

WHAT YOU SHOULD KNOW ABOUT PROPERTY DAMAGE CLAIMS

If your personal property was damaged by a hurricane, fire or was lost to theft, you trust your insurance company to help you recover. Unfortunately, the insurance company may have other ideas.



HOW MUCH IS MY PERSONAL PROPERTY COVERED FOR?

A standard home insurance policy will usually provide personal property coverage at approximately 50 to 75 percent of the dwelling coverage. If your dwelling coverage is \$300,000, your personal property within should be covered for approximately \$150,000 to \$225,000.¹

POLICY LIMITS

Although your home insurance may say your personal property is covered for \$225,000, chances are the amount they will actually pay you for your personal property loss will be far less. The fine print of your homeowners policy sets strict limits on the maximum the policy will pay for certain property categories. The following are some common limits.

\$250

Cash, coins and precious metals²

\$1000

Boats, watercraft and their trailers (less than 25 hp)³

\$1500

Jewelry, furs, watches and precious stones

\$2500

Silver, gold or precious metal utensils and dinnerware

\$2500

Firearms⁴

\$2500

Tools or other equipment used for your business

\$1000

TVs, gaming devices and electronics

\$1000

Computers

\$1000

Stamp, comic book or baseball card collections



TIP:

Visit your homeowners insurance company's website and look for a Home Inventory Checklist. They may have PDF forms you can print or fill out and save so you have a list. Fill out the list and store it somewhere safe. Make sure to include makes, models, serial numbers, price and purchase date. You can even use this list to determine what you may want to purchase additional coverage for.

GETTING ADDITIONAL PERSONAL PROPERTY COVERAGE

If those policy limits are too low for you, there are ways to expand your coverage.

ENDORSEMENTS/RIDERS

These are the most affordable way to increase personal property limits. For a modest increase in your monthly premium you can significantly increase personal property coverage for certain categories. Endorsements, also referred to as riders, sometimes let you add additional loss conditions, or "perils", meaning a type of loss, like accidental loss, which normally wouldn't be covered, now would be.



SCHEDULED PROPERTY FLOATER

Normal endorsements are capped at certain levels. If you have an especially expensive wedding ring, for example, an endorsement that maxes out at \$10,000 may not be enough. For these items, a scheduled property floater is the solution.

HOW FLOATERS WORK

You get the items (such as jewelry, furs, antiques or a collection) professionally appraised by an insurance-company approved appraiser.

The specific item is insured for the appraised amount.

Floaters can also add additional loss conditions, expanding the scope of potential perils that are covered.

Even if you lost the ring by accident, the policy would pay out the insured amount.



TIP:

You may be surprised at how affordable additional coverage is. Art, for example, can be insured at "agreed value" with the insurance company. Each \$100 of additional coverage only costs 15 to 35 cents per year. At that rate, \$100,000 of coverage would cost between \$150 to \$350 a year.⁵

WHEN TO HIRE AN ATTORNEY

If you feel as if your insurance company isn't treating your claim fairly, you may want to contact an independent claims adjuster or property damage attorney for a second opinion. A property damage attorney can negotiate on your behalf, or even go to court if necessary, to ensure you receive a fair settlement.



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ACCIDENT ATTORNEYS

¹<https://www.valuepenguin.com/homeowners-insurance/estimate-home-insurance#home>

²<https://www.valuepenguin.com/does-homeowners-insurance-cover-theft>

³<https://www.jmbullion.com/investing-guide/storage-shipping/insure-gold-and-silver-bullion/>

⁴<http://www.mcinnisinsurance.com/blog/gun-insurance>

⁵<https://www.wsj.com/articles/what-to-consider-when-insuring-your-artwork-1434120074>