



***KNOWING WHAT TO LOOK FOR WILL
STACK THE ODDS IN YOUR FAVOR***

3 NASTY SURPRISES LURKING IN MOST TEXAN'S HOMEOWNER'S POLICIES

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I'm Going To Reveal

3 NASTY SURPRISES

Lurking in Most Texan's Homeowner's Policies

Maybe even yours...

Make no mistake, *Texan's homeowner policies are not all the same.*

In fact, *there are significant differences* that can come as quite a shock if you ever have the need to make a claim.

That's why I created this short document... to make you aware of what they are; show you how to correct them; and hopefully stack the deck in your favor should disaster ever strike.

Let's talk about the good news first...

For a few "major" events, Texas policies will provide coverage.

Damage from wind, hail, theft, fire, vandalism... these types of events are typically covered under most homeowner's policies (subject, of course, to some sort of deductible.)

What about theft?

Most policies have special limits for certain items like jewelry, watches, furs, gun collections, musical instruments and other collectible type items. And unless you buy special rider coverage it's often easy to hit or exceed these limits. So make sure to read this section of your policy carefully and discuss it with your agent.



Steve White Insurance Proudly Partners with the Best Insurers in the World Including:



So What Are These **NASTY SURPRISES?**

NASTY SURPRISE #1: *Water Damage*

You know that pipe that's been leaking for 6 months? There's a good chance the damage isn't covered! But it can be. First, you need to know what we're talking about...

We're talking about WATER DAMAGE COVERAGE (from leaking or broken pipes).

1. WATER DAMAGE COVERAGE (from leaking or broken pipes)
Texas is one of the only states (if not the only state) that differentiates between two types of water damage coverage:

a) Sudden & Accidental

Generally defined as finding a leaking pipe within 2 weeks sometimes 30 days from it first occurring.

But what about that slow leak that has been dripping for months leading to your dishwasher? This is the second type of water damage called:

b) Continuous & Repeated

And this classification is for leaks that go beyond sudden & accidental; and generally speaking they've gone undiscovered for a much longer period of time.

The best policies address both of these coverage's up to what the home is insured for. So if the home is insured for \$200k, you have coverage for both types of water damage up to \$200,000.

But, that said, there are a LOT of policies out there that only offer sudden & accidental coverage. So it's very important to know what's in your policy and if you're not sure ask your agent.

It doesn't take much imagination to realize how much destruction a hidden leak can do... but what will make this nightmare even worse is finding out that you don't have coverage for Continuous & Repeated water damage. That could be financially catastrophic!



Top 5 Facts About PROPERTY & WATER DAMAGE CLAIMS

25%

25% of all claims filed are water damage claims

\$9.1B

Water caused \$9.1 billion in annual homeowner policy property losses annually from 2007 to 2009

40%

Almost 40% of all homeowners report having experienced loss from water damage



The 3rd most common type of claim filed is water damage and freezing



1 in 55 homes has a property damage claim each year due to water damage

... and, while we're on the subject, here's something else you need to know:

c) Flood Insurance

Surface water rising from rivers, oceans, lakes, ponds, or heavy rains is excluded in homeowners policies. Coverage for these types of claims is available through FEMA or another private programs depending on your individual needs.



NASTY SURPRISE #2: *Foundation Coverage*

And since we're talking pipes, what about damage to those pipes *within your foundation??*

Here's what you need to know...

This is called FOUNDATION COVERAGE and is not related to general maintenance or lack thereof.

2. FOUNDATION COVERAGE

This coverage is generally meant to address breaking or leaking pipes within (and sometimes beneath) the foundation of your home.

It is usually designed to provide coverage for gaining access to the leaking or broken pipe and repairing your house back to its original condition. (Note: It doesn't pay for the damaged pipe.)

The best policies provide coverage up to what the house is insured for. ***But, some policies will not cover this at all and others may offer coverage only up to a certain dollar amount.***

This too can be potentially devastating.

Just imagine how easy it would be for this problem to linger for weeks, months or even years before you discover it? How much damage could it do? A lot! Right?

It does, and every year far too many Texans learn this lesson the hard way.

This is why it's important to understand your coverage in this area and make sure you've got adequate protection.



Some policies will not cover this type of damage at all, and others may offer coverage only up to a certain dollar amount.

NASTY SURPRISE #3: *Backed Up Sewers*

The city's sewer line is backed up in 3 rooms of your house... who pays??

This is called SEWER BACK-UP COVERAGE.

3. SEWER BACK-UP COVERAGE

Generally this addresses coverage for a city sewer line that would become backed up and flood water (and potentially raw waste) into your home.

It's not usually meant to address a backed-up toilet in your house that damages your floor.

No, this is for situations where you have sewage from the city line backing up and coming through your open plumbing pipes and fixtures. The city will usually claim governmental immunity and tell you to work with your insurance company to clean up the mess and fix the damage to your home. So you need to make sure you have this coverage either built in to the policy or added on.

The best policies provide coverage up to what the house is insured for. Some policies will not cover this at all and others may offer coverage only up to a certain dollar amount.



Now you'd think a backed up sewer line is a pretty remote possibility, right? And it could never happen in "my town." But the truth is, most municipal sewers are "open systems" it happens all the time. Not just in Texas but in all parts of the country.

As you can imagine the mess is enormous, but also it creates a serious health and safety concern that can be devastatingly expensive to fix.

That's why you need to make absolutely certain your policy covers you in case of this event.

To learn more, here's a great resource to check out: <http://www.opic.state.tx.us>



What Should You Do

IF YOU'RE NOT SURE

If You're Covered?

First and foremost read your policy. I know these aren't always the easiest documents to read, but trust me; it's definitely worth your time to learn and understand what's in your policy and what's not.

But if you still have questions, I'd suggest calling your agent and ask him or her to explain your coverage to you.

Or if you'd like... I'd be happy to take a look and share an experienced, unbiased outside opinion. I promise, no heavy-handed sales pitch or anything like that — I'm happy to just provide an informed opinion, point out any problem areas I see and give you a few suggestions.

Just give me a call at [214.865.9966](tel:214.865.9966) or email me at steve@stevewhiteinsurance.com and I'll be happy to take a look.

But whatever you do, don't procrastinate and "do nothing." Trust me when I tell you that too many Texans learn the hard way each year about these gaps in coverage and the last thing I want is to see you become one of them.

DISCLAIMER: *This article is to be used as general reference material to help Texas homeowners (like you) be more informed about your homeowner's policies, it is not meant to replace or reword your policy. Your actual policy, circumstances, and company will dictate whether you have coverage.*



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