



KW Insurance Agency

Tips to Save on Homeowners Insurance

1. Have KW Insurance Agency place the coverage

Full disclosure and detailed information will allow a KW Insurance agency professional properly shop and place your coverage. KW professionals place the best coverage and price.

2. Raise Your Deductible

Deductibles are the amount of money you have to pay toward a loss before your insurance company starts to pay a claim, according to the terms of your policy. The higher your deductible, the more money you can save on your premiums. Nowadays, most insurance companies recommend a deductible of at least \$1,000. If you can afford to raise your deductible to \$2,500, you may save as much as 15 percent. Remember, if you live in a disaster-prone area, your insurance policy may have a separate deductible for certain kinds of damage. If you live near the coast in the East, you may have a separate windstorm deductible; if you live in a state vulnerable to hail storms, you may have a separate deductible for hail; and if you live in an earthquake-prone area, your earthquake policy has a deductible.

3. Don't confuse what you paid for your house with rebuilding costs

The land under your house isn't at risk from theft, windstorm, fire and the other perils covered in your homeowners policy. So don't include its value in deciding how much homeowners insurance to buy. If you do, you will pay a higher premium than you should. At KW Insurance, we evaluate the rebuilding cost properly and insure to proper value.

4. Buy your home and auto policies from the same insurer

Most of our companies at KW Insurance Agency that sell homeowners, auto and liability coverage will take 5 to 30 percent off your premium if you buy two or more policies from them.

5. Make your home more disaster resistant

You may be able to save on your premiums by adding storm shutters, reinforcing your roof or buying stronger roofing materials. Older homes can be retrofitted to make them better able to withstand earthquakes. In addition, consider modernizing your heating, plumbing and electrical systems to reduce the risk of fire and water damage.



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6. Improve your home security

You can usually get discounts at least 2 percent for a smoke detector, and dead-bolt locks. Some of our companies offer to cut your premium by as much as 15 or 20 percent if you install a sophisticated sprinkler system and a fire and burglar alarm that rings at the police, fire or other monitoring stations. These systems aren't cheap and not every system qualifies for a discount. Before you buy such a system, find out what kind your insurer recommends, how much the device would cost and how much you'd save on premiums.

7. Seek out other discounts

Companies offer several types of discounts, but they don't all offer the same discount or the same amount of discount in all states. For example, since retired people stay at home more than working people they are less likely to be burglarized and may spot fires sooner, too. Retired people also have more time for maintaining their homes. If you're at least 55 years old and retired, you may qualify for a discount of up to 10 percent at some companies. Some employers and professional associations administer group insurance programs that may offer a better deal than you can get elsewhere. Non-smokers, loss free, multi-policy, and new home discounts are available to name a few.

8. Maintain a good credit record

Establishing a solid credit history can cut your insurance costs. Insurers are increasingly using credit information to price homeowners insurance policies. In most states, your insurer must advise you of any adverse action, such as a higher rate, at which time you should verify the accuracy of the information on which the insurer relied. To protect your credit standing, pay your bills on time, don't obtain more credit than you need and keep your credit balances as low as possible. Check your credit record on a regular basis and have any errors corrected promptly so that your record remains accurate.

9. Stay with the same insurer

If you've kept your coverage with a company for several years, you may receive a special discount for being a long-term policyholder. Some insurers will reduce their premiums by 5 percent if you stay with them for three to five years and by 10 percent if you remain a policyholder for six years or more. But make certain to periodically compare this price with that of other policies.



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10. Review the limits in your policy and the value of your possessions at least once a year

You want your policy to cover any major purchases or additions to your home. But you don't want to spend money for coverage you don't need. If your five-year-old fur coat is no longer worth the \$5,000 you paid for it, you'll want to reduce or cancel your floater (extra insurance for items whose full value is not covered by standard homeowners policies such as expensive jewelry, high-end computers and valuable art work) and pocket the difference.

11. Look for private insurance if you are in a government plan

If you live in a high-risk area -- say, one that is especially vulnerable to coastal storms, fires, or crime -- and have been buying your homeowners insurance through a government plan, you should check with an insurance agent or company representative or contact your state department of insurance for the names of companies that might be interested in your business. You may find that there are steps you can take that would allow you to buy insurance at a lower price in the private market.

12. When you're buying a home, consider the cost of homeowners insurance

You may pay less for insurance if you buy a house close to a fire hydrant or in a community that has a professional rather than a volunteer fire department. It may also be cheaper if your home's electrical, heating and plumbing systems are less than 10 years old. If you live in the East, consider a brick home because it's more wind resistant. If you live in an earthquake-prone area, look for a wooden frame house because it is more likely to withstand this type of disaster. Choosing wisely could cut your premiums by 5 to 15 percent.

As always, consult your KW Insurance Agency professional. We are experts at evaluating needs, providing proper coverage, taking each and every policyholders' needs into consideration. We welcome any opportunity to provide you with all your insurance needs.