

We understand that your home is one of the biggest investments you'll ever make. We also understand that renovations, additions, and upgrades are a necessary part of home ownership. To ensure your investment stays protected, report all major changes to your broker.

How Will Renovations or Additions Affect my Home Insurance?

Your home insurance policy is based on what you have – that is, on what you report having.

For example, let's say you own a 2-story, 1600 sq. ft. home with 2 bedrooms, 1 bathroom, and an unfinished basement. Your insurance broker would use this information to generate the cost to restore your home to its original value.

If you added a second bathroom and finished the basement, the rebuilding cost of your home would increase. However, if you failed to report these upgrades, your insurance company could decline a portion of any subsequent claim, as they were unaware of the changes.

If you want your renovations to be covered, they must be reflected in the rebuilding cost of your home and factored into your premiums. Therefore, all major changes must be reported to your broker.

What About my Condo?

For the most part, condos work the same way as homes. If you own a condo, any upgrades or improvements should be reported to your broker.

One major difference is that with a condo policy, you receive a coverage called Betterments and Improvements. This coverage pays for any upgrades made to the base unit. That means, if the base unit has linoleum and carpeting, but you install hardwood, your Betterments and Improvements coverage would replace the hardwood in the event of a claim.

Speak with a Southland broker if you:

- Install a pool or hot tub
- Refinish your basement
- Add a bathroom or kitchen
- Add square footage (i.e. a sunporch)
- Upgrade your condo
- Do a renovation worth \$10,000 or more (value may differ by insurance company)
- Replace your roof or furnace
- Upgrade plumbing or electrical

If you make any upgrades to your home or condo, call your trusted Southland broker at 519-735-8000 to review your policy.