

# PROTECT YOUR PROPERTY

Always lock your doors and windows when leaving, and when leaving for an extended period of time, put your lights on a timer to give your home a “lived in” look.

Never post about your travel plans on social media – it’s an invitation for thieves.

Never keep a spare key outside your house. If you have a spare key, keep it with you at all times, or keep it with a trusted neighbor or nearby friend or family member in case of emergencies.



## WAYS TO SAVE

- ✓ **Ask your insurance provider about discounts** – sometimes you can get one for having a home security system or bundling your different types of insurance with one company.
- ✓ **Consider choosing a higher deductible.** Your premium payments will be lower.
- ✓ **Make sure your policy provides enough coverage** for what you own. It’s helpful to create a home inventory for this purpose.

**Also, don’t forget to shop around.** Ohio has a robust insurance marketplace, which means homeowners have access to some of the lowest insurance premiums in the nation! Check out several insurers to compare costs and find the coverage that works best for you.

# BASICS OF HOMEOWNERS INSURANCE



Brought to you by:

**Ohio Insurance Institute**  
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# WHAT IS HOMEOWNERS INSURANCE?

At its core, insurance is the safety net that protects our homes, automobiles, businesses, and loved ones from unexpected costs that come from unexpected events. Homeowners insurance covers both the structure and contents of your home.

While Ohio law does not legally require anyone to have homeowners insurance, you should still strongly consider it. Additionally, homeowners who finance their home with a mortgage will most likely be required by their lender to have insurance coverage.



## KEY TERMS

**Policy:** A written contract for insurance between you and your company.

**Premium:** The amount you pay to your insurer regularly to keep a policy in force. Your payment plan will depend on your insurance company and your specific policy.

**Deductible:** The portion of a covered loss you pay before the insurance company becomes responsible for the payment under the policy.

## WHAT'S COVERED?

As with any kind of insurance, the specifics of what is covered will depend on your individual policy. However, in general, homeowners insurance includes four broad categories of coverage: structure, personal possessions, liability protection, and additional living expenses.

## TYPES OF COVERAGE

**Structure Coverage** pays to repair or rebuild your house if it is damaged or destroyed by a variety of disasters, including fire, lightning, and tornadoes. Most policies also cover other buildings that are considered part of your home, such as a shed or detached garage. This is likely the most important part of a homeowners insurance policy.

If you live in an area prone to flooding or earthquakes, you may want to purchase additional coverage - a standard homeowners insurance policy will not cover damage caused by either.

**Personal Belongings Coverage** includes your furniture, clothing, and other possessions in the event they are stolen or destroyed in a fire or other disaster. It will protect your belongings even if they are damaged or stolen outside your home.

There are different levels of coverage for your personal property:

**Actual cash value** will insure your belongings for their depreciated value. For example, if your laptop is three years old, it would not be worth the same price you paid for it when you got it brand new.

**Replacement cost** is more expensive, but it will pay for the actual cost to replace these items with brand new ones.

**Liability Protection Coverage** can help cover another person's medical bills or repairs to their property if you're found legally responsible for their injuries or property damage, up to the limits of your policy.

**Additional Living Expenses Coverage** pays for expenses that you would not normally incur if your home was destroyed or damaged by an insured disaster (fire, tornado, etc.). This includes hotel bills, short-term/temporary rentals, and restaurant meals.

## WHAT'S NOT COVERED?

- When shopping for any type of insurance, ask your agent or representative what's not covered by the policy. All policies contain exclusions and it's best to find out ahead of time what will not be covered in the event of certain losses.