

Home Insurance

HOMEBUYING FOUNDATIONS

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DEVELOPING THRIVING COMMUNITIES

Home Insurance Vocabulary

Actual Cash Value (ACV) – The value of your property, based on the current cost to replace it minus depreciation. Also see “replacement cost.”

Binder – A temporary insurance contract that provides proof of coverage until you receive a permanent policy.

Claim – A policyholder’s request for reimbursement from an insurance company under a home insurance policy for a loss to property.

Deductible – The amount a home insurance policyholder must pay out of pocket for a covered claim.

Earned Premium – The portion of a policy premium that has been used to actually buy coverage, or that the insurance company has “earned.” For instance, if you have a six-month policy that you paid for in advance, two months into the policy, there would be two months of earned premium. The remaining four months of premium is “unearned premium.”

Liability Coverage – Covers losses that an insured person is legally liable for due to negligence or other situations outlined in a home insurance policy.

Loss of use – A provision in homeowners and renters insurance policies that reimburses policyholders for the additional costs (housing, food, and other essentials) of having to live elsewhere while the home is being restored following a disaster.

Personal property – All tangible property (other than land) that is either temporary or movable in some way, such as furniture, jewelry, electronics, etc.

Premium – The price a home insurance company charges for a specified risk over a specified period of time.

Replacement cost – Pays the dollar amount needed to replace the structure or damaged personal property without deducting for depreciation but limited by the policy’s maximum dollar amount.

Rider – A written agreement attached to the policy expanding or limiting the benefits otherwise payable under the policy. Also called an “endorsement.”

Underwriting – The process an insurance company used to decide whether to accept or reject an application for a policy.

<http://www.helpinsure.com/home/cpmhomeglossary.html>

devNW.org



212 Main Street
Springfield, OR 97477

257 SW Madison Avenue #200
Corvallis, OR 97333

437 Union Street NE
Salem, OR 97301

421 High Street, Suite 110
Oregon City, OR 97045

Homeowner Policy Example

Homeowner Policy – Form 3 Classic ³
Amended Declaration
Policy Number:

Policy Period: 12/15/2015 TO 12/15/2016
Effective 12:01 AM at the Insured Location.

Cost of replacement: \$240,000

In return for the payment of your premium, and subject to all of the terms and conditions of this policy, including any endorsement, insurance is provided with respect to the location(s) and/or coverage(s) for which a limit is specified. See policy for applicable terms, conditions, and exclusions.

Named Insured and Mailing Address

Your Agency's Name and Address

Insured Location:

Section I Deductible: \$1,000

Section I Property Coverages

	Limit Of Liability	Premium
A – Dwelling	\$ 231,000	\$ 435.00
B – Other Structures	23,100	Incl
C – Personal Property	161,700	Incl
D – Loss of Use	46,200	Incl

Section II Liability Coverages

E – Personal Liability	300,000	18.00
F – Medical Payments to Others	1,000	Incl

Optional Coverages * 91.00

Total Premium \$544.00

Discounts that have been applied to the premium:

PACKAGE, DEDUCTIBLE

Mandatory Policy Forms

H00003 1010 HOMEOWNERS 3 - SPECIAL FORM
H0M013AA 1010 MAXIMUM LIMIT ENDORSEMENT
H00490AA 1010 PERSONAL PROPERTY REPLACEMENT COST LOSS SETTLEMENT
H00420AA 1010 SPECIFIED ADDL AMT OF INSURANCE COV A - DWELLING
H02410AA 1010 PERSONAL INJURY AGGREGATE LIMIT OF LIABILITY
H0M0100R 0915 SPECIAL PROVISIONS - OREGON
H00427AA 1010 LIMITED MOLD OR MICROBIAL MATTER COVERAGE

Optional Coverages Selected

H00455 0303 IDENTITY FRAUD EXPENSE COVERAGE	Premium
H0M012AA 1010 SEWER AND WATER LINE COVERAGE	20.00
H00498 1000 REFRIGERATED PROPERTY COVERAGE	62.00
H00477AA 1010 ORDINANCE OR LAW INCREASED AMOUNT OF COVERAGE	7.00
H00435AA 1010 SUPPLEMENTAL LOSS ASSESSMENT COVERAGE	Incl
438BFUNS 0542 LENDERS LOSS PAYABLE ENDORSEMENT	2.00
	Incl

Total Optional Coverage

\$91.00