Types of Property Coverages

There are several types of owners and renters insurance policies each tailored to give varying amounts of protection. They generally all provide coverage for your personal liability, medical payments, and additional living expenses as explained previously. Depending on the particular policy and the subject of insurance, losses will be settled (paid) on either a replacement cost basis or a form of actual cash value basis. Replacement cost insurance pays the cost to repair or replace your property (if possible) after a loss. Actual cash value provides for a lesser amount of coverage (replacement cost minus depreciation). In either case, your property should be insured to its full value in order to be adequately compensated in the event of loss.

- **Basic Cause of Loss Coverage:** (Named Perils) protects your dwelling and/or its contents only against the certain basic perils which are specifically listed in the policy. Any loss that does not result from one of those named perils would not be covered.

- **Broadened Cause of Loss Coverage:** (Extended Coverage Perils) in addition to the benefits of the basic coverage, this also protects your dwelling and/or its contents for some additional or expanded/extended coverage perils. As in the basic form, any loss that does not result from one of the perils insured against would not be covered.

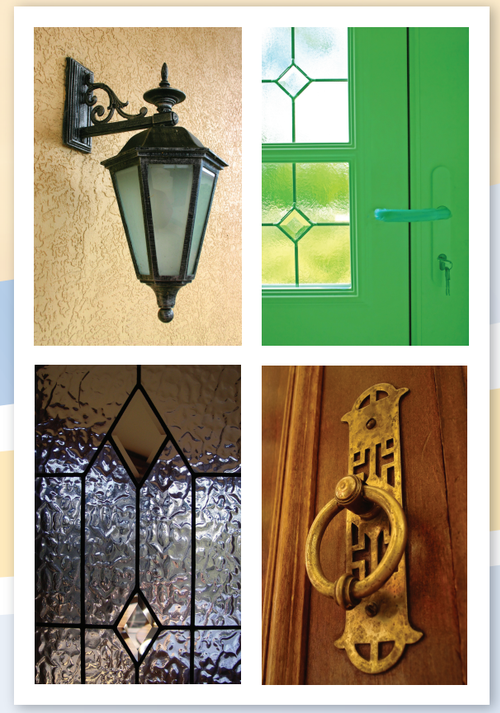
- **Special Form:** (Open Perils Coverage, or All Risk Coverage) covers your home for all risks of physical loss, except those that are specifically excluded in the policy, such as flood, earthquake, etc. This is the most common policy for homeowners, condominiums, and renters.

- **Tenants Coverage:** (or Renters Protection Policies) covers only your household contents. These policies may be issued with any of the forms of coverage noted above.

- **Condominium Unit Owners Coverage:** are specifically designed for condominium owners. These policies can be issued with any of the causes of loss noted above. Coverage is provided for your contents (personal property), as well as the single unit of the structure that you own. Loss Assessment coverage for commonly owned areas of the condominium are commonly included in these policies.

Optional Coverages

- Increased limits of Liability and/or Medical Payments Coverage
- Contents Replacement Cost Coverage
- Scheduled Personal Property Endorsement (valued coverage for specifically described items such as jewelry, works of art, etc.)
- Mine Subsidence
- Inflation Guard Endorsement (automatic increase in the limits of insurance)
- Earthquake Insurance
- Secondary Residence Premises Endorsement



A Consumer's Guide to Home Insurance

west virginia OFFICES OF THE INSURANCE COMMISSIONER

TRY US, WE CAN HELP!
1-888-TRY-WVIC

consumer.service@wvinsurance.gov
www.wvinsurance.gov

west virginia OFFICES OF THE INSURANCE COMMISSIONER

The WV Offices of the Insurance Commissioner
Consumer Service Division
P.O. Box 50540
Charleston, WV 25305-0540