



Nothing feels better than home. Especially when you know it's protected.

It isn't just any home; it's yours. The place where you unwind after a long day. Gather with your loved ones. And celebrate some of life's biggest moments. We know how much it means to you. So protect it with homeowners coverage you can count on. At State Farm®, we have the financial strength to help protect you from a wide variety of losses, and over a 95-year track record to back it up.

We're happy to help you choose the amount of coverage that suits your needs and budget. That's just one reason State Farm is ranked No. 1 in homeowners insurance.¹

If the unexpected hits, you'll have protection you can count on.

Think of homeowners insurance as protection that can help put your mind at ease. For example, if your home were damaged by a fire or someone broke in, your policy could help pay to rebuild your home or replace your possessions.

Without a policy, you'd have to cover those expenses out of your own pocket. So if you're a homeowner, you need homeowners insurance.

Your policy could help after many different losses, including those caused by:

- Theft
- Fire or lightning
- Windstorm or hail
- Smoke
- Artificially generated electrical current (power surge)
- Vandalism or malicious mischief
- Freezing of the plumbing system
- Weight of ice, snow, or sleet

Homeowners Policy



What's covered?

Your policy could help pay for a variety of property and liability claims:

Property

- **Your house:** This includes your home and other structures on your property, such as a detached garage or a shed.
- **Your possessions:** This includes personal belongings inside your home, such as your clothing, furniture, electronics—and with limitations—certain valuables. It could even cover belongings you take with you while away from home.

Liability

- **Financial protection against lawsuits:** In certain situations, your State Farm Homeowners Policy could help protect your finances by paying for covered damages which you're legally responsible for, and even your legal defense. For example, the policy could help cover legal defense costs if a visitor accidentally got hurt at your place and took you to court.

Other costs covered by the policy

Your policy may also help pay for:

- Removal of your damaged property after a fire, or other loss covered by the policy.
- Temporary repairs necessary to protect covered property from more damage.
- Additional living expenses for your household to live elsewhere, if your home is uninhabitable because of damage covered by the policy.

What's not covered?

There are causes of loss that the policy doesn't cover. For example:

- Water damage caused by flood or underground water.
- Liability for business-related activities.
- Liability for intentional injury or property damage.
- Damage caused by earthquake or mudslide.

You may want to talk to your agent about separate earthquake coverage.

Flood insurance is available through the U.S. Government's National Flood Insurance Program (NFIP), and can be purchased in participating communities. State Farm agents enrolled in the NFIP Direct Program can write and service flood insurance coverage directly through the federal government. There is generally a 30-day waiting period for the policy to go into effect.

Deductibles

A "deductible" is the amount you are responsible for paying when you file a claim. Depending on your state, your deductible can be a fixed amount, such as \$1,000 or \$2,000, or a percentage of the coverage amount, such as one or two percent. So if your home is covered for \$200,000 and you have a one percent deductible, your deductible is \$2,000.

Here's how a deductible works: say your covered burglary claim is \$10,000, and you had chosen a fixed amount deductible of \$1,000. The amount of your claim settlement after applying the deductible is \$9,000.

Generally, the higher your deductible, the lower your premium. But with a higher deductible, your financial responsibility would be higher if you file a claim.

Your agent can help you determine the deductible that's right for you.

Coverage caps

Your State Farm Homeowners Policy has coverage limits on certain types of property, such as collectibles, jewelry, and other valuables.

Here's an example: Suppose your home was broken into and your gift cards were stolen. The policy limit for gift cards, checks, tickets, and passports is \$1,500. The policy would reimburse you up to that limit after your deductible has been met.²

How much coverage will you need?

The choice is yours, but State Farm recommends you choose a coverage limit at least equal to your home's estimated replacement cost: the amount necessary to rebuild your entire home. (The replacement cost isn't the same as the market value, which is the price you can expect your home to yield on the market.)

If you choose a coverage amount less than the estimated replacement cost, you may not be eligible for certain coverages. Since no one can say what the exact cost will be to replace your home in the future, you'll need enough coverage to account for unforeseen circumstances.

For a replacement cost estimate, you can ask a contractor, hire a professional replacement cost appraisal service, or ask your State Farm agent to help you develop an estimate.³ Make sure to point out any architectural details or unique building materials that affect your estimate.

As your life changes, your home may change along with it. We recommend you review your homeowners coverage if:

- You move, improve your existing home, or build a new home.
- You add a fire and/or burglar alarm system.
- You purchase items—such as jewelry and furs—that might exceed your basic coverage.

To help make sure your coverage is up to date, it's a good idea to review your policy with your agent every year.

Extra coverage you might need

Depending on your situation, you may need separate, broader coverage for additional financial protection.

DO YOU ...	THEN CONSIDER ...
Have concerns about your personal liability?	A Personal Liability Umbrella Policy (PLUP) for extra liability coverage in increments of \$1 million, in case you're sued for damages that exceed your State Farm Homeowners or Auto Policy liability limits.
Own jewelry, fine arts or other valuables?	Other policy options or a Personal Articles Policy (PAP) , which can give you higher coverage limits or broader protection.
Work out of your home?	Other policy options for home business coverage , which may cover your business-related property and liability. You may also want to consider a separate, more comprehensive business policy for your home-based business.
Want to protect yourself against identity fraud?	Adding the Cyber Event, Identity Restoration, and Fraud Loss Coverage to your State Farm Homeowners Policy that offers coverage for specific expenses caused by a cyber loss event or identity fraud, and case management services to help counteract the effects of identity fraud.
Want extra protection for your furnace or water heater?	Adding our innovative Home Systems Protection can provide enhanced coverage for many pieces of permanently installed heating and cooling and other equipment.
Plan on having landscaping work done?	Adding our helpful Service Line Coverage that can cover the cost of repairing damaged underground utility lines.

It's your home ... protect it with a company you can trust.

Why try to prepare for the future on your own? Let State Farm help with reliable protection and much more.

- State Farm offers several ways to save, including when you combine the purchase of a qualifying State Farm Mutual Automobile Insurance Company Auto Policy with a Homeowners Policy.
- We believe **home monitoring systems** are great ways to safeguard your family and belongings. They may discourage intruders from entering your home, and detect water leaks early, which could help avoid serious damage as well as reduce fire and smoke damage through early detection. You may also qualify for a home alert discount on your home insurance. **Visit st8.fm/HomeAlert** to learn more about these discounts.

- We give you the Power to Pay Your Way. You can make your payments monthly, quarterly, semi-annually or annually. Pay online, via mobile phone, with automatic monthly payments, by mail, or in person.
- Your life changes. Let a State Farm agent help you manage your changing insurance and financial needs, from starting a family, to buying a home to planning for retirement.
- We have one of the world's largest experienced claims networks, and we can settle your claims promptly and fairly.
- We make getting in touch easy. Just walk into an office, call, or reach out via our State Farm mobile app or visit **statefarm.com**®.

With more than 95 years of experience, the financial strength to back up our policies, and consistently high ratings from independent rating agencies, you can trust State Farm.

¹ 2018 U.S. Homeowners Market Share Report provided by SNL Financial data.
² Capped property types and coverage limits may vary by state. Ask your State Farm agent or Policy Service Office representative (MA & RI) for details.
³ State Farm does not guarantee any estimate will be the actual future cost to rebuild the customer's home.

This document contains only a general description of coverages and is not a statement of contract. All coverages are subject to all policy provisions and applicable endorsements, and may vary by state. For further information, please see a State Farm agent.

Each State Farm insurer has sole financial responsibility for its own products.

State Farm Fire and Casualty Company
State Farm Mutual Automobile Insurance Company
State Farm Indemnity Company
Bloomington, IL