

## **ARE YOU COVERED?**

### **FACTS:**

During one of our winter storms, a substantial amount of rain drops over a long period of time. It saturates the ground, including the hillside behind one of your scattered sites, single family homes.

At 2:00 a.m. the hillside, succumbing to the effects of gravity and saturation, slides towards your unit. A large tree is uprooted and falls across the roof – neatly severing the building between the garage and the remainder of the house.

The sliding hillside strikes the (now detached) house and pivots it about 10 feet off its foundation. In addition, the waterlines and sewer line are substantially dislocated.

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### **ANSWER & ANALYSIS:**

For the most part, you would **not** have HARRP coverage for the damages. A number of Exclusions come into play under this scenario, including: SECTION 1 – PROPERTY COVERAGE:  
Exclusions - E, M, N and P.

There is no HARRP coverage for loss or damage to underground pipes, flues, drains, utilities, or underground storage tanks.

In addition, damages resulting from earth movement, which includes, but is not limited to earthquake, landslide, or earth rising, sinking or shifting are not covered. Nor is damage resulting from flood, which includes the action of surface water or mudslide or mudflow.

And lastly (at the direction of HARRP's excess property insurer), we have had to include language that precludes coverage for claims resulting from any of the above, even if other causes acted in conjunction with these causes to create the damage. This is the so-called, concurrent causation clause.

Now, the falling tree that cut the garage off from the rest of the house might actually be a covered cause of loss, but more details are needed. Unfortunately, the resulting damage is quite minimal in comparison to all the uncovered losses that occurred.

These types of losses have, historically, not been covered by standard property insurance or by pools because of the potential magnitude of the claims.

**HOUSING AUTHORITIES RISK RETENTION POOL  
EXCLUSIONS**

- E.** Loss or damage to underground pipes, flues, drains, utilities, or underground storage tanks.
- M.** Earth movement or volcanic eruption. Earth movement includes, but is not limited to, earthquake, landslide, or earth rising, sinking or shifting. Volcanic eruption means eruption or explosion or effusion but does not include airborne shockwaves or blasts, ash dust or particles or lava flow. Volcanic eruptions within a 168-hour period will constitute one event (This exclusion does not apply to sprinkler leakage as a result of an earthquake.).
- N.** Flood, including the action of surface water, waves, tides, tidal waves, overflow of a body of water, or mudslide or mudflow.
- P.** Any loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:
1. Earthquake or earth movement whether natural or human caused;
  2. Nuclear hazard;
  3. War and military action;
  4. Flood whether natural or human caused. This Exclusion P.4 shall not apply to sudden and accidental water damage caused by or from a plumbing, heating or air conditioning appliance or system.