

Personal Homeowner Check List

☐ COMBINATION DISCOUNT

Most companies offer a 10% premium discount on both Homeowner and Automobile insurance when written together.

☐ DWELLING LIMIT-REPLACEMENT COST EVALUATION

The amount of dwelling coverage should be enough to cover 100% repair or replacement of your home in the event of serious or total loss. Repair costs for significant damage to an existing structure can be higher than new replacement. Many companies have coinsurance clauses that contractually require you to insure to value. The agency will provide a replacement cost analysis of your home using standard industry valuation guidelines. This agency service will assist you in determining a proper homeowners dwelling limit.

☐ BUILDING ADDITIONS

Building additions or significant upgrades to your dwelling should be reported to the agency. We will complete a new replacement cost evaluation to help you determine an adequate homeowners dwelling limit.

☐ REPLACEMENT COST COVERAGE

This coverage eliminates depreciation and should be included for dwelling and contents. Replacement cost on contents eliminates depreciation only if the items lost are actually replaced. Otherwise, the actual cash value will be paid.

☐ HOMEOWNER FORMS

There are several choices of homeowner coverage forms. In general, an HO3 form provides special perils on the dwelling and named perils on the contents. An HO5 form provides special perils on the dwelling and contents and most companies automatically include much broader coverage. The differences in the various companies homeowner forms should be carefully considered. The HO4 form is for renters and the HO6 form is for condo owners. Many endorsements for specific coverage needs are available.

☐ INCREASED PERSONAL LIABILITY LIMITS

Bodily injury claims can be substantial. Your personal liability can be increased for a nominal premium.

☐ PERSONAL INJURY LIABILITY

Provides coverage for libel, slander, false arrest or detention, and harassment. It can be added for a very low premium and is recommended to round out your liability protection.

☐ PERSONAL ARTICLES FLOATERS

Homeowner policies have limitations for certain classes of property. You can purchase very broad coverage at reasonable rates for jewelry, furs, silverware, antiques, fine arts, coins/stamps, guns, musical equipment, golf equipment, pedigree animals, cameras and wedding presents. This scheduled property coverage provides "All Risk" protection at lower or no deductible. Some items insured under these floaters require documentation by a qualified appraiser or a bill of sale. Appraisals should be updated every 3-5 years.

☐ WATERCRAFT

Watercraft coverage is not automatically included in most homeowner programs and can be purchased as an endorsement or on a separate policy. A wide choice of coverage is available under most watercraft policies. It is important to purchase adequate liability limits. Also you should consider your boat accessories, sporting equipment and towing limit, in addition to the standard hull, motor and trailer coverage.

☐ UMBRELLA LIABILITY

Umbrella liability coverage provides \$1,000,000 or more over and above primary auto and personal liability insurance. This important coverage is designed to protect you and your assets in the event of a sizable lawsuit. Umbrellas often provide broader liability with less restriction than the underlying policies. Umbrellas may also be extended over uninsured motorist coverage.

☐ INSURABLE INTEREST

Real estate property insurance requires the named insured or spouse be named on the property deed. If you are purchasing on land contract or have made family arrangements to insure property by someone other than the owner, advise the agency for proper protection.

☐ RENTAL PROPERTY

Dwellings rented to others can be insured at very competitive premiums when written with homeowner and auto policies. Liability for rental dwellings can be added to your homeowner at a very low premium.

☐ INCREASED OTHER STRUCTURES

Additional coverage is needed when the value of detached structures are more than 10% of your dwelling limit.

☐ IDENTITY THEFT

Some companies offer coverage to protect against the fraudulent use of your identity to steal money, apply for loans or credit cards leaving you with damaged credit or a criminal record.

☐ BUSINESS/FARM EXPOSURES

Additional coverage is needed if you operate a home day care, business out of your home, rent or operate a farm, or are an independent salesman or teacher. Business property and liability for in-home or premises-related businesses or farm activities can be insured on many personal homeowner policies as an endorsement.

☐ BUILDING ORDINANCE OR LAW COVERAGE

Most Homeowner policies exclude after loss, the additional cost of construction to upgrade a dwelling to comply with building codes. Also, coverage for demolition or loss of an undamaged portion of a dwelling due to local ordinances can be limited or excluded. Coverage can be purchased as an endorsement.

☐ ADDITIONAL COVERAGE EXTENSION

Most companies offer endorsements that provide increased limits on certain property, other perils like freezer breakdown and personal injury liability. These endorsements help broaden the homeowner's coverage and are highly recommended due to the small premium.

☐ EARTHQUAKE

Coverage is not automatically included in the homeowner policy and can be purchased at a reasonable premium.

☐ WATER BACKUP OF SEWER AND DRAINS/SUMP PUMP FAILURE

Coverage is not automatically included in the homeowner policy for water backup through sewers and drains, or sump pump failure. Basic or increased limits can be purchased. It is recommended for homes with basement floor drains and homes with sump or ejector pumps, especially in finished basements.

☐ FLOOD

Coverage is not automatically included in the homeowner policy and is only offered by the Federal Government through agents. If you are local, we can assist in determining if you are in a flood plain and can provide quotations.

☐ WATERBED LIABILITY

This coverage is needed if you are a renter and own a waterbed.

☐ MOLD, FUNGI, ROT, BACTERIA

Most homeowner policies exclude or restrict mold, rot & bacteria property and liability losses. Some companies offer several options for either coverage or additional amounts.

☐ ENHANCED REPLACEMENT COST

Provides coverage over and above your dwelling limit if the actual cost to repair or replace exceeds that amount, usually 25% additional. Company eligibility requirements must be met.

☐ SPECIAL CONDO COVERAGE

Structure coverage is needed on improvements and betterments, equipment, or the value of the interior property that is not covered by the condo association's insurance. The condo bylaws govern the insurance responsibility of the unit owner. Loss assessment coverage is needed for loss costs assessed to owners when the Association's insurance is not adequate or available for property or liability loss and individual owners must share in their proportionate costs.

☐ DEDUCTIBLE CHANGES

Increased deductibles reduce premiums. In most cases, several years of no losses will save more than enough in reduced premium to make up the difference in higher deductibles in the event of a claim.

☐ INCREASED SPECIAL LIMITS

Coverage can be added to increase the limit for money, credit card forgery, jewelry, silverware, firearms and other property subject to policy limitations.

☐ FIRE/BURGLAR ALARMS

Most companies provide a significant premium discount for a central station alarm system. Certification from the alarm company is required.

☐ OFF PREMISES PROPERTY/ SECONDARY RESIDENCE

Most homeowner policies provide worldwide coverage for personal property. There may be limitations for property at a secondary residence, in storage, or with students in dormitories or apartments. There are also liability issues to be considered. You should notify the agency about these situations to be sure of proper protection.

☐ VACANT PROPERTY

Most homeowner policies restrict coverage and exclude certain perils if a dwelling is vacant. You should notify the agency when this situation occurs.



Montgomery
Insurance & Investments