



Loss of use coverage

Will your homeowners insurance policy protect your lifestyle?

When selecting a homeowners insurance policy, the first thing you're likely to consider is having adequate coverage to rebuild your home. But what happens to you and your family during reconstruction or relocation — while your home is not fit to live in?

You have worked hard to accumulate your assets and wealth over the years and have become accustomed to a certain lifestyle. Loss of use, otherwise known as coverage D on your homeowners policy, includes additional living expense coverage which covers the increase in living expenses necessary to maintain your household's usual standard of living during the time necessary for you to permanently relocate or to return your home to a habitable condition. Although many homeowners insurance policies impose a time and/or dollar limit for this coverage, our policy features broader language that covers all reasonable expenses without a coverage limit.

In many cases, the minimum amount of time to rebuild a home is one year. Depending on the time it takes to obtain the necessary building permits, the square footage and custom materials used to reconstruct your home — it can take up to five years from the time of loss. Whether you live in a six bedroom ranch in Scottsdale, a three-story colonial home in Chicago, or a luxury condo in San Francisco, imagine how quickly the costs to rent suitable housing to match your current standard of living would grow into a sizable expense.

How you may be at risk

- A pipe bursts in the top floor master bathroom of your \$1 million home. You and your family have to move out for 18 months during reconstruction since the ensuing water damage was widespread. You normally exercise in your fully equipped home gym and regularly entertain friends in your extensive chef's kitchen. You are worried you will have to compromise your lifestyle during repairs. Our homeowners policy would cover you for housing and gym membership to match your current lifestyle for the reasonable amount of time required to restore your home to a habitable condition. How would your policy respond?
- A fire starts in your garage and spreads to your home doing extensive damage. Even though it's not a total loss, you and your family are required to move out of your home for well over a year while the damaged portion is being rebuilt. You are distraught by the thought of maintaining your usual way of life during this process and finding a pet-friendly place to live. Our homeowners policy would cover you for housing, equivalent to your standard of living, which allows pets or pays for kennel costs for your pets. How would your policy respond?
- A wildfire destroys your \$2 million custom-built home. You decide to relocate to another state rather than rebuild. The process to find and purchase the right home with the same level of unique features you are accustomed to will take you at least six months. Our homeowners policy would cover your additional living expenses for the shortest amount of time required to settle elsewhere if you decide to permanently relocate, in addition to our replacement cash out option. How would your policy respond?

How Nationwide Private Client responds

We understand that being out of your home can cause added stress on your family. With the Nationwide Private Client homeowners policy, we offer loss of use coverage to help you maintain your normal way of life.¹ Loss of use protects you in three different ways:

- **Additional living expense:** Covers the increase in your normal living expenses necessary to maintain your standard of living for the reasonable amount of time required to restore your home to a habitable condition — with no dollar limit or deductible. This includes kennel costs for your pets, if applicable.
- **Fair rental value:** Allows you to recover lost rent for up to 12 months if the covered loss requires your tenants to leave an insured rental unit on your premises.
- **Prohibited use:** Extends coverage for additional living expense and fair rental value for up to 30 days if a neighboring premises or civil authority prohibits use of your insured home/rental property.

Why it's important for you

If you incur a significant loss to your home, it's important to be prepared so you can maintain your current standard of living. Talk to your agent about whether or not your current homeowners policy provides adequate loss of use protection compared to a Nationwide Private Client homeowners policy.

Nationwide Private Client offers these added benefits:

- **Claims:** Exceptional claims handling provided by Nationwide Private Client.
- **Deductible waiver:** Your homeowners deductible will be waived for a covered total loss.² With our protection endorsement, deductibles up to \$50,000 are waived for a covered loss over \$50,000.²

- **Replacement cash out option:** We pay you up to the limit shown on the declarations of your policy, or what it would cost to rebuild at the same location, whichever is less. This allows you to rebuild where and when it's convenient for you.
- **Realty tax increased assessment:** With our protection endorsement, we will pay up to \$25,000 for any additional county tax assessments the first year after your home is rebuilt, when they are increased due to a covered loss.
- **Financial strength:** Nationwide, a Fortune 100³ company, is one of the largest and strongest diversified insurance and financial services organizations in the U.S. and is rated A1 by Moody's and A+ by both A.M. Best and Standard & Poor's.⁴
- **Charitable giving:** At Nationwide, we strongly believe in being good corporate citizens where we work and live. Since 2000, the Nationwide Foundation has committed more than \$355 million to charitable organizations across the U.S. Nationwide Private Client continues to demonstrate this core value through its Partners in Giving program, helping numerous lives each year.

Why Nationwide Private Client

Nationwide Private Client is dedicated to helping protect the assets and reputations of our clients. Our highly personalized insurance products, services and concierge-style claim management are thoughtfully designed to meet the distinctive needs of affluent individuals and families. We are committed to providing you a superior experience whenever you need assistance.

¹Does not cover loss or expense due to cancellation of a lease or agreement. Does not apply to an insured's business, whether conducted on or off any insured location. Other limitations and exclusions may apply.

²Unless a special deductible applies.

³Based on revenue, Fortune (June 2015).

⁴Ratings affirmed 9/12/13 by Moody's, 4/2/14 by A.M. Best, and 5/13/14 by Standard & Poor's.