



# Before the Storm

## Getting to Know Your Homeowners Policy



Social, Economic & Environmental

WEST TENNESSEE  
LEGAL  SERVICES





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my pronouns are she/her





## What to Expect From Today's Presentation

- 45-minute presentation
- Followed by 30 min Q&A session
- Resources presented today will be available on our website





# What is Homeowner Insurance?



- A form of property insurance that is customizable in many ways
  - Certain standard elements will be covered.
- There are standard risks/perils that your home is insured against fire, hurricanes, lightning, vandalism, or other covered disasters.
  - Damage from floods, earthquakes, and poor home maintenance is not usually covered.





# What is Homeowner Insurance?



- Clothing, furniture, appliances, and most other contents in your home are covered if destroyed in an **INSURED** disaster.
- Contents are usually insured for 50% to 70% of your dwelling coverage.
  - If your house is insured for \$200,000, there would be about \$140,000 worth of coverage for your possessions.
  - For high-priced possessions (fine art, antiques, furs, and fine jewelry), you might consider an itemized schedule/rider to cover these items or a separate policy. This includes computers, laptops, tablets, printers, and high-end cameras.



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# ●●● What is Homeowner Insurance?

- It is **not** a luxury. It is required by all mortgage companies at limits for the full or fair market value of the property.
- Covers losses and damages to an individual's residence.
- Liability coverage against accidents in the home or on the property is often included.





# What is Homeowner Insurance?



- Three basic levels of coverage:
  - **actual cash value**
  - **replacement cost**
  - **extended replacement cost**
- If you don't own your residence
  - **Renters' insurance covers your contents**
- The **cost of a policy** is determined by the insurer's risk



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# ●●● Personal Property Coverage

Your coverage protects your personal property from the following common hazards:

- **Falling objects**
- **Fire**
- **Lightning**
- **Smoke**
- **Theft**
- **Vandalism**
- **Weight of ice, snow, or sleet**
- **Windstorm**
- **Wildfire**
- **\*\*Discharge or overflow of water or steam**



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# ●●● Personal Property and Named Perils

Coverage for your personal property is provided on a named peril basis.

- **What does a named peril mean?**
  - Basically, it means that your personal property is only covered if the loss occurs due to a hazard listed on your policy.
- **Preparing for disaster**
  - To prepare for personal property claims documentation via pictures, videos of your home or apartment will help you develop an inventory.



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# ●●● General Insurance Terms

- Actual Cash Value (ACV)
- Additional Living Expense (ALE)
- Deductible
- Depreciation
- Act of God
- Named-peril Policy
- Other Structure Coverage
- Perils
- Replacement Cost Value Insurance



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# ●●● Understand the coverage limits on your policy



## Dwelling Coverage is a stated amount

- Typically, your contents and other coverages are a percentage of your dwelling coverage

## Policy Changes

- Coverage changes can be made anytime during the policy period but may have underwriting restrictions due to potential weather threats.



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# ●●● Understanding the Insurance Claims Process



## If you have damage...

- And your home is extensively damaged, get permission to reenter.
- Have your insurance information ready, policy number, type, and date of loss.
- Have pictures of your damages and a home inventory.
- Take steps to prevent further damages...tarping, cut off gas or water.



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# ●●● Understanding the Insurance Claims Process

## Beginning the Claim Process

- **Report your claim as soon as possible.**
- **Only do temp repairs as needed and instructed by the your insurance company.**
- **Inspection of the damages:** there may be a physical or a virtual inspection.
- **Documentation of your claim:** photos or videos can help you remember items damaged or lost.
- **Save all receipts.**



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# ●●● Understanding the Insurance Claims Process

## Relocating After a Loss

- If you are not able to stay in your home after a covered loss, your homeowners; policy may reimburse you for additional living expenses.
- If your home is not livable and you are temporarily relocating after a covered loss, Additional living expense (**ALE**) will provide reimbursement for any resulting increase in your normal day-to-day living expenses.



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# ● ● ● Understanding the Insurance Claims Process

## Resolving a Claim

- **Timeframes vary:** Every loss and insurance company are different, so resolution will vary.
- **Receiving payment:** The first check you receive from your insurance company is often an advance against the total settlement amount, not the final payment.
- You may be offered an on-the-spot settlement, you can accept the check right away.



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# ●●● Understanding the Insurance Claims Process

## Multiple checks:

- If both your home and your personal belongings are damaged, you may receive two separate checks.



## Lender or management company:

- If you have a mortgage on your house, the check for repairs may be made out to you and the mortgage lender from dollar one or at some established threshold.

## Exclusions Page:

- Always read the Exclusions Page.



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# ● ● ● What Are My Options

- Contact your local insurance agent
- Contact Department of Commerce and Insurance when you experience difficulties with:
  - the claim processes.
  - contractor scams.
  - Tennessee Department of Commerce and Insurance (TDCI).
    - (615) 741-2218 or 1-800-342-4029
- Contact West Tennessee Legal Services if you want to discuss any civil legal issues further.
  - (800) 372-8346





# Matthew Flood

Staff Attorney

West Tennessee Legal Services

my pronouns are he/him

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# WEST TENNESSEE LEGAL SERVICES

- WTLS offers free legal assistance with civil legal issues to those who might not otherwise be able to afford an attorney.
- We set case priorities every year based on input from the community we serve.
- WTLS' current priorities are:
  - Consumer Issues
  - Benefits
  - Housing
  - Victim's Rights
  - Family Law
  - Elder Law



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# ●●● Role of Legal Services in a Disaster

## Housing Assistance:

- Help homeowners file insurance claims
- Apply for home repair assistance
- Negotiate with landlords to make necessary repairs to damaged homes
- Protect renters from illegal evictions



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# ●●● Role of Legal Services in a Disaster

## Identification and Documentation Recovery:

Assist in replacing important legal documents

- Personal identification cards
- Property titles/Deeds/Heir Property
- Orders of protection
- End-of-life documents



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# ●●● Role of Legal Services in a Disaster

- **Emergency Benefits:**

- Help families get emergency food stamps and FEMA assistance
- Disaster Unemployment Assistance

- **Family Assistance:**

- Obtain emergency child custody
- Visitation
- Support
- And other court orders requiring modification as a result of displacement, injury, or job loss

- **And More...**



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# ●●● What to do After a Disaster

- Be sure to let your family/relatives know that you are safe
- Take pictures of any damage to your property
- Contact State and Federal agencies for aid
- Contact your homeowner's or renter's insurance provider



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# West Tennessee Legal Services can Help

- Contact WTLS, if needed, during recovery.
- We can assist with issues including:
  - applying for disaster recovery funds and appealing denials of state or federal aid.
  - homeowner and renters' housing rights.
  - contractor fraud.
  - and more.

Please call! You will never “bother” us with your legal issues.  
We are here for the community.



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# ●●● Responding to Future Disasters

- **Lessons Learned from the Disaster**

- Make a Disaster Kit, include:

- Non-perishable food
- Water
- Medicine
- Change of clothing
- First aid supplies
- Batteries and flashlights
- And anything else to take care of your family for a few days

- Make a Plan

- Decide where your family meet, evacuate to, and stay during the immediate aftermath.



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# ● ● ● Responding to Future Disasters

- **Locate Important Documents**

- Birth Certificate
- Social Security Card
- Drivers License
- Mortgage Statements
- Insurance Policies
- Estate Documents
- Make copies, and store them in a safe place
- Get property or renter's insurance, and know what your insurance policy covers

- **Plan your Estate and Clear Title to your Land**

- Wills
- Power of Attorneys
- Advanced Healthcare Directives





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# Resources

- Investopedia
  - [Homeowners Insurance Guide: A Beginner's Overview](#)
- FEMA
  - [Don't Make a Costly Mistake: Flood Insurance Myths vs Facts](#)
- American Family
  - [Home Inventory](#)
  - [Homeowners insurance terms](#)
  - [Renters Insurance 101](#)
- Insurance Information Institute
  - [Understanding the insurance claims payment process](#)



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# Resources

- State of TN Commerce and Insurance
  - <https://www.tn.gov/commerce.html>
- Better Business Bureau®
  - <https://www.bbb.org>
- West Tennessee Legal Services
  - <https://wtls.org>
- FEMA
  - [Get Assistance After a Disaster | FEMA.gov](https://www.fema.gov)







# Contact Us



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