coverage.aspx) on your homeowner insurance policy may help cover damage to these detached structures on your property.

**DWELLING COVERAGE LIMITS AND DEDUCTIBLES**

Dwelling coverage is usually subject to [limits and deductibles](https://www.allstate.com/tr/insurance-basics/premium-limit-deductible.aspx)

* Your [**limit**](https://www.allstate.com/tr/insurance-basics/limit.aspx)is the maximum amount that your homeowner insurance policy will pay toward a covered loss.

And,

* Your [**deductible**](https://www.allstate.com/tr/insurance-basics/deductible.aspx) is the amount you'll pay out of pocket toward a covered claim.

**Deductibles**

**Calendar Year Deductibles:** An amount policy holder must pay before insurance company starts paying your claims.

**Copays:** An amount you must pay to avail certain type of claims such as 10$ as fees of any contractor/labor.

**Co-Insurance**: Percentage of covered expenses you pay after you've met your deductible.

**Out-of-Pocket Maximums:** Once you reach your [out-of-pocket maximum](https://www.investopedia.com/terms/o/outofpocket-limit.asp), your insurance plan covers 100% of all covered services for the rest of the year. Any money you spend on deductibles, copays, and coinsurance counts toward your out-of-pocket maximum.

**Limit**

When you buy homeowners insurance, you choose your dwelling coverage limit. That limit should be based on the cost of rebuilding your home. Most home insurance policies come with [replacement cost coverage](https://www.allstate.com/tr/home-insurance/actual-cash-value-replacement-cost.aspx) for the structure of your home.

Your dwelling coverage limit may influence other coverage limits within your home insurance policy. Your other structures coverage limit is typically a percentage of your dwelling coverage limit — 10 percent, for example. So, if you had a dwelling coverage limit of $500,000, your other structures coverage limit would be $50,000.

The policyholders should very carefully read policy documents to learn about the limits and deductibles.

Normally people in some areas don't expect their home to be damaged, but in the event that the unexpected occurs, dwelling coverage may help pay for repairs.

**What does Home Insurance Policy covers?**

* [**Your dwelling**](https://www.allstate.com/tr/home-insurance/dwelling-insurance.aspx)
* Other structures on your property

You may also be able to purchase additional coverages for greater protection. Typical homeowner insurance policies offer coverage for damage caused by fires, lightning strikes, windstorms and hail. But, it's important to know that not all natural disasters are covered by homeowners insurance. For example, damage caused by [**earthquakes**](https://www.allstate.com/tr/home-insurance/earthquake-insurance.aspx) and [**floods**](https://www.allstate.com/tr/flood-insurance/flood-insurance-101.aspx) are not typically covered by homeowners insurance. You may be able to purchase separate insurance policies to help protect your home and belongings against those types of risks.

### DWELLING PROTECTION

One of the basic coverage of a homeowners insurance policy is [**dwelling protection**](https://www.allstate.com/home-insurance/home-structure-coverage.aspx), which helps cover the structure of the home in which you live (e.g. the house's foundation, walls and roof). Dwelling protection may also help cover other structures that are attached to the home, such as a garage or a deck, against certain risks.

**OTHER STRUCTURES PROTECTION**

Most homeowner insurance policies also include coverage for [other structures](https://www.allstate.com/tr/home-insurance/other-structures-coverage.aspx) that are on your property but separate from your home, like a detached garage, tool shed or fence.

What if?

* Other structure is given on rent
* Used for some business purpose.
* Other structures used to store business property

A separate policy might be necessary.

**PERSONAL PROPERTY PROTECTION**

Homeowners insurance doesn't just help cover damage to your home. It may also provide [**coverage for the personal belongings**](https://www.allstate.com/tr/insurance-basics/personal-property-coverage.aspx) you keep within it. Suppose your electronics are stolen from your home or your furniture is damaged by a fire. Personal property protection may help pay to repair or replace your belongings if they are damaged or destroyed by a covered risk. Many insurers offer optional coverage that may further help protect the stuff you own. For instance, you may be able to **purchase** [extended coverage](https://www.allstate.com/tr/home-insurance/scheduled-personal-property.aspx) for items such as jewelry, watches and valuables within personal property coverage limits.

What about?

* Animals, birds, and fish.
* Motor vehicles
* Articles separately described and specifically insured such as Jewelry
* Aircraft and parts
* Credit cards, electronic fund transfer cards
* Business data.The homeowner policy excludes business data stored in books of account, drawings or other paper records, or in computers and related equipment.

These items are normally not covered and for some of these items, separate policy may be required.

In addition some policies may cover the following:

The insurance on personal property covers you both on and off the premises. For example, Claire, age 20, is a college student who is temporarily away from her parents’ home during the academic year. If a thief breaks into her dormitory room and steals a laptop computer, the loss is covered under her parents’ policy. However, in such cases policy may contain a maximum limit as percentage of your original coverage. For instance, *In such cases, the off-premises coverage is limited to 10 percent of Coverage C, or $1000, whichever is greater.*

The 10 percent limitation does not apply to personal property that is moved from the residence premises because the residence premises is being repaired or remodeled and is not a fit place in which to live or store property. For example, the 10 percent limitation does not apply to personal property located at a residence temporarily occupied by an insured while the residence premises is undergoing repair or remodeling and is not a fit place in which to live. The limitation also does not apply to personal property in a newly acquired principal residence for 30 days from the time the named insured begins to move the property there.

**LIABILITY PROTECTION**

* A typical homeowner insurance policy provides [liability coverage](https://www.allstate.com/tr/home-insurance/what-does-home-liability-cover.aspx) when someone not living with you is injured while on your property. Suppose a visitor trips over your broken porch step. Bodily injury liability coverage may help pay for your resulting legal expenses or the visitor's associated medical bills if you are found at fault. You may be able to increase your liability coverage limits by adding a [personal umbrella policy](https://www.allstate.com/tr/personal-umbrella-policy/whats-umbrella-insurance.aspx).
* The personal liability portion of your homeowner insurance policy covers you against lawsuits for injury or property damage that you or your family members cause to other people. It also pays for damage caused by your pets. The liability coverage in your standard homeowner policy pays both for the cost of defending you and for any damages a court rules you must pay. Unlike the other types of coverage in your policy, liability insurance doesn't have a deductible that you must pay for out-of-pocket before your insurance company begins paying losses.

**Additional Living Expense**

If a covered loss makes the residence premises not fit to live in, the insurer pays the additional living expenses that the insured may incur as a result of the loss. Additional living expense *is the increase in living expenses actually incurred by the insured to maintain the family’s normal standard of living*. For example, assume that policy holder’s home is damaged by a fire. If she rents a furnished apartment for three months at $800 per month, the additional living expense of $2400 would be covered.

**Fair Rental Value**

The fair rental value is also paid when part of the premises is rented to others. Fair rental value means the rental value of that part of the residence premises rented to others or held for rental less any expenses that do not continue while the premises are not fit to live in. For example, policy holder may rent a room to a student for $200 per month. If the home is uninhabitable after a fire, and it takes three months to rebuild, policy holder would receive $600 for the loss of rents (less any expenses that do not continue). This payment would be in addition to the payment under the additional living expense coverage described earlier.

**Prohibited Use**

Loss-of-use coverage also includes prohibited use losses. Even if the covered home is not damaged, a civil authority may prohibit the insured from using the premises because of direct damage to neighboring premises from an insured peril. The additional living expenses and fair rental value can be paid for up to two weeks. For example, policy holder may be ordered out of her home by a fire marshal because the house next door is unstable after an explosion occurred.

Her additional living expenses and fair rental value loss would be covered for up to two weeks.

**COVERAGE LIMITS AND DEDUCTIBLES**

Keep in mind that each coverage in a homeowners insurance policy is subject to a [**limit**](https://www.allstate.com/tr/insurance-basics/limit.aspx) — the maximum amount your policy would pay toward a covered loss. You may be able to adjust your coverage limits to your needs — taking into account, for example, the value of your home and belongings and how much it may cost to repair or replace them if they are damaged or destroyed by a covered risk.

In most cases, you will typically have to pay your [**deductible**](https://www.allstate.com/tr/insurance-basics/premium-limit-deductible.aspx) before your insurance benefits kick in to help cover a loss. Read your policy or contact your agent to review your coverage limits and deductibles. You can typically adjust them to fit your needs.