HOMEOWNER INTELLIGENCE REPORT · HIR-004 · POLICY FIGHTER

Your Policy Is Written in Code: What Coverage A, B, C, and D Actually Mean

Four letters on your declarations page — and one of them controls the other three.

The Alphabet on Page One

Your declarations page shows Coverage A, B, C, and D — each with a dollar amount, none with an explanation. Those four letters *are* your insurance. And they hide a structural secret: **one of those numbers controls the other three.** Get it wrong, and every letter down the line is wrong with it.

The Workshop That Didn't Fit in the Letter

A homeowner builds out a detached workshop over years. A storm drops a tree through it: $60,000 loss. Insurance pays $35,000 — no trick, no bad faith. A detached structure lives under **Coverage B — Other Structures**, typically defaulted to just **10% of Coverage A**. A $350,000 home means a $35,000 ceiling for every fence, shed, gazebo, and detached garage combined. The workshop never had a chance — and its owner never knew there was a separate letter to check.

Decoding the Four Letters

Coverage A — Dwelling. The house itself. Should equal today's *rebuild* cost — not market value. The master number.

Coverage B — Other Structures. Detached garage, shed, fence. Typically **10% of A**. Worth more than that in your yard? Raise B by endorsement — cheap now, uninsured later.

Coverage C — Personal Property. Everything inside. Typically **50–70% of A**. Two traps: replacement cost vs. actual cash value, and the category sublimits on jewelry, firearms, cash, and silverware.

Coverage D — Loss of Use. Hotel and meals while the home is uninhabitable. Typically **20–30% of A**. Rebuilds after major losses commonly run a year or more — D decides who finances that year.

(Coverage E is personal liability; Coverage F is guest medical payments — different subject, same page.)

Policy Fighter Insight™

> *Coverage A isn't just the biggest number on the page — it's the master number. B, C, and D are usually percentages of it. One outdated rebuild estimate doesn't create one gap; it silently shrinks your coverage for other structures, your belongings, and your temporary housing, all at once.*

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. Living through it means living inside these letters: A rebuilding the house, C replacing what was inside, D paying for life in the meantime. Policy Fighter exists so you understand your page *before* the night you need it.

The Ten-Minute Letter Check

- **Step 1 — Find the four numbers** on your declarations page (A–D, or by name: Dwelling, Other Structures, Personal Property, Loss of Use).
- **Step 2 — Pressure-test Coverage A:** could your home be rebuilt for that amount at today's prices? If unsure, have your agent re-run the estimate — and price “extended replacement cost” (a 25–50% cushion).
- **Step 3 — Walk your yard for Coverage B:** detached structures worth more than 10% of A means B needs raising.
- **Step 4 — Ask two questions about Coverage C:** replacement cost or actual cash value? And what are the special limits on jewelry, firearms, and cash?
- **Step 5 — Read Coverage D as a timeline:** divide D by a realistic monthly rent for comparable housing. Less than 12–18 months? Raise it.
