



ADDITIONAL LIVING EXPENSES (ALE)

As of August 6, 2020

Many homeowners policies also will pay the additional expenses you have if you can't stay in your home because of damage from a covered disaster. For example, if you've moved into a hotel or apartment while your home is repaired or rebuilt, and you have additional living expense coverage, the insurer may pay some or all of your costs for temporary housing depending upon your policy's terms and coverage limits.

Just don't expect the insurer to pay for your stay at a 5-star spa and resort or to eat out every night at the most expensive restaurant in town.

ALE is limited; see below for more information.

What types of living expenses does ALE pay for?

The insurer will not pay ALL of your living expenses. ALE is to help pay those expenses that are beyond your normal expenses because you can't live in your home. For example, ALE coverage will pay hotel lodging, but it won't make your mortgage payment.

ALE typically covers hotel bills, reasonable restaurant meals (if you're staying in a hotel room with no kitchen), and other living costs above and beyond your normal housing expenses while you can't live in your home because of damage.

Generally, you should try to keep ALL receipts for any additional costs you have. The insurer will need the receipts to reimburse you.

Is there a limit to how long or how much I can use for my additional living expenses?

Keep in mind that ALE coverage is limited. Some policies have a dollar limit; some also may have a time limitation.

The good news – these limits are separate from any coverage you have to rebuild or repair your home. They're also separate from any coverage you have to replace your belongings.

Ask your insurer, insurance producer or adjuster what your policy covers and any time or dollar limits that apply.