

HOW TO SHOP FOR HOME INSURANCE



INDEX

Congratulations

PAGE 1

What's Covered In Home Insurance

PAGE 2

Preparing for Your Meeting With Your Home Insurance Agent

PAGE 4

Home Insurance Checklist

PAGE 7



Congratulations!



Congratulations! You're here because you're shopping for insurance and that means you bought a new home or need to update your current policy. Either way, it's a big step. Home insurance is your first line of defense when it comes to protecting your investment. It provides financial assistance when it matters most to save you big.

The tricky part is navigating the purchase process. Unless you bought your house for cash, your lender would require you to purchase home insurance. Of course, you want it to be affordable. But, skimping on different areas of the policy can be harmful. We want to provide our insider knowledge to help you get the best plan possible at a price that fits your budget.

Knowing what's included is the first step. It will help outline what you need and what matters most. The second is what you'll want to ask your agent. They work with you to find the best deal! Together, you'll get a policy that provides superior protection at a price you can afford.

What is Covered in Homeowners Insurance



Whether this is your first home or you are moving to a new property, buying home insurance is crucial. It offers homeowners the opportunity to protect themselves and their investment. But, many individuals aren't actually aware of what their policy covers. The best way to shop for home insurance is having all the information right in front of you. The good news is most policies are pretty much the same. So, once you get a better understanding of what's covered, you can make a better decision.

Dwelling Coverage

Dwelling coverage is in place to cover the cost of repairing or rebuilding your home. If you experience a fire, weather damage, or vandalism, dwelling coverage steps in to help finance the rehabilitation. Your insurance agency presets your limits, and it's established from the estimated costs of rebuilding your home. This number should not be confused with the current market value on your house, but rather the materials and supplies to reconstruct it.

Other Structures

Some homes have structures that are not attached to the house but located on the property. Home insurance policies will cover the cost for repairs and rebuilding of these components as well. The most common "structures" are garages, fences, sheds, or maybe a gazebo. Their protection looks similar to that of dwelling coverage. In the event of severe damage, your insurance company will cover the cost of repairs.

Personal Property

As the name implies, personal property coverage refers to anything found inside the house that isn't part of the structure but belongs to you. These items could include furniture, clothing, and electronics. What's excellent about personal property on your premium is the ability to cover you even when you are outside the home. Each policy is different, and you will want to confirm with your insurance agent, and often will cover you wherever you are in the world.

It should be noted personal property coverage has its limits. Higher priced items like jewelry, precious stones, or gold will need to be appraised and confirmed that it falls within limits. Otherwise, you will need to take out another policy to cover those items.

Loss of Use

In the instance your home is uninhabitable due to damages, Loss of Use assists you and your family while you temporarily reside elsewhere. It is sometimes listed on a policy as Additional Living Expense. Everyone's needs are different, and the amount you will obtain depends on the policy. Most insurance agencies have a percentage that they will dedicate to covering while your home is being repaired. If you have questions about how much, reach out to your local insurance agent.

Personal Liability Coverage

Anyone who entertains guests or if you ever have contractors on your property, liability coverage is very important. It's a defense for you and your family to help finance a lawsuit. Accidents and injuries happen. If another party tries to claim damages, liability coverage steps in and goes towards legal fees and settlements. The average policy comes with about \$100,000 in liability. If you frequently have guests over, you might consider increasing the amount.

Another aspect of the coverage will also go towards medical expenses. If a guest sustains an injury while on your property, your insurance can help make payments towards the medical bills. Liability does have its boundaries and won't cover every situation. If you have questions or concerns, you will need to confirm with your agent.

When you know what you are purchasing, you can make more informed decisions. At Royce Williams, we are here to help you make sense of your home insurance policy and find the best coverage.

Your Cheat Sheet:

We've just given you a lot of information. Here's a quick rundown of everything you can find in a home insurance policy and what it will do for you.

WHAT'S INCLUDED	WHAT IT DOES
Dwelling Coverage	The main coverage used to rebuild or repair any damages caused to the foundation of your home.
Other Structures	Covers structures on your property like fences, detached garages, or sheds.
Personal Property	Reimbursement if you have to reside elsewhere while your home is damaged.
Loss Use	Financial defense against legal and medical issues.

Preparing for Your Meeting With Your Home Insurance Agent



The conversation you have with your insurance agent will decide the fate of your policy. Discussing your needs is critical to getting the coverage you deserve. If you've never shopped for home insurance before, or it's been a long time since you've updated your policy, it might be overwhelming. Agents are here to help. They want to work with you to help you determine the best coverage at the most affordable rate possible. There are just a few things you should prepare before your meeting.

Decide on Your Coverage

You'll want to assess precisely what it is you need to be covered. Lenders almost always require borrowers to take out an insurance policy. It's smart really. It will force homeowners to get the coverage they need to protect their assets. But, don't go in asking for the bare minimum. Use your knowledge of what is included in home insurance policies to get the most out of it. If you plan on doing renovations, you might consider increasing your liability coverage. It will support contract workers or friends and family who might be injured while on the job.

Valuables, heirlooms, or any other item with a high ticket rate might need additional coverage. You'll want to know this ahead of time so you can discuss this with the agent.

Get the Deductible You Want

When we talk about buying home insurance we need to mention the deductible. It works in the same way as medical policies. Insurance is there for financial support in case of an emergency, but it does often ask you to contribute as well. The deductible is the amount you have to pay out of pocket before your insurance will kick in. What that looks like depends on what you want and what your agent offers. It's best to have a realistic number in mind. It's said the average amount of repairs average about 1% per year of the total cost of your house. Do some math and see if that sum is something you can afford. If not, you'll want to bring this up with your insurance agent.

Consider How Much You Can Afford

If you can benefit from insurance why not have it all? The more you add to your policy the more the premium will increase. How much depends on what you want more of and the value of your home. We suggest coming up with three numbers: one low, one middle, and one high. Ideally, the minimum coverage offered through the agency will fall below the lowest number. If that's the case, reference your list of "needs" and start to increase your coverage amounts. Ask about increasing whatever matters to you most and see where that falls on your pricing.

If you managed to get what you need and still have room in your budget, start adding more essential items to your list. Don't worry about your agent. It's their responsibility to get you exactly what you need at a rate you can afford. Take your time and ask questions!

Ask About Discounts

Since we're already on the topic of budgeting, we're happy to inform you that most agencies offer discounts if you buy more than one policy. And, we don't mean multiple home insurance policies, we're talking about adding on your auto insurance or life insurance. Bundling together all premiums can save you money and is also a smart decision. No matter what life throws at you, you will only have to make one phone call to get the help you need.

While we're still on the topic of saving. Some agencies offer discounts for homeowners who make improvements or add safety features to their house. Anything you can do to reduce the likelihood of a fire, damages, or a robbery your agency will most likely reward. A few hidden savers include:

- Updating the wiring - faulty wiring can lead to unnecessary fire damage
- New roofing system - the roof plays a critical role in the health of the structure. Updating it might save you money on your premium.
- No previous claims - Credits are checked when you take out a new policy. If you have a "claims free" history, your agency might reward you.
- New home - New homes tend to be less risky in the eyes of your insurance agent. If you bought a new build ask if they offer a discount.
- Alarm system - Insurance agencies love alarm systems because they often deter crime from happening. Therefore, you won't have to make a claim on your policy.

Shopping for home insurance doesn't have to be difficult. At Royce Williams, we believe in providing our clients with friendly advice to help them get the coverage that they need.

Your Cheat Sheet

Here’s your quick cheat sheet to bring with you when you talk to your agent.

WHAT YOU SHOULD PREPARE	AMOUNT
Coverage Limit	
How much you can afford	#1 \$
	#2 \$
	#3 \$
Deductible goal	
Discounts	

Home Insurance Checklist



We want you to feel comfortable when you meet with your insurance agent. So, we've put together some checklists to make it easier for you to evaluate your property, possessions. Use these lists to attach an estimated value. It will give you a leg up when you are trying to determine coverage and deductible amount.

ITEM	ESTIMATED VALUE
Furniture	
Clothing	
Electronics	
Appliances	
Computer Systems	
Books	
Musical Equipment	
Sports Equipment	
Tools	
Dishware	
Flatware	

As we previously mentioned, not everything will fit under your limit. Here are some common items that have a higher value. Use it to estimate its current value so you can get the most out of your policy.

Items That Might Need Additional Coverage:

ITEM	ESTIMATED VALUE
Art	
Antiques	
Jewelry	
Watches	
Fur	
Business Property	
Precious stones	
Precious metals	
Collectors coins/money	
Stamps	
Passports	
Firearms	
Fine China	

Affordable Home Insurance

Choosing a local [Nashville home insurance](#) provider gives you the ability to sit down and talk with an agent. Take advantage of this opportunity by scheduling an appointment to discuss coverage, deductible, and bundling options. We're here to help you every step of the way. Visit our website to learn more information.

[Get A Free Quote](#)

615.356.4800
InsuringNashville.com

5517 Charlotte Pike Nashville, TN 37209

