HOMEOWNER INTELLIGENCE REPORT · HIR-003 · POLICY FIGHTER

What Your Homeowner's Insurance Doesn't Cover (And How to Find Out Before It Matters)

The Exclusions section decides more claims than any other page in your policy.

The Word Nobody Reads

Every homeowner's policy contains a section that decides more claims than any other — and almost nobody has ever read it. It's usually labeled with a single word: **Exclusions.**

For your house itself, most standard policies are “open perils” coverage — the house is protected against *everything*... except a specific list of things it isn't. The coverage section makes the promises; the exclusions section decides what the promises actually mean. Most homeowners meet their exclusions list for the first time in a denial letter. This report is your chance to meet yours on a calm day instead.

Same Storm, Opposite Outcomes

After nearly every major storm, this scenario plays out somewhere in America: three days of rain, water rises across the yard and comes in under the doors. The homeowner files a claim, confident. The claim is denied — because **flood (rising water from outside) is excluded from virtually every standard homeowner policy.** Flood coverage is sold separately, mostly through the National Flood Insurance Program — usually with a 30-day waiting period. And roughly a quarter of flood claims come from properties *outside* high-risk flood zones.

Same storm, different water: wind tears the roof open and rain pours **down** into the house — typically covered. Water from above, covered; water from below, excluded. The difference isn't fairness. It's the list.

The Big Exclusions Almost Every Policy Shares

Flood — separate policy; 30-day wait typically applies.
Earth movement — earthquakes, sinkholes, landslides; separate coverage or endorsement.
Water/sewer backup — excluded by default, but often fixable with an inexpensive endorsement.
Gradual damage, wear, neglect — the slow leak that rotted the wall; insurance covers sudden and accidental, not maintenance.
Mold — usually excluded or tightly capped, except after a covered sudden water loss.
Termites and pests — never covered.
Code upgrades beyond a small allowance — see our full report on Ordinance or Law coverage.
Valuables above the sublimits — jewelry, firearms, cash; see our hidden-limits report.

None of these is a scandal — insurers exclude what's uninsurable at standard prices and sell it separately. The scandal is only that most homeowners never learn which side of the line they live on until the claim.

> **Policy Fighter Insight™**
> *Your policy's coverage section tells you what your insurer promises. The exclusions section tells you what those promises mean. A homeowner who has read their exclusions list — once, on a calm day — is almost impossible to blindside.*

Why This Is Personal

The day before Thanksgiving, founder Tom Birney's home burned down — a total loss, and the rebuild is still underway today. Working through a real claim, line by line, revealed how much of the outcome had been decided years earlier by paragraphs he'd never read. Policy Fighter exists so you can read yours before the worst day, not after.

The Fifteen-Minute Exclusions Check

■ **Step 1 — Find the list.** In your full policy (not the declarations page), find the section titled “Exclusions.” It's shorter than you fear.

■ **Step 2 — Read it once with your home in mind.** One question per item: *could this happen to my house?* A creek makes flood personal; a finished basement makes water backup personal.

■ **Step 3 — Check your flood reality, not just your zone.** Look up your address at msc.fema.gov — then remember many flood claims come from outside high-risk zones.

■ **Step 4 — Price the two cheap fixes at renewal:** a water/sewer backup endorsement, and additional Ordinance or Law coverage.

■ **Step 5 — Note every surprise.** Anything you thought was covered but isn't — raise it with your agent now, while it's a question and not a dispute.