

# NEW MEXICO INJURY ATTORNEY BLOG

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ATTORNEYS AT LAW

## Good Neighbors Carry Homeowner's Insurance

By Collins & Collins

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It is not uncommon for neighbors, friends, family or others to help each other out in a pinch. Often times, the help comes in the form of work around the house. This may include home improvement, cleaning, and sometimes just helping with some heavy lifting. It is also relatively common that [personal injuries](#) are suffered by the well intentioned neighbor, friend or family member. The good news is that there may be insurance coverage that covers the injuries. The bad news is you have to bring a claim and sometimes a suit against the homeowner to gain the benefit of the coverage.

This of course can be a sticky point among neighbors, friends and family. Not everyone takes kindly to being sued. In addition, the injured party may just feel guilty about bringing a claim. However, in cases of serious injury, this may be the only option for the injured person to recover for [medical costs](#) and other [damages](#). In many cases, especially in today's healthcare climate, it may be the only way to even get essential medical treatment.

Both the homeowner and the injured person should understand that the claim is against the homeowner's insurance policy, if there is one. Most homeowners will have homeowner's coverage. In the case of homes under a mortgage, they must have homeowner's coverage. In those cases where there is not coverage, then there really are some uncomfortable realities. First, to recover, the injured person must sue the homeowner alone. Second, if the homeowner does not have insurance coverage, then the homeowner probably has significant financial issues that suggest that he or she may be judgment proof (i.e. you can't get blood out of turnip).

When there is homeowner's coverage, the coverage limits are generally at least \$100,000. Many homeowner's carry significantly more than this. However, these limits are generally sufficient. There are cases that involved severe, permanent, or catastrophic injuries, and on occasion there will be a wrongful death where these limits

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would be insufficient. This gets us back to the last paragraph where the homeowner may simply lack the financial resources to cover injuries and damages above and beyond the \$100,000 limits.

In those cases where the insurance coverage limits are sufficient to cover all damages, the homeowner will not suffer any personal financial hardship associated with the claim. There may be an increase in premiums in some cases. And in cases where there have been a number of claims on the policy, there is the risk of cancellation of coverage. However, this increase in premiums or possible future cancellation is likely far less harmful or burdensome on the homeowner than uncompensated physical injuries or worse, untreated physical injuries.

This situation can be hard to understand on both sides of the equation. The homeowner may feel financially threatened, which they generally are not. Likewise, the injured person may be afraid that a claim will harm their neighbor, friend or family member. In most cases, a little education can alleviate concerns on both sides.

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