

Understanding additional living expenses

If your home is uninhabitable due to fire or other covered damage

Many homeowners and renters insurance policies help pay for extra expenses if you are unable to live in your home. This payment is called additional living expenses, or ALE. Every company handles these expenses differently. Check with your company for specifics. ***This coverage typically applies if there is a fire nearby and you are ordered to evacuate.*** Coverage may be for a limited time. Check with your company for more information.

Lodging

You may need to live in a hotel or apartment for a while. This may last for several months, depending on the extent of damage to your home. Hotel bills are generally covered in full. If an apartment or other housing needs to be rented, insurance covers the rent and utilities costs that are above what you normally paid before the fire.

Food

You may have to eat at restaurants for a while. Insurance covers the reasonable cost over what you normally would spend on groceries.

Other expenses

Your insurance will typically cover any expense that is more than your normal expenses. Examples include:

- Furniture rental if your temporary housing is unfurnished
- Extra costs to commute if you are housed further away from work
- Pet boarding if you cannot have them with you
- Laundry
- Storage fees

Coverage limits

Coverage typically applies for the reasonable cost and time to repair or rebuild, but be sure to check with your insurance company.

Keep receipts

Keep a journal to track your expenses and document any conversations you have with your insurance company.

Advance payments

If you receive an advance payment, be sure to understand what it covers. Advance payments usually cover additional living expenses or a part of the personal property. Your final payment will be reduced by the amount of the advance.

**For more information, contact the Oregon Division of Financial Regulation:
888-877-4894 (toll-free), dfr.oregon.gov**