



NEWS POLITICS | OPINIONS SPORTS ARTS & LIVING DISCUSSIONS PHOTOS & VIDEO CITY GUIDE CLASSIFIEDS JOBS CARS REAL ESTATE

Shopping Deals »

SEARCH: Try Our New Search



washingtonpost.com

Web

Results by Google™

Search Archives



Visit Your Life in Green

washingtonpost.com > Nation > Special Reports > Gulf Coast Hurricanes

[Print This Article](#)  
[E-Mail This Article](#)

## Sea Change In Insurers' Coastal Coverage

Many Firms Opt to End Or Limit New Policies

By *Sandra Fleishman*  
Special to The Washington Post  
Saturday, December 30, 2006; Page F01

Major insurance companies are throwing cold water on America's new passion for living near the ocean and by the bay.

Recently, the biggest companies in the homeowners insurance business announced that they will stop writing new policies in some coastal areas of the mid-Atlantic and will otherwise limit coverage there. They have already reduced their coverage in states more prone to hurricanes.

Some real estate agents say they expect the situation will make it harder to sell second homes and investment properties on the waterfront. "We've already been experiencing problems since last year getting insurance for second-home buyers and the investment class, because many times the properties are more than five miles from the firehouse and there aren't any fire hydrants around, although they could just throw a hose in the pool or in the river," said Schuyler Benson, an owner of Benson & Mangold Real Estate, a brokerage on Maryland's Eastern Shore.

Benson said the insurers that will write policies are insisting that buyers also use their companies' coverage for their primary homes and cars, a problem for out-of-town shoppers. Some people, he said, are deciding not to buy.

Benson said he has not heard of any effect from the recent announcements that insurers are tightening coverage, "but I suspect that these changes won't help."

In Delaware, agents have been taking the changes in stride, said Camilla Conlon, the new president of the state Realtors association and a Rehoboth Beach agent with Jack Lingo Realtors. "What I have found in the last six months is that many agents are writing contingencies in their contracts for a week or 10 days so the buyers can see if they can get acceptable insurance."

She added, "Most of the time they can."

But, she said, "It has become a little less easy to do and a lot more expensive."

Allstate, the nation's second-largest home and auto insurer, told

### MOST VIEWED ARTICLES

Nation On the Site

Updated 1:15 p.m. ET

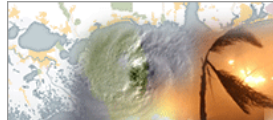
- [The Private Arm of the Law](#)
- [A UFO at O'Hare? Some Pilots Thought So](#)
- [Study: La. Slowly Slipping Into Gulf](#)
- [7 Indicted New Orleans Cops to Surrender](#)
- [Dodd Well-Positioned for White House Bid](#)

### TODAY IN SLATE

News & Politics  
[Washington's Gerald Ford Cult](#)



### COVERAGE OF THE STORMS



#### A Devastating Season

The Gulf Coast was hit hard by two massive hurricanes in the fall of 2005.

#### INTERACTIVE MAPS

[Hurricane Rita](#) | [Hurricane Katrina](#)

#### MULTIMEDIA

- Galleries: [After Rita](#) | [Katrina Hits](#)
- Video: [Rita Ashore](#) | [A Jazz Return](#)
- Panoramas: [Aerial Views of Ruin](#)
- [Complete Multimedia Archive](#)

#### POST COVERAGE

- [Complete Special Report](#)

SAVE & SHARE ARTICLE [What's This?](#)

[Digg](#) [Google](#)  
[del.icio.us](#) [Yahoo!](#)  
[Reddit](#) [Facebook](#)

Advertisement

Advertisement



order online and pick up in-store in 24 minutes



Advertisement

washingtonpost.com  
**TRAVEL**  
Specials & Deals  
Special Advertising Section  
**CLICK HERE!**  
FOR THE LATEST TRAVEL DEALS  
UPDATED WEEKLY!  
washingtonpost.com  
**TRAVEL**  
Specials & Deals

### FEATURED ADVERTISER LINKS

- [Refinance Rates As Low As 2.9% - FREE QUOTES!](#)
- [\\$200,000 Loan for only \\$667/mo. Bad Credit OK.](#)
- [Redskins Tickets, Wizards Tickets, BCS Championship](#)
- [Malpractice Lawyer, Birth Defect Lawsuit, Trasylo!](#)
- [Promotional Pens, T-shirts, Custom Hats](#)
- [Cool Gadgets, Great Deals, Visit CircuitCity.com](#)
- [7 Funds at Vanguard to BUY; 10 to SELL--Free!](#)
- [Travel downtown to downtown only on Acela.](#)

Advertisement

regulators in Maryland this month that beginning in February it would no longer sell new property insurance in all or part of 11 counties that are on or near water, mostly on the Chesapeake Bay and its tributaries. (Affected are Calvert, Dorchester, Somerset, St. Mary's, Talbot, Wicomico and Worcester counties and parts of Anne Arundel, Charles, Prince George's and Queen Anne's counties.)

Allstate also will no longer write new homeowners policies in 19 coastal counties of Virginia, said regional corporate relations manager Debbie Pickford. And in the coast-hugging states of Delaware, New Jersey and Connecticut, the company will not write new business no matter where the property is. There is no change in D.C. coverage, Pickford said.

She noted that Allstate agents, who are independent contractors, will still offer quotes from third-party carriers to those seeking new coverage.

Nationwide Mutual Insurance stopped writing new business in coastal areas two years ago, including two Zip codes near Ocean City.

**CONTINUED** [1](#) [2](#) [Next >](#)

[Print This Article](#)
[E-Mail This Article](#)

**More on washingtonpost.com**

[Flood Insurance Getting Political Nod](#)

[States Swift to Warn Mortgage Lenders](#)

[Housing Slump Seen Weighing on Economy](#)

» [Related Topics & Web Content](#)

powered by **Inform**

**People who read this also read ...**

[Flood Insurance Getting Political Nod](#)

[Resolved: To Buy, Sell or Finish](#)

[Split the Mortgage. Get Tax Benefits?](#)

[New Laws Show State Concerns](#)

**Post a Comment**

[View all comments](#) that have been posted about this article.

Your washingtonpost.com User ID will be displayed with your comment.

**Comments: (Limit 5,000 characters)**

Comments that include profanity or personal attacks or other inappropriate comments or material will be removed from the site. Additionally, entries that are unsigned or contain "signatures" by someone other than the actual author will be removed. Finally, we will take steps to block users who violate any of our posting standards, terms of use or privacy policies or any other policies governing this site. Please review the [full rules](#) governing commentaries and discussions. You are fully responsible for the content that you post.

© 2006 The Washington Post Company

[Ads by Google](#)

[Help Disaster Victims](#)

You Can Bring Hope and Help to Children and Families in Need.  
[www.WorldVision.org](http://www.WorldVision.org)

washingtonpost**mobile**

# Headlines by the handful.

washingtonpost.com on your phone.

SPONSORED BY 