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1-800-522-0071

RENTERS AND HOMEOWNERS SUMMARY of COVERAGE

Renters Insurance (HO6 Policy) covers:

- Your personal property in your rented apartment, house or condominium in the event of theft or damage, and liability for negligence.
- Create a home inventory of your personal property.
- Premiums average between \$15 to \$30 a month depending on coverage and deductible amounts.

ACV vs Replacement:

- **Actual Cash Value (ACV)** coverage will reimburse the renter for the cost to replace the personal property minus depreciation. It's important to account for depreciation when considering this coverage option.
- **Replacement cost** coverage will reimburse the renter for the cost of replacing the property. While it may not have a large effect on your short-term premiums, it may make a large difference in your claim.

If your home is insured on a **replacement cost** basis, then claims are paid based on the cost to replace your loss, not its market value. The replacement cost is usually greater than the market value and requires that you must replace your property to be reimbursed. Provisions of ACV (see above) apply if this coverage is selected.

Flood Insurance: Homeowners and renters insurance does not cover flood damage to a structure or contents. Flood insurance must be purchased separately and will pay for damage to a building's structure, foundation, electrical, plumbing, HVAC and built-in appliances. It also pays, under a HO or renters policy, for loss of contents including furniture, clothing, appliances and electronic equipment. A mortgage from a federal agency (FHA) or private lender may require flood insurance depending on flood zones (V,A,B,C,X -highest to lowest risk). Costs start at \$200/year in low risk zones to \$700/year (average cost) in higher risk zones. Cost is dependent on coverage limits, deductibles, waiting periods and do not have an ALE benefit. Coverage is purchased through an agent or insurer participating in FEMA's Nat'l Flood Insurance Program (NFIP). Floodsmart.gov

Exclusions: What is NOT covered under a Renters or Homeowners Policy, but can be covered either by a separate policy or inexpensive homeowner policy add-ons – endorsement to policy:

Flood, Earthquakes, Landslides, Mudslides, Sewer backup, Identity Theft, Dog bites, Swimming pools and trampolines. Understand all policy limitations, deductibles and costs.

Helpful resources: Independent Insurance Agents of Oklahoma (405) 840-4426 ***Professional Insurance Agents of Oklahoma, Inc (405) 942-1119 ***National Association of Insurance and Financial Advisors***Oklahoma Association of Insurance and Financial Advisors (NAIFA-Oklahoma) (405) 810-1989**** FEMA 800-621-3362 or 800-462-7585 (TTY) www.Disaster Assistance.gov

Homeowners' Insurance (HO3 Policy) covers:

Coverage A & B: Repairs to structure

- Your house and other buildings on your property for 16 named perils (fire, wind, smoke, vandalism, etc.)

Coverage C: Contents

- Your personal property in your home or on your property at 50% (typically) of Coverage A. Remember a home inventory of contents will facilitate the filing of a claim.

Coverage D: ALE

- Additional Living Expense (ALE or Loss of Use) Pays for rent and other occupancy costs while your home is being repaired due to a covered loss – typically up to 30% of Coverage A.

Coverage E: Liability

- Your personal liability at stated amount, typically \$300,000.

Other Coverages

- Medical payments for others accidentally hurt on your property, limits at \$1,000 - \$5,000.