

# Does My Homeowners Policy Cover Removing Mold from My House?

## Short Answer

Among the many causes of excess mold are broken waterlines, leaky plumbing and roofs and improperly vented bathrooms and excessive humidity. Some of these causes may be covered by homeowner's insurance policies and some are not. The terms of insurance coverage usually require that a *sudden and accidental* loss occur before claims under the policy are paid. Conversely, homeowner's insurance policies are not "maintenance contracts." Homeowners should read over their policy and call their insurance agent if they have questions about mold coverage.

## The Explanation

Mold and its impact on health and property has recently been the subject of significant media attention. Although experts have not come to a definitive conclusion on the health effects of certain molds, several high profile media stories and jury verdicts have highlighted the potentially dangerous implications of exposure to some type of mold if not appropriated remediated.

Mold is an ever-present fact of life and can be found outside and inside all types of residential and commercial buildings. Mold has started to appear with greater frequency in buildings due to the introduction of building techniques and materials over the last 40 years that allow structures to be built "air tight." The downside of airtight buildings is that they don't allow air to circulate and consequently provide a conducive environment for mold growth.

When mold is found in a building, it is logical to raise the question of whether or not the cost of remediation are covered by insurance. Insurance contracts typically provide coverage for property damage caused by "sudden and accidental" losses. Insurance contracts do not typically create a home warranty, and do not reimbursement policyholders for ordinary wear and tear, or losses that result from failure to maintain the home.

While property insurance policies and coverages differ from insurance company to insurance company, mold is generally covered under a homeowner's insurance policy *if it arises as a consequence of a covered loss*. This is an extremely important distinction. Homeowner's insurance policies are not "maintenance contracts" and therefore if mold arises because of a maintenance problem it will not be covered. Generally speaking, this means that mold caused by failure to maintain a home will not be covered, while mold caused as a result of a "covered peril" will be covered. For example, if a tree falls on a house (a covered peril) and mold occurs as a consequence of that "covered peril" then the

homeowner's insurance policy will pay. However, if mold grows in the bathroom or attic because of poor ventilation, that is not a covered peril, and therefore not covered under the homeowner's insurance policy. Complicated? Yes! Understandable? Yes... working with your insurance agent/representative a line delineating what is and is not covered under a homeowner's insurance policy can be understood.