

Review the Declarations Page: Carefully review your declarations page. This page will state who the named insured is, what property is being insured, the limits of the policy and the policy period. The amount of any deductible will also be listed so be sure that amount is what you requested when you purchased the policy.

Review Coverage Annually: Review your policy annually and after events such as home improvements, major purchases of personal property and lifestyle changes.

IF YOU ARE REFUSED INSURANCE

If you can't find an insurer willing to sell you a policy, consider contacting special insurance providers such as excess insurers and the New York Property Insurance Underwriting Association (NYPIUA.)

A homeowner may obtain insurance from a New York eligible excess line insurer through a New York-licensed excess line broker only after coverage has been declined by at least three licensed insurers; NYPIUA offers fire and extended coverage as well as coverage for vandalism, malicious mischief, and sprinkler leakage. NYPIUA can be reached at 800-522-3372.

If you are a coastal resident and are having difficulty obtaining or keeping homeowners insurance, contact us at (800) 342-3736 for assistance.

POLICY CANCELLATION

An insurance company may cancel a homeowners policy within the first 60 days it is in effect if the insurer provides specific reasons for the cancellation. After that time, the company cannot cancel the policy for three years except for reasons specified in the Insurance Law, such as nonpayment of premiums, reckless acts by the insured that increase the likelihood of loss, or fraud or misrepresentation by the homeowner.

ABOUT DFS

The New York State Department of Financial Services licenses insurance companies, agents, brokers and insurance adjusters operating in New York.

For more information or to file a complaint about an insurer, visit us on the web or call us.



**Department of
Financial Services**



What You Need to Know About...

HOMEOWNERS AND TENANTS INSURANCE

Important information about obtaining insurance for your home and its contents, whether you rent or own.

This guide is provided for informational purposes only and does not constitute legal advice.

**www.dfs.ny.gov
(800) 342-3736**

WHAT IS INSURANCE FOR?

Homeowners insurance insures against damage to the structure of a home. Homeowners and tenants insurance also provides protection against damage to or theft of personal belongings, lawsuits for bodily injury or property damage caused by you or family members, including court costs (known as liability) and the additional costs of living away from home due to an insured event.

FORCE-PLACED INSURANCE

Homeowners insurance is often required by lenders as a condition of a mortgage. If you do not have homeowners insurance when required by a lender, the lender may purchase a policy and charge the premium to you. Such insurance is known as “force-placed insurance,” and can be very expensive.

TYPES OF HOMEOWNERS INSURANCE

There are several types of homeowners insurance in New York State. The most common is HO-3, or the Special Form Policy. This is the standard policy recommended by mortgage lenders. It covers your home for all risks of physical loss, except those explicitly excluded, such as flood, earthquake and war.

Other types of policies (HO-1, HO-2) provide less comprehensive coverage and offer protection only for specifically identified events. HO-4 (Tenants or Co-op Owners) and HO-6 (Condo Unit Owners) insure against damage to the contents of apartments, co-ops or condos and personal liability of the insured.

Flood insurance can be purchased through the National Flood Insurance Program (800-638-

6620) if you reside in a community designated as a special flood hazard area.

Separate policies for other risks not covered by your homeowners policy may be available from your insurance company.

HOW MUCH INSURANCE TO PURCHASE

Homeowners insurance should cover the current cost of rebuilding your home if it were totally destroyed.

Most homeowners insurance policies provide coverage for personal possessions in an amount of 50% to 70% of the amount of insurance on your dwelling. To determine if this is enough, or if you are a tenant, you should make a detailed list of your possessions and their replacement cost.

Jewelry and electronics have greater restrictions. Some policies offer these protections for no additional charge.

Generally, most homeowners policies provide a minimum of \$100,000 worth of liability insurance per occurrence and medical payment limits of \$1,000 per person.

Owners of condominiums and cooperatives should investigate the insurance provided by their condo/co-op board to determine if additional protection is needed.

SHOPPING FOR INSURANCE

Make a Home Inventory: Estimate the replacement cost of your home and all of the personal property within it. Make a detailed list of your possessions and their replacement cost.

Shop Around: Over 200 insurance companies offer home or tenant policies to New Yorkers. Premiums vary widely from company to company and may depend on the age, location and

construction of your home and the amount of insurance and deductibles you select. An employer or professional group may offer a less expensive option.

Compare Policies: Obtain and compare quotes from several companies. Make sure that the:

- type of policy is the same (e.g., HO-3)
- financial protections and deductibles are similar
- additional protections (jewelry, electronics) are comparable.

Quality and Service: Price is only one factor to consider when selecting an insurance company. You may also want to consider customer service and responsiveness.

Multiple Policy Discount: Many companies offer both auto and home insurance. If you purchase both from the same company, the total price may be 5% to 15 %less than two policies from different companies.

Higher Deductible: A deductible is the amount of money paid by you before the insurance company begins to pay a claim. The higher the deductible, the lower the premiums, though you will have to pay more before the insurance company covers a claim.

Ask About Discounts: Many insurance companies offer discounts on homeowners insurance for reinforced roofs, modernized plumbing, heating and electrical systems, home security systems, dead bolt locks, sprinkler systems, fire extinguishers, engraving expensive personal items with identifying marks, or having held a policy with the same insurer for a number of years. Ask your insurer about discounts.