

## What Questions to Ask When Buying Home Insurance for the First Time?

There are many types of home insurance available, so choosing a policy for the first time can be rather confusing. Every customer has different needs because every type of property is different. It is important that the policy that is chosen meets those needs in order to provide maximum protection. That is why it never does an insurance company any good to advertise one type of policy. The company must advertise as a whole and provide each individual customer with the policy that is going to do what they need it to do.

There are, however, things that should be kept in mind. First of all, the policy's primary part is what covers the structure. This is because the appraised value of the home is usually not as much as what it would cost to rebuild the home in case a disaster strikes. Taking a policy that covers the rebuild cost rather than the appraised value is an important move to make. The policy should also cover other structures on the property such as a storage shed, swimming pool, garage, etc.

The policy will also cover personal property within the home. It is very important that the limit listed on the policy is enough to cover the property that is owned. It should also be thoroughly explained how the entire policy pays. While receiving such explanations, it is important to ask a number of questions to ensure the policy is the right policy. There are also questions you should ask yourself before you ever walk through the door.

Those questions are:

- What kind of reputation does this insurance company have? This information can be acquired at the NAIC Consumer Information Source, which can be found online.
- What is their complaint ratio? This can also be acquired through the NAIC or the insurance company may keep a record.
- Are there any discounts? This means discounts such as multi-line discounts (car insurance and home insurance together) or discounts for having such items as fire alarms, burglar alarms, etc. installed in the home.
- How much coverage is needed?
- What is covered under the policy?
- Is the area where the home resides a high risk area that could increase the building cost? This is important and goes back to the fact that it may be more feasible to have insurance that covers the building cost rather than the appraised value.
- Is disaster coverage needed? This is important for those who may live in areas prone to flood, hurricane, or tornado.
- Does the policy include loss-of-use coverage? If it does, then there are additional questions to ask such as when it kicks in, what is covered, and for how long of a period it will pay for.
- For belongings, does the policy offer replacement value or cash value?
- What type of liability coverage is included, and what is excluded?
- How much extra will an umbrella policy cost, and how much coverage will it provide?
- How is the claims process executed?

These may seem like a lot of questions, but they are very important questions to ask in order to receive the right kind of insurance policy. You might also want to get a home insurance quote to get an idea of the pricing for different coverage's. If satisfactory responses and great rates come with these questions, then it is possible that the right insurance policy exists. One can never be too careful when buying a insurance policy for your home for the first time. It simply comes down to the fact that it is important to be adequately protected when the unexpected happens. A lot less stress is involved in the end.

## About the Author

Obtain a free [online insurance quote](#) with no obligation. Providing complete [home insurance in Ontario](#) with affordable rates. Offers a 30 day money

back guarantee to new clients.

Source: [www.isnare.com](http://www.isnare.com)

Source: <http://articles.exospy.com>