

Insurance could be new worry for owners of historic homes

BY ROBERT BEHRE, The Post and Courier

SUMMERVILLE - Nancy and Jan Andrus have lived in a 19th-century home just a block from Town Hall for eight years and never have filed an insurance claim on it.

That's why they were puzzled last month when Nationwide, their insurance company, sent them a letter saying their homeowners policy would be canceled in a month.

Even more puzzling was the reason. The letter said they were being dropped because theirs is a "historic home on a registry."

"It was really a shock to us," Nancy Andrus said. "Why would we suddenly be getting this letter after we've been here all this time? It's a nice old house."

Andrus hoped it was some sort of error. The previous owner also was insured through Nationwide. The Andruses never missed a premium payment, and their home is well maintained and in a nice part of town.

But this was no mistake.

Nationwide spokesman Charley

Gillespie says the company considers historic homes as ineligible risks because if they are damaged, they are subject to restrictions and may only be repaired with specific - and often more expensive - materials, such as slate or metal for the roof.

"In the event our customer suffers a loss, we want to be

in a position to make them whole. Due to complexities of historic homes, that would not always be possible," he said.

For more than a decade, insurance companies have been looking to minimize their potential losses along the coast, especially in recent years as hurricanes have grown more numerous and more intense. But singling out historic homes appears to be something new.

Allison Dean Love with the South Carolina Insurance News Service says 137 companies write homeowners insurance in this state, and she didn't know of any off-hand that refused to write a homeowners policy just because the home was historic. At least she didn't until I told her about the Andruses.

"I've been doing this 10 years, and every day I learn something new," Love said.

A lot is potentially at stake here because the Lowcountry has thousands of homes that are more than 100 years old and are subject to architectural review boards that want to preserve their historic look.

"If we're receiving this, then I assume other people will be," Andrus said. "This is really going to hit everybody."

It's unclear how many other Nationwide customers who have historic homes have received a similar letter, and it's even more unclear whether other insurers will follow Nationwide's lead.

If a trend does emerge, that will be just another inflationary bummer for those living in - or hoping to live in - a historic district, and it will make these districts even more expensive -and less normal -places.

That's the Catch-22 about historic districts in America today. The more attractive and unique and protected they are, the more desirable and pricey and out-of-reach they become for many people.

It would be nice if someone could insure that this change happens as slowly as possible.

