

## Conditions That Can Interfere With Getting Home Insurance

Individuals who seek out home insurance can actually be denied. This denial isn't a discrimination issue or a lazy insurance company. There are simply aspects of a home or the land the home sits on that an insurance company will not cover based on their own rules and regulations. They are also not able to make exceptions due to the fact that they may only be authorized to carry certain types of insurance for certain types of properties. That is what makes insurance companies so different from one another. What one may cover, the other may not. That is why it is important to shop around for [home insurance](#) and not be disappointed if your application for home insurance is denied.

### Conditions that can result in a denial

There is also the fact that an individual may fill out an application and wish to take on a particular deductible. For example: a customer wishes to take the policy with the \$5,000 deductible. That may seem fine at the time. However, the application comes back denied because it is determined that the individual's home sits in an area that is prone to flooding. Being that a flood prone area can cost the insurance company a lot of money, they may not have a plan that can cover such a circumstance or they may require something such as a higher deductible. They may require that individual to carry a policy with a \$10,000 deductible instead of the \$5,000. This means that the homeowner has to pay that \$10,000 deductible before the insurance company will pay the rest. This may or may not be a turn off to the homeowner due to the fact that they may or may not be able to find a better deal.

Another reason why an insurance company may not choose to provide an individual with coverage is because they use the credit report as a tool in the decision-making process. Not every homeowner has good credit. They may have been able to acquire the home through special loans, but the insurance company may have certain criteria that must be met on the credit report. Then again, an individual can be changing insurance companies, but their credit has fallen to the wayside due to circumstances in the past. If the insurance company goes by credit and credit is bad, then they may decide to deny the application for home insurance.

The location of the home may also be a deterrent. Just like the home in the flood prone area that was mentioned above, an insurance company may find that an area is too high risk for them to cover. This could mean an area with a high crime rate or whatever they consider to be high risk according to their standards. They may also find that the home is in bad condition such as bad wiring, a damaged roof, a plumbing system that could cause irreparable damage or too many claims within the last few years that can deter them from providing coverage. Coverage may also be denied if a home is housing more than one family.

### What to do if coverage is denied

It is more or less up to the insurance company as to what cannot be covered. Even something as simple as a swimming pool can deny coverage. However, ask neighbors who they are using and acquire multiple quotes. The lender who provided the mortgage may also be able to recommend an insurance company. All you have to do is ask around and do a little research and you'll find a company to cover you. Just don't be upset if you're denied.

## About the Author

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