

Tips for Buying: Homeowners insurance: 7 tips for Texans



Save on homeowners insurance

Here are seven ways to cut the cost of your home insurance from helpinsure.com, a Texas consumer-friendly Internet site:

1. Shop around – and do it early!

Check with several different home insurance companies to get rate quotes. (An independent insurance agent can provide rate quotes from a variety of companies.) And definitely do it well before your policy expires, just in case you run into any snags along the way.

2. Raise your deductible

The deductible is the amount of money you have to pay toward a loss before your insurance kicks in. Home insurance deductibles usually start around \$250. However, if you increase your deductible to:

- \$500, you'll save up to 12% on your premiums
- \$1,000? Save up to 24%
- \$2,500? Save up to 30%
- \$5,000? Save up to 37%

3. Buy your home and auto policies from the same company

Many companies will give what's called a "multi-line" discount if you buy both home insurance and auto coverage from them.

4. Don't skimp when buying a home

If you're looking at buying a home, think about the cost of insuring the home. A newer home's electrical, heating, and plumbing systems and overall structure are likely to be in better condition than those of an older home – and can lead to a discount on your premiums.

5. Insure your home, not the land

While your home and its contents are at risk from fire, theft, windstorms, and other perils, the land your home sits on is not. Don't include the value of the land in deciding how much home insurance you need to buy.

6. Improve security and safety

Items such as dead-bolt locks, burglar alarms, and smoke detectors can usually bring discounts of 5% each. Your insurance company may also offer a significant discount of 15% or sometimes even 20% if you install a sophisticated home-security system.

7. Check your policy annually

Your policy should reflect the value of your home and belongings. If you review your policy every year, you can easily make the necessary adjustments. If, for example, you just sold a valuable painting, you won't need the same amount of personal property coverage. But if you've added a garage or other addition, you'll need to increase your dwelling coverage.