

CHAPTER FOUR

FIRE! THIEF! ASBESTOS!

Protecting Your Home and Your Health

The stories on the evening news could break your heart. A couple who saved for years to buy their own mobile home starts picking up the pieces after a tornado levels their neighborhood. A burglar breaks into someone's lovely house and steals the family's Christmas presents. A farmer with little to spare watches his homestead burn to the ground. Two children living in a beautiful old house suffer lead poisoning from the dust in the air and can't remember their own names.

Many of the perils that could befall your home come suddenly and unexpectedly from the outside. For some of these you can take steps to minimize loss, such as making sure your wood stove is properly installed and using deadbolts on your doors. For others, from tornadoes to floods to riots, there's not much you can do. That's why you need the best homeowners' insurance policy you can afford.

Other perils are more insidious because they come from the inside. Asbestos around the furnace, lead dust in the air, bacteria in the well, radon in the basement--these are all hidden dangers. Although they can pose a serious threat to the health of everyone in your household, your homeowners' policy won't pay for testing and removal.

This chapter will look at a range of perils, exterior and interior, with suggestions on reducing your risk and making sure you'll have enough money to start over should the next sad story on the evening news be yours.

HOMEOWNERS' INSURANCE

Let's begin with homeowners' insurance because it's one protection you need to have in place before you move in--in fact, before you can even get a loan to buy the place in the first place. Your lending institution requires a certain level of coverage to protect its interest, but don't assume that level will protect yours as well. After all, the lender only wants to make sure there'll be enough money to pay off the loan if the house burns down. You want enough to rebuild the house and replace all the furniture, clothes and appliances you lost in the fire.

That's a big difference. Make sure you understand what your policy covers and what it doesn't. Buy enough insurance to cover the losses you might suffer.

Broadly speaking, a homeowners' policy is a package deal designed to pay for the repair or replacement of your house and belongings, plus extra living expenses if, say, you and your family have to stay in a motel for several months while your home is being rebuilt. It also covers claims and legal judgments against you for injuries people suffer in your home or damage you cause. How much the insurer pays depends, of course, on the limits of your policy, which in turn depend on how much you've paid in premium. (For more on the liability provisions of your homeowners' policy, see chapter five.)

Although policy details vary from company to company, the general forms of coverage are fairly standard. The cheapest coverage, called HO-1 or "basic form," is so limited that many companies don't even offer it. It pays only if your damage is caused by 11 specific perils, including fire or lightning, windstorm or hail, explosion, smoke or theft. If your pipes burst or your roof collapsed under a load of ice, you wouldn't be covered. HO-2 or "broad form" covers these and a few other stated perils.

A form called "special," or HO-3 is actually the most common as well as the best, because although coverage of your possessions is limited to the same perils listed for HO-2, the house itself

is covered for all perils except a few that are specifically excluded, such as flood, earthquake, war and nuclear accident. Get it if you can afford it, because you never know what might happen.

If you live in a condo or cooperative, an HO-6 policy gives you coverage similar to HO-2. A few companies do offer all-risks coverage for condo and coop owners. As with any other type of significant purchase, it pays to shop around.

What if you live in a historic house? Insurers are leery of special old houses because they're prone to faulty wiring and ruptured plumbing, but repairs are very expensive and replacement nearly impossible. The best you're likely to get for your grand old Victorian is an HO-8 policy, which doesn't cover damage caused by wiring or plumbing failures. Your coverage is based on market value, not the cost of rebuilding. And if a windstorm blows out the stained glass windows, the policy may only pay for plain new ones.

Even an all-risk policy has a number of exceptions. Policies differ, but chances are yours excludes:

- water damage, including floods, sewer backups and seepage from ground water
- damage you do deliberately
- earthquakes, unless you buy a special rider
- damage from the house settling
- damage from a continuous plumbing or heating leak, rather than a sudden one

- separate business or rental structures on the property
- damage by birds, rodents, insects or family pets
- loss or vandalism if you've abandoned the house for 30 days or more
- normal wear and tear

Typically, your policy includes up to 50 percent of the policy's limit for personal property, up to 20 percent for outbuildings (such as a garage, coach house or tool shed) and another 20 percent for interim living expenses. So if you insured your house for \$200,000, you'd get \$100,000 for personal possessions, \$40,000 for outbuildings and \$40,000 for living expenses.

If you have luxury items worth more, consider listing them on a separate schedule and insuring them individually. Standard policies cap payments for silverware at \$2,500, cash and rare coins at \$200, boats at \$1,000 and jewelry, watches and furs at \$1,500. You can either pay a bit more and raise the limit in particular categories, or have individual items appraised, listed on a separate schedule and insured for that amount.

If you schedule your diamond ring, you're covered even if it simply disappears, whether or not you can show a likelihood of theft. Nearly all types of damage are covered. However, you're limited to the exact amount of the appraisal, even if the ring has increased in value since then. If it has decreased in value, you may be paying for coverage you don't need. So if you schedule your valuables, be sure to have them appraised periodically to make sure you're not under-insured.

How Much Is Enough?

Until recently, homeowners have often been advised to insure their home for 80 percent of its value. The idea was that total destruction of a house is relatively rare, so you're fairly safe and can save money on premiums by not insuring to full value.

Experts now stress the importance of insuring to full value. Florida's Hurricane Andrew was enough to show that people who only insure to 80 percent of value too often end up with far less than they need to rebuild.

Certainly, a homeowner would be ill advised to buy any less than 80 percent. That figure is a critical cut-off point for insurers, and it can make a major difference if only part of your home is damaged. Suppose you've insured the home for only a little more than half what it's worth, and a fire does \$6,000 worth of damage to your kitchen. You won't get \$6,000 from the insurance company to cover the loss. Instead, the insurer will consider the age of the house, work it into a payment formula for half-insured houses and pay maybe \$3,000 on the claim. If you insured for at least 80 percent of the home's value, the \$6,000 loss from the fire would be covered in full.

The key question for the homeowner is how you figure the home's value. Many people make the mistake of using their home's current market value as a guideline. But if a tornado levels your house, you'll need enough money to rebuild from the ground up--and the cost of building is nearly always higher than the cost of buying a comparable existing house in the neighborhood. Even if local real estate prices have declined, chances are the cost of building has gone up.

Especially if your house is more than 30 years old, you'll probably need an appraisal to determine the amount of coverage needed. Your insurance agent may be willing to do this for you.

In case the agent or appraiser estimates wrong, though, you might want to pay a bit more and buy guaranteed replacement-cost coverage. That way you get the actual cost of rebuilding even if it's higher than the stated policy limit.

Another way to guard against under-insurance is with an **inflation guard clause**, which increases the face value of the policy either according to the annual increase in local construction costs or by a given percentage every three months. This rider can reduce the chances of your being under-insured, but it doesn't guarantee replacement cost.

You may qualify for a discount if you've taken particular safety precautions such as installing deadbolt locks or cabling your mobile home to the ground. Ask your insurance agent what discounts are available and what you'd need to do to qualify.

Check your current policy to see whether your personal possessions are insured for their actual cash value or their replacement cost. Covering for actual cash value costs less, but it's likely to lead to unpleasant surprises. In the world of insurance, actual cash value means purchase price minus depreciation.

Suppose you bought your sofa 15 years ago for \$800, and the reasonable life expectancy for a sofa of that quality is 20 years. A smoldering cigarette starts a fire that destroys the sofa. The claims adjuster might determine that three-quarters of its life expectancy is past, so you're only entitled to \$200. But at today's prices, it might cost you \$1,000 or more to buy a new one. Replacement-cost coverage costs only 10 to 15 percent more, so it's an excellent value.

Natural Disasters

Are you covered if your home is destroyed by a hurricane, tornado, flood, earthquake or volcano? Not necessarily. Because of the differing nature of these perils, each is treated differently by the insurance industry, and consumers are often confused about what their homeowners' policy covers and what it doesn't. On October 17, 1989 when an earthquake devastated San Francisco, only 20 percent of the homeowners in the area were covered by earthquake endorsements--even though all of them surely knew they were at risk. Here's an overview of what coverage is available for specific types of disasters and how you get it.

- **Floods.** Homeowner's policies absolutely exclude damage from flooding, except for a narrow range of cases such as a pipe or water tank bursting. You can't get an endorsement to cover it at any price. However, if your community is in a flood-prone area, you can probably buy a special policy as part of the National Flood Insurance Program, administered by private insurers and backed by the federal government. Any insurance agent can sell flood policies.

How much such a policy costs depends on what measures your community has taken to reduce the risk of flood damage. Until your community meets the standards of the federal flood-control program, you can only get limited coverage: up to \$35,000 for a single-family house and \$10,000 for its contents, for about \$250 per year. Once the community meets the standards you can get up to \$185,000 for a single-family house and \$60,000 for its contents. The premiums depend on the structure of the house and how close it is to the river, but in a moderately flood-prone area, \$60,000 of coverage on a house and its contents might cost about \$150.

- **Earthquakes.** The state of California requires insurance carriers to offer earthquake coverage to anyone in the state who carries one of their homeowners' policies. Usually it's an endorsement to the regular policy, expanding the coverage for a fee. But if a California

policyholder decides not to buy or renew the endorsement, the carrier isn't obligated to give her a second chance.

Of course, given the risk, earthquake endorsements in that part of the country don't come cheap. The annual premium on a \$100,000 house could be anywhere from \$150 to \$1200, depending on the location of the house and the materials used in its construction. Brick houses, which generally hold up the worst in earthquakes, would be at the high end of the spectrum.

Deductibles on earthquake endorsements are usually 10 percent of the coverage for the structure and its contents, figured separately. So even if you have \$50,000 worth of earthquake coverage on your Silicon Valley home, the first \$5,000 worth of damage comes out of your own pocket.

In other parts of the country you can get earthquake endorsements, often for next to nothing--but most people don't because they don't expect to need them.

- **Tornadoes and hurricanes.** Although standard homeowners' policies cover windstorms, you may need extra protection if you live in an area such as Florida or Texas that's especially prone to hurricanes or tornadoes. In these areas, standard coverage may not be available; you have to buy a special policy such as the beach and windstorm insurance plans available in seven Atlantic and Gulf Coast states. As with flood insurance, any licensed agent or broker in those states can sell it.
- **Volcanoes.** Until Mt. St. Helens erupted in 1980, causing millions of dollars in property damage, Americans didn't think about coverage for volcanoes. After some confusion, insurers decided to allow coverage under the standard "explosion" peril, and they paid some \$27 million in claims from that eruption. Now, volcanoes are specifically listed as a covered peril

in standard homeowners' policies, so there's one natural disaster you don't have to worry about.

How to File a Claim

The claims process for theft or damage to your home or its contents is fairly straightforward--and it'll go smoothly if you've taken time beforehand to take inventory of your possessions and what they're worth ([see page 24 of this chapter](#)).

- In case of burglary, first call the police.
- Then, whatever the loss, call your agent or company right away. Ask whether you're covered, whether the claim exceeds your deductible, how long it'll take to process the claim and whether you'll need to get estimates for repairs.
- Follow up with a written explanation of what happened.
- If needed, make temporary repairs to secure your home or keep the rain from pouring in. Keep track of expenses, as your policy will reimburse you. But don't make permanent repairs until the claims adjuster has inspected the damage.
- Prepare a detailed list of lost or damaged items. If you have to find temporary housing, save your receipts.

If you're dissatisfied with the way your adjuster handles your claim, first talk to your agent. If that doesn't help, call the company's consumer affairs department. Then try the National

Insurance Consumer Helpline (1-800-942-4242), which might be able to suggest a course of action. Finally, you could call your state's insurance department to complain and ask for help.

If none of these approaches brings a satisfactory settlement, consider hiring your own, independent adjuster for an independent appraisal of your damage. You'll have to pay a fee of 10 to 15 percent of your final settlement. Check with your state insurance department, though, to find out whether public adjusters have to be licensed in your state. Don't do business with someone at your door after a loss who claims to be an adjuster; there are scam artists out there eager to take advantage of your misfortune. If necessary, you could insist on arbitration of the dispute with your insurance carrier. An independent arbitrator selected by the attorneys for both sides will hear the arguments and decide what compensation you're entitled to. For the name of an arbitration organization near you, call Arbitration Forums in Tarrytown, NY (1-800-426-8889) or the American Arbitration Association (1-212-484-4100.)

For disputes involving just a few thousand dollars, it's probably cheaper to present your own case in small claims court. [See last section of Chapter 7](#) for more information.

FENDING OFF INTRUDERS

Nothing can make a homeowner like you feel so violated as to have a burglar break into your private home and rifle through your private possessions. That is, unless the intruder comes after you and your family. The fact that your homeowners' insurance will probably cover the cost of replacing what's taken is small comfort when your sense of security is cut to shreds.

There's less danger if the intruder is of the four-legged variety, whether deer in the vegetable garden or skunks under the woodpile. But these uninvited guests can be troublesome too, and in some cases can cause considerable damage.

In either case, the first line of defense is preventing unwanted entry in the first place. Both humans and animals can often be deterred by a few simple measures.

If your barriers fail, it's a good idea to know what you can and can't do legally to fend off intruders.

Keeping Burglars Out

Most burglars aren't professionals; most are young, inexperienced, scared, and looking for easy money. So you can do a lot to protect yourself and your things by using a burglar's worst enemies: time, light and noise. If breaking into your house takes a long time, involves working in the light, or creates a lot of noise, they'll probably go somewhere else.

Although you may not be able to keep intruders out indefinitely, most give up if they're delayed four or five minutes. A professional criminal intent on getting in may not be deterred no matter what you do, but the majority will probably be deterred by a few simple measures. See sidebar for specifics.

Beware of scam artists who come selling home-security systems, using scare tactics to get you to shell out. Some sell worthless steel doors that can be pushed in, some insist that a simple device will make your home safe, and some over-charge for products you could get at your local hardware store. Watch out or you really will be robbed--by the crook selling the system.

If There's an Intruder in Your House

"Honey, did you hear a noise downstairs?" Everyone's afraid of finding someone in the house at night. If it happens to you, do all you can to avoid a confrontation. Your life is more important than your stuff.

- Run away if you can and call police. *
- If you can't get yourself and your family out of the house, lock yourselves in a room.
- If you're face to face with an intruder, stay calm and be cooperative.

What about using force?

You do have a legal right to protect yourself and your property. Some homeowners keep a gun handy for just such an occasion, although more people get shot with their own guns than use them to frighten off or disable intruders. If you did shoot an intruder or whack him over the head with an iron pipe--then found yourself in court on assault charges--you could argue that you acted in self-defense or in defense of your property. It would be up to the jury to decide whether or not to believe you.

Basically, the law says that you can use reasonable force to defend yourself if you're being attacked or if you have a reasonable belief that you will be. That is, you don't have to wait until the intruder is actually coming at you with a knife. The key word here is "reasonable"; the jury would have to decide whether a reasonable person would have thought that the toy gun was real or that the hand going into the pocket was reaching for a weapon. States vary widely on what they consider "reasonable force." In general, if you use force against an intruder, use no more than appears necessary. That is, if a shout sends the burglar running, don't pull a gun and shoot him in

the back. If a single blow stops a burglar in his tracks, don't beat him to a pulp. If the intruder isn't threatening bodily harm to someone in the house, you're on shaky ground if you use deadly force.

Some courts have held that a homeowner who could retreat safely isn't justified in beating or killing the intruder. Likewise, courts have held that a homeowner isn't justified in attacking a burglar if it appears that a shout or warning would be enough.

What about booby-trapping your home to keep burglars out? Despite the popularity of the movie "Home Alone," people have gotten into serious legal trouble for that sort of thing. Even if you're fed up with repeated break-ins, you can't set up a gun rigged to shoot anyone who comes through the window. It's not up to you to impose a death sentence on someone who might try to break in. And the next person through the window might be a firefighter trying to save you.

Animal Intruders

It's lovely to see deer from your kitchen window--unless they're busy tearing up your vegetable garden. And you'd probably be delighted to hear woodpeckers or sapsuckers rapping in search of grubs, but not if they were drilling holes in your cedar siding. People move to wooded areas partly because they enjoy living so close to wildlife, but beavers do have their own idea of the proper way to manage an aspen grove.

What can you do? It depends on the animal. Your state department of fish and wildlife has jurisdiction over wild critters; a call to the nearest office will probably get you some advice. If the animal in question is something large and potentially dangerous like a bear in your apple tree, the agency may send someone out to trap the animal and take it somewhere else. Otherwise, they may invite you down to pick up a trap and learn how to use it yourself.

In some cases you may be able to convince the critters to stay away from your property. A fence eight feet high will keep most deer out, though they've been known to jump one even that high. Dried blood scattered around seems to repel rabbits, and birds are less likely to fly into a window if there's a silhouette of a falcon taped to it. To a certain extent, though, people who choose to live with nature have to get used to nature living with them.

What if things are getting out of hand? Farmers lose thousands of dollars of crops to deer, pronghorns and other graceful neighbors. In the west, ranchers have to cope with marauding bears and coyotes. For some, the simplest solution may appear to be a little pre-season hunting. State officials look askance on that sort of thing, though, even if it's done in an attempt to protect property. You can be convicted of killing wildlife without a permit, an offense that often carries a hefty fine. Many states do assist farmers with reducing the damage, and some reimburse farmers and ranchers for wildlife damage. Note that reimbursement programs, which are funded by hunting license fees, aren't open to farmers who bar hunters from their land.

Broadly speaking, before you can protect your property by killing game animals out of season or without a permit, you must have taken all reasonable steps to alleviate the problem. These may include opening your land to hunters in season, trying reasonable suggestions from the game warden, trapping animals and hazing them. But many states allow killing of gophers, rattlesnakes and coyotes without a permit.

What about a dog attacking your chickens? The owner of one Labrador retriever sued her neighbor for blasting the dog with a shotgun after it killed 11 chickens and was cornering the last one. She claimed that the dog was worth \$3,500 and shouldn't have been killed to protect a \$2.50 chicken. The court rejected her argument and awarded the neighbor \$30 for the cost of his chickens, ruling that killing a dog in defense of property is reasonable if the danger is imminent

and there's no other way to stop it. In general, though, it's best to use only as much force as necessary to stop the damage. If nothing else, that will help you get along with your neighbors.

HOME, TOXIC HOME

Toxic home? That's not an appealing thought, but for many homeowners it's right on target. A home can look and smell perfectly fine, yet have deadly lead dust in the air, cancer-causing radon in the basement and an abandoned oil tank under the front yard leaching oil into the water table. Although toxic waste regulations apply to homeowners just the same as to businesses (see below), there are no laws requiring asbestos, lead and other contaminants to be removed from private homes. It's a matter of health and safety for you and your family.

In some cases, you may find out about one of these problems when a painter points out the lead-based paint on your woodwork or a remodeling contractor finds asbestos around the furnace and won't proceed until it's removed. You might learn about lead the hard way when your children can't think straight, or about contaminated water when the whole family gets sick. Health problems from asbestos or radon, though, wouldn't show up for another 30 years. The only way to discover and correct the problem may be to hire an expert to conduct the right tests.

In a growing number of states, sellers are required by law to inform potential buyers if they know about asbestos or other toxic substances in the house. Then it's up to the buyer and seller to work out who's responsible for dealing with it. The seller might lower the price to compensate the buyer for having to cope with the problem.

In other states, the general rule is "buyer beware." A seller can't set out to misrepresent or hide the condition or lie if asked, but there's no obligation to disclose the problem. These days,

though, homebuyers often make the offer contingent on a satisfactory result of testing. Regular home inspectors aren't usually qualified to test for lead or radon, so getting an accurate test would require hiring a qualified specialist. The down side is that too many layers of testing can make a seller lose patience.

If you learn that your house has a lot of asbestos or lead and the prior owner didn't tell you, can you make the prior owner help pay for removal? Maybe, if you live in a state that requires disclosure and you can prove that the prior owner knew about the problem. It's not easy, though, to find out what someone knew and when, and to prove it in court. A bit of detective work might uncover, say, a furnace contractor who advised the owner of the problem a year before, drew up a recommendation, and heard the owner say not to bother because he was going to sell the place soon. But that's unlikely. Really, it comes down to what it's worth to pursue the matter. The kind of person who'll deceive you about a health problem in the house you'll be living in isn't likely to volunteer to hand over thousands of dollars to fix the problem now that he doesn't own the house. So the only way to recover would be to get a lawyer and threaten a lawsuit--and be willing to carry through. But if it costs \$10,000 to remove the asbestos from your house, is it worth a \$15,000 lawsuit to recover the cost?

If you're worried about radon, asbestos, lead or other household toxins, be careful about who you hire to test and deal with it. Whatever the latest scare, there are scam artists ready to prey on the unwary. They may show up on your doorstep offering to test your house and save your life, for a sizable fee. But chances are they don't have the proper training to do the job right, even if it did need to be done.

For instance, people claiming to be asbestos consultants and contractors may find asbestos and try to convince you that it must be removed right away, even though the proper treatment for

asbestos in many cases is to leave it in place (see asbestos section below). Then they'll remove it unnecessarily, which is a waste of money, and do so improperly, which can increase the health risk.

To avoid such scams, bone up on the nature of each home toxin, what services are available and what procedures and precautions the job involves to be done right. For names of licensed professionals in your area, check state or local health departments or EPA regional offices. As with any home improvement contractor, ask for references from previous clients, make sure the contractor has done similar projects and get estimates from more than one. (See [chapter six](#) for more on checking out contractors.)

Asbestos

Asbestos is a fibrous material found in rocks and soils worldwide. Because it's strong, durable, fire resistant and effective as an insulator, until the early 1970s it was widely used in flooring, walls, shingles, ceiling tiles and insulation or fire retardant for furnaces and wiring.

Unfortunately, repeated long-term exposure to this wonderful stuff causes cancer and other lung diseases. When the material crumbles or flakes, tiny asbestos flakes escape into the air. You breathe the fibers, they persist in your lungs, and with repeated exposure you're likely to develop lung disease.

If the asbestos-containing material is in good shape and not likely to be disturbed, it may be best to leave it in place. But if it's going to be scraped, hammered, sawed or otherwise disturbed, better get a trained professional to find a way to minimize dissemination.

Since total removal is expensive and difficult, intermediate options include applying a sealant or covering it with a protective wrap or jacket. It's tricky business, and even the cleanup

needs to be done with a special vacuum cleaner to avoid scattering asbestos fibers. Don't try any of this yourself. Make sure the contractors you hire don't track it through the house or break the old material into small pieces.

To avoid conflict of interest, anyone you hire to survey your house for asbestos shouldn't be connected to an asbestos correction firm. The federal government has training courses for asbestos consultants and contractors, and so do some state and local governments. Ask to see documentation proving that everyone working with asbestos in your home has completed state or federal training.

Lead

Lead is a soft, metallic element occurring naturally in rocks and soil all over the world. Until fairly recently it was commonly used in pipes, plumbing solder, paint and gasoline. If you breathe particles of lead dust or drink water contaminated with lead, it accumulates in your blood, bones or soft tissue. High concentrations of lead can cause permanent damage to the brain, central nervous system, kidneys and red blood cells. It's especially dangerous for infants, children, pregnant women and the unborn because growing bodies absorb lead more easily and their tissues are more sensitive to it. Also, a given concentration of lead is worse on a child's smaller body than on an adult's.

- **Lead in drinking water.** Lead-based solder has been banned since 1988, but homes built before then often have lead solder that corrodes into drinking water. You can't tell whether pipes leach lead by looking at them, but a simple chemical test can identify it. If you want to have your water tested, ask your local, county or state health or environment department about qualified testing laboratories.

If you're having plumbing work done in an older home, check for lead pipes and make sure the plumber doesn't use lead solder. Even new faucets and fixtures can put some lead into the water. One way to reduce the risk is to run the faucet for 15 seconds before drinking.

If you do have lead in your water, several devices are available to reduce corrosion, including calcite filters, distillation units and reverse-osmosis devices. Water softeners and carbon, sand or cartridge filters are not effective for removing lead. Get qualified advice before buying or leasing a device, as their effectiveness varies.

- **Lead based paint** was applied to some two-thirds of the houses built before 1940 and a third of those built between 1940 and 1960, according to the EPA. Lead paint tastes sweet, so children have been poisoned from chewing on flakes of paint. Lead dust is stirred up when woodwork painted with lead-based paint is scraped, sanded or heated with an open flame stripper. Then it settles in fibers and fabric and gets stirred up again by normal cleaning.

The only accurate way to tell whether your house has lead-based paint is to remove a sample and have it tested in a qualified laboratory. Contact a local, county or state health or environmental department about where to find one.

If lead-based paint is in good condition and there's not much chance it'll be nibbled on by children; it's best to leave it alone. Otherwise, you can cover it with wallpaper or some other building material or completely replace the woodwork. Removing lead paint properly and safely is a time-consuming and expensive process that requires everyone else to leave the house during removal and clean-up.

If the house was painted on the outside before 1950, the surrounding soil is probably contaminated with lead. Don't leave patches of bare soil, and clean your floors and window-

sills regularly with wet rags and mops. Have everyone in the family wash his or her hands frequently.

Radon

Radon is a colorless, odorless, tasteless gas resulting from the natural decay of uranium in the earth. It comes into your house through small cracks, floor drains, wall/floor joints, and the pores in hollow block walls, and tends to accumulate in the lowest level of the home. It can also get trapped in ground water, so homes with wells are more likely to have a radon problem. Radon particles get trapped in your lungs, where they break down and release bursts of radiation that can damage lung tissue and cause cancer.

Testing for radon in well water requires sending a sample to a laboratory for analysis. Inexpensive test kits for radon in the air are available at hardware stores, but be sure they've been approved by a federal or state health, environmental or consumer protection agency. Long-term testing over a year is most accurate, but short-term testing can let you know if you have a potential problem.

If rooms in your home have more than four picocuries of radon per liter of air, it should be reduced. This normally isn't a do-it-yourself project, but professional radon-reduction contractors can determine the source of the gas and seal leaks, install fans, pumps or other equipment to keep it out. Special filter systems can remove radon from your water supply. Depending on the number of sources, the amount of radon and the construction of the home, installing radon-reduction equipment costs anywhere from several hundred to several thousand dollars.

Toxic Waste

When we think of toxic waste, we usually think of big chemical companies, nuclear reactors or old mine tailings. But a residential property can also be a toxic waste site, potentially dangerous to the homeowner and the neighbors. Most family farms have a ravine or back lot that's long been a handy place to dump all kinds of things, including old pesticide containers that haven't necessarily been rinsed out according to label instructions. And a private home may have a leaky heating oil tank buried under the back yard, either one still in use or an abandoned one that was never emptied when the heating system was converted to natural gas. Oil, pesticides or other toxic substances from these sources can seep fumes into a neighbor's basement, contaminate nearby wells or migrate through the water table until there's an oil slick on the nearest creek.

The law may hold homeowners responsible for the cost of cleaning up toxic waste sites, whether or not they had anything to do with creating the problem. Responsible parties are jointly and severally liable, including the current homeowner, the owner of the property when the pollution was caused, and the person or company who caused it (which could be a third party altogether) are **jointly and severally** liable "Jointly and severally" means that any one of them can be forced to pay the entire cost. That may be the current homeowner, who's probably the easiest one to find. Then it's up to the homeowner to find the others and sue to recover the cost.

How do the wheels start turning? When someone discovers the problem, the city or county health department might send someone out to conduct tests and determine the source of the pollution. The investigation alone can be expensive. Then the department would begin the process of cleaning up the site to enforce state regulations.

The clean-up process might involve ordering the homeowner to hire a consultant and a remediation crew. If it's an emergency or an immediate threat to water quality, the agency may send someone in to clean it up, then sue the homeowner for reimbursement. But that's a difficult process; agencies first try to get the homeowner to take care of it.

The clean-up process may involve judgment calls and negotiation. Oil in the soil from a leaking tank, for instance, will eventually degrade. Instead of hauling all the old soil out and replacing it, it might be less expensive to drill new wells for those affected. If your property has a toxic waste problem, hire an attorney experienced with environmental matters to help you through the process. It might involve obtaining an analysis to estimate how long before the waste would degrade and how far and fast it's likely to migrate until then. In some cases, the negotiations turn into a battle of experts.

What if you don't think you should have to pay for cleanup because you didn't have anything to do with causing the pollution? Your only hope is the "innocent landowner defense," under the Superfund Amendments and Reauthorization Act of 1986, which limits the liability of a landowner who made "all appropriate inquiry" into the environmental condition of the property before buying it. That means the only way you'd be off the hook is if you had the foresight to have an environmental survey done before buying the place to see whether it was contaminated by hazardous substances. That would include a visual inspection of the property and compiling a history of past owners and their waste disposal practices, contaminant releases and violations and other information. Chances are you didn't do that. It's the sort of thing lenders sometimes require for commercial loans because lenders can be on the hook for toxic waste sites too, but rarely is it required for homebuyers. In the end, your best hope is simply that you don't have an old toxic waste site on your property.

To prevent future problems, check with your local health authority to find out how to meet state regulations for disposal of motor oil, paint, antifreeze and other toxic substances. Be really careful with this stuff or it'll come back to haunt you.

Sidebar: SHOPPING FOR INSURANCE

Whether you're buying your first policy or shopping for better price and coverage, begin by listing what you have and estimating its value. Get your house appraised, either by an insurance representative or an independent appraiser, to figure out what it would cost to rebuild at current prices. Note valuables that might require special coverage.

- Bone up on the types of policies available so you know what you're looking for. ([See chapter 3](#))
- Check the Yellow Pages or ask friends or relatives to recommend companies or agents who provide good service. Talk with several different agents about your insurance needs. Ask them to quote premium costs with higher and lower deductibles. Compare costs and coverages. Check the reputation of the companies you're considering. Rating services such as A.M. Best & Co., Moody's Investor Services, Standard & Poor's Corporation and Duff & Phelps study companies' financial stability and ability to pay claims. Your insurance agent would have the latest ratings for the companies he or she works with. Ask your agent to help you interpret the ratings scales, which vary between the services and can be confusing. You want to be reasonably sure your insurer will be in shape to pay your claim. Watch out for policies that limit recovery on personal possessions to "four times the actual cash value," which could mean you'd get less than you need to replace your houseful of old furniture and drapes. Also stay

away from policies that only reimburse you for what the insurance company would be able to pay for a given item, because the company could probably buy it wholesale.

- Keep your agent informed of additions to your house and major purchases that might affect the level of coverage you need. Periodically review your coverage to make sure you're adequately insured.

Sidebar: TAKING INVENTORY

If your house burned down tomorrow, would you be able to provide your agent with an itemized list of what was in it and how much it was worth? Probably not.

Although you don't need a detailed inventory to buy insurance, and you can eventually get a sizable check from the insurance company without one, the claims adjusting process goes a lot more smoothly if you have clear, accurate records.

The time-honored method is to fill in a "household inventory" booklet available from your agent, recording purchase dates of furniture, equipment and valuables and estimating replacement costs. It helps to attach bills of sale, canceled checks or appraisal records. The more detail you can include, the better.

Another option is to use a software package designed to categorize records of personal possessions and make it easy to update them. Some of these programs can print out the records room by room, in case of partial damage to your house.

For a visual record, consider either photographs or a videotaped tour of your house, complete with commentary. Include the insides of closets and cabinets, and take close-ups of computers, jewelry and other valuables.

If the only copy of this inventory is in your house, it could easily be destroyed by whatever wrecks the rest of your possessions. Send a copy to your attorney, store it in a safety- deposit box or leave it with a friend, but be sure to have a back- up in a safe place

Sidebar: IS YOUR HOME A FIRETRAP?

Most people who die in fires were in a private home at the time. The majority of house fires are caused by improper maintenance or use of heat sources, improper maintenance or use of electrical appliances, or careless use of smoking materials. They turn into fatal fires when there's no functioning smoke alarm to wake everyone up. So take a few precautions to avoid becoming another fire death statistic.

- Keep combustible materials away from your furnace, wood stove or other heating device.
- Use the proper fuel for the appliance. For instance, don't rekindle your wood stove or kerosene heater with gasoline.
- Check electrical cords and replace them if they're frayed.
- Periodically have an electrician check your wiring to make sure it's safe.
- Make sure matches, cigarette butts and ashes are out cold before you go to sleep.
- Install a smoke detector on each level of your home near the stairwell. Test them regularly to make sure the batteries are fresh.
- Teach everyone in your family how to escape safely in case of fire: drop and crawl because the good air is near the floor, test doors for heat before opening them, and don't be afraid to break windows to get out.

- Arrange a meeting place outside so no one goes running back into a burning house to rescue someone who's already safely

Sidebar: A CHECKLIST ON HOME SECURITY

How easy would it be for a crook to get into your home? Experts advise homeowners to begin by casing their place the way a burglar would. Identify the easiest place to get in and make it harder.

- Are there exterior lights on the front and back sides?
- Are there shrubs around your doors and windows that a burglar could use for cover? Better trim them.
- Do you have a privacy fence that could give burglars privacy, too?
- Do you have deadbolt locks on your doors? Do you keep them locked, even if you're out working in the yard?
- Are your doors solid, at least 1 1/4 inch thick, and do they fit snugly in the frame?
- Have you put a specially designed lock for your sliding glass door?
- Could a burglar slide a window open from the outside and climb in? If you have double-hung windows, a removable nail pinning the upper and lower halves together is quite effective.
- Should you consider grates for your street-level windows? Be aware that they can trap you inside in case of fire.
- Would an alarm go off if an intruder stepped inside? Burglars hate noise. A sticker on your window declaring you have an alarm system may be enough to scare off some would-be intruders (whether you actually have one or not).

- Do you ever leave your house keys with your car keys when you have your car parked?
- Do you carry house keys on a key ring with a name and address tag? Do you hide a key in a secret place outside your home? Burglars know where to look.
- When you go on vacation, could strangers tell that you're gone? Don't let mail and newspapers pile up outside, and make sure your lawn stays mowed and your walks stay shoveled. Use automatic timers for lights and a radio. Leave your blinds open, in their usual position.

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