

[Date]

[Recipient Name]

[Recipient Address]

[City, State, Zip Code]

Subject: Understanding Your Home Insurance Basics

Dear [Recipient Name],

Protecting your home is one of the most important steps in securing your financial future. We want to ensure you understand the core components of a standard home insurance policy.

Most policies include these four essential areas of coverage:

- **Dwelling Coverage:** This pays to repair or rebuild the physical structure of your home if it is damaged by a covered peril like fire or windstorm.
- **Personal Property:** This covers your belongings inside the home, such as furniture, electronics, and clothing, even if they are damaged or stolen outside of the property.
- **Liability Protection:** This defends you against lawsuits for bodily injury or property damage that you or your family members cause to other people.
- **Additional Living Expenses (ALE):** If your home is uninhabitable due to a covered loss, this pays for the extra costs of living away from home, such as hotel bills and meals.

It is important to remember that standard policies typically do not cover damage from floods or earthquakes. These require separate policies or endorsements.

We recommend reviewing your policy limits annually to ensure they keep pace with rising construction costs and new purchases. If you have any questions regarding your current coverage, please contact our office at [Phone Number].

Sincerely,

[Your Name]

[Your Title]

[Company Name]