HO1 - Basic Homeowner Policy

A basic policy form that provides coverage on a home against 11 listed perils; contents are generally included in this type of coverage, but must be explicitly enumerated. The perils include fire or lightning, windstorm or hail, vandalism or malicious mischief. theft, damage from vehicles and aircraft. explosion riot or civil commotion. glass breakage, smoke, volcanic eruption, and personal liability. Exceptions include floods, earthquakes.

HO2 - Broad Homeowner Policy

A more advanced form that provides coverage on a home against 17 listed perils (including all 11 on the HO1). The coverage is usually a "named perils" policy, which lists the events that would be covered.

HO3 - All Risk Homeowner Policy

The typical, most comprehensive form used for single-family homes. The policy provides "all risk" coverage on the home with some perils excluded, such as earthquake and flood.

HO4 - Renter's Insurance

The “Tenants” form is for renters. It covers personal property against the same perils as the HO2 [1].

HO6 - Condominium Policy

The form for condominium owners.

HO8 - Older Houses

The “Modified Coverage” form is for the owner-occupied older home whose replacement cost far exceeds the property’s market value.

Coverages

For each policy, there are typically six classifications of coverage. These are based on standard Insurance Services Office or American Association of Insurance Services forms.

Section I - Property Coverages

Coverage A - Dwelling

Covers the value of the dwelling itself (not including the land). Typically, a coinsurance clause states that as long as the dwelling is insured to 80% of actual value, it will be replaced. This is in place to give a buffer against inflation. HO-4 (renter's insurance) typically has no Coverage A, although it has additional coverages for improvements.

Coverage B - Other Structures

Covers other structure around the property which are not used for business, except as a private garage. Typically limited at 10% of the Coverage A.

Coverage C - Personal Property

Covers personal property, with limits for the theft and loss of particular classes of items (eg, $200 for money, banknotes, bullion, coins, medals, etc). Typically 50 to 70% of coverage A is required for contents, which means that consumers may pay for much more insurance than necessary. This has led to some calls for more choice. Coverage D - Loss of Use/Additional Living Expenses

Covers expenses associated with additional living expenses (i.e. rental expenses) and fair rental value, if part of the residence was rented, however only the rental income for the actual rent of the space not services provided such as utilities.

Additional Coverages

Covers a variety of expenses such as debris removal, reasonable repairs, damage to trees and shrubs for certain named perils (excluding the most common causes of damage, wind and ice), fire department changes, removal of property, credit card / identity theft charges, loss assessment, collapse, landlord's furnishing, and some building additions. These vary depending upon the form.

Exclusions

In an open perils policy, specific exclusions will be stated in this section. These generally include earth movement, water damage, power failure, neglect, war, nuclear hazard, intentional loss, and concurrent causation (for HO-3).

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