



Homeowner's Protection and types of structure coverage various policies provide

A typical Homeowners policy comes in one of three different flavors when it comes to protecting your house. The selection you make determines how your structure or building is covered under your policy. The following breakout lists the name of each coverage group, (Basic, Broad, and Special), and lists the general type of losses or hazards your home is protected against. Coverages included in a typical policy under these policy forms are:

Basic Form

- Fire
- Lightning
- Windstorm or Hail
- Explosion
- Smoke
- Vandalism
- Aircraft or Vehicle Collision
- Riot or Civil Commotion
- Sinkhole Collapse
- Volcanic Activity

Broad Form

Broad Form coverage is more expansive than Basic Form coverage. It includes coverage for all the hazards included in a Basic Form policy plus several additional hazards which are expressly named. Like with a Basic Form policy, a Broad form policy covers only named perils. Again, if a coverage is not specifically named in the policy, that coverage is excluded. Fortunately, the Broad Form is designed to cover the most common forms of property damage.

Coverages included in a typical Broad Form policy (in addition to what is covered by the Basic Form) are:

- Burglary/Break-in damage
- Falling Objects (like tree limbs)
- Weight of Ice and Snow
- Freezing of Plumbing
- Accidental Water Damage
- Artificially Generated Electricity

Special Form

Special Form coverage is the most inclusive of the three options. The trick with Special Form policies is that they should be read differently from how you would read a Basic or Broad Form policy. In a Special Form policy, instead of the document listing what's covered, all perils are covered except for the exclusions specifically enumerated in the policy. In this sense, reading a Special Form policy is kind of like the opposite of reading a Basic or Broad Form policy. All unlisted perils are covered perils. This can be extremely beneficial to the insured since Special Form coverage makes allowances for types of hazards one might never expect. However, if something happens to your home, and it is on the list, the policy will provide no coverage.

Everything is typically covered under a Special Form policy, except for these common exclusions:

- Ordinance or Law
- Earthquake
- Flood
- Power Failure
- Neglect
- War
- Nuclear Hazard
- Intentional Acts

We typically recommend Special form because it is the most inclusive when it comes to covering your home. However, there are situations and circumstances that may dictate otherwise and that is where the advice of a professional agent is valuable. We are here to help.

Please feel free to contact us, insurance@mcs.bank or 717-363-4020.

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