

### **GENERAL INFORMATION**

Homeowner's insurance is not required by law in Hawaii. If your home is mortgaged, however, your lender may require insurance on your home for the duration of your loan. Homeowner's insurance provides protection for your dwelling, personal property, and on-site buildings if damaged or destroyed by a covered peril. Perils are events (i.e. fire and explosion) which cause damage to property. In addition to property coverage for your home and outbuildings, each policy usually contains four additional coverages: personal property, additional living expenses, personal liability, and medical payments.

This guide provides a general overview of homeowner's insurance in Hawaii and is not intended to replace carefully reading your policy documents. Keep in mind insurers may have varying definitions of policy language and charge different rates for the same coverage. We encourage you to review your policy with your insurance agent to ensure your current provisions best suit your coverage needs.

## **TYPES OF HOMEOWNER'S INSURANCE POLICY FORMS**

While coverage descriptions may vary, most insurers use one or more of the following policy forms. Comprehensive Form (HO-5), not listed, provides the broadest coverage but is uncommon.

	HOME OWNER'S POLICY FORMS	RENTER'S POLICY FORM	UNIT-OWNER'S POLICY FORM		
BASIC FORM (HO-1)	BROAD FORM (HO-2)	SPECIAL FORM (HO-3)		CONTENTS BROAD FORM (HO-4)	CONDO OWNERS FORM (HO-6)
Named peril coverage: fire, lightning, windstorm excluding hurricane, hail, explosion, vandalism or malicious mischief, damage by vehicles, aircraft and riots. Since few homeowners select this limited policy, many insurers no longer offer Form HO-1.	In addition to the Basic Form (HO-1) coverages, this form also insures a home and personal property for collapse or damage from falling trees and other objects, and (under certain conditions) from steam and water damage.	hurricane. Personal property only covered for the same perils as the Broad Form (HO-2).		This policy provides renters personal property protection against the same perils as the Broad Form (HO-2) and includes personal liability protection. Unlike the other policy forms, the renter's HO-4 form only incorporates coverages C through F.	This condominum and townhouse unit owners form offers coverage for personal property and interior finishes. The condo association typically purchases a separate policy that covers the building (including common walls and grounds) and associated liability.

### **POLICY COVERAGES**

Every homeowner's policy, except for HO-4, includes the following six coverages. If your policy's standard coverage is inadequate, endorsement forms may offer specialized coverage to meet your needs.

_	Coverage A:	Covers main house damage. The coverage limit is typically set at or near the replacement cost of the home. For Condo Unit-Owners (HO-6), limit usually the declared value by insured.
ion	Coverage B:	Covers damage to other structures on the lot, such as detached garages/carports and storage sheds.
ect	Coverage C:	Covers damage to or loss of personal property.
0	Coverage D:	Covers additional living expenses (incurred by the insured) to continue the "normal" standard of living when the house cannot be occupied due to a covered loss.
c II	Coverage E:	Covers personal liability exposures. Protects against a claim/lawsuit resulting from (non-auto & non-business) bodily injury or property damage to others caused by your negligence.
Se	Coverage F:	Regardless of who is at fault, this coverage pays for reasonable medical expenses for persons (other than you or residing family members) accidentally injured on your property.

#### **TYPES OF VALUATION**

**Replacement cost** is the amount necessary to replace, rebuild, or repair your home/property without deducting for depreciation. Depreciation is the decrease in an asset's value due to age, obsolescence, and/or "wear and tear." Many insurers require policyholders to insure their homes for at least 80% of its replacement value.

Actual cash value (ACV) is the cost to replace, rebuild, or repair your home/property after deducting for depreciation. Most homeowner policies cover personal property on an ACV basis.

## PREMIUM DEVELOPMENT CONSIDERATIONS (VARIES BY INSURER)

Your premium may be based on, but not limited to, the following factors: type of construction, loss prevention devices, public protection class, deductible level, amount of insurance, and policy form.

#### **BUYING HOME INSURANCE**

The key to insurance comparison shopping is identifying your desired deductible levels, coverage limits and provisions before getting premium quotes. Once your ideal policy parameters are selected (with your agent's assistance, if necessary), the quotes you receive should be on an "apples to apples" comparative basis. After obtaining multiple premium quotes, your personal preference dictates the emphasis placed on the following considerations: premium cost, service and financial stability. Generally, financial ratings from reputable sources (i.e. A.M. Best and Moody's) indicate an insurance company's financial "heath" and ability to pay claims. Note: if your agent only represents one insurance company, you may need to contact an independent agent to obtain competing quotes.

# SAMPLE ANNUAL HOMEOWNERS INSURANCE PREMIUMS - OAHU



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison of licensed insurance companies transacting Homeowners insurance in Hawaii as part of our continuing effort to assist and educate consumers.

HURRICANE POLICY

OAHU - SAMPLE HOMEOWNERS PREMIUMS														
HO PO	LICY (HO-3) ASSUMPTIONS			DWELLING CHARACTERISTICS										
C: D Section II (I	: 10% of Coverage A : 50% of Coverage A (ACV) : 20% of Coverage A Liability): \$100,000 Deductible: \$500	Year Built: Construction: Roof: Elevation: Add'I Factors:	1980 Wood ( <b>Sin</b> Hip, aspha 15' above s Primary res	It shingle sea-level sidence	2005 Wood ( <b>Do</b> Hip, aspha 15' above s Primary res	It shingle sea-level sidence	1990 <b>Masonry</b> (CMU) Flat, torched membrane 15' above sea-level Primary residence							
Rates effect	tive as of December 1, 2012		No claims i		No claims i		No claims							
NAIC Co. Code	Insurance Compar	iy	Public Prot 3	ection Class* 10	Public Prot 3	ection Class* 10	Public Protection Class* 3 10							
10938	First Security Insurance of HI		179	256	150	205	179	256						
10938	First Security Insurance of HI The Cincinnati Insurance Company		179	230	150	205	162	230						
41742	First Insurance Company of Hawaii		203	232	162	232	203	232						
12502	Dongbu Insurance Company of Hawaii Dongbu Insurance Co., Ltd. (U.S. Br	anah)	203	290 295	103	232 248	203	290 295						
	0	,			174									
10805 11689	American Pacific Insurance Compar	,	261 251	398 349	174	280 242	261 226	392 349						
	Island Premier Insurance Company,	LIU.	251		174 191	242 273	226	349 342						
41734 41726	First Indemnity Insurance of HI	ш	239 239	342 342	191 191	273 273	239	342 342						
	First Fire and Casualty Insurance of	пі												
37265 10861	DTRIC Insurance Company		281 209	311 298	196	217 298	281 188	311 268						
	Universal Property & Casualty Insur	ance Co.			209									
28487	Farmers Insurance Hawaii, Inc.	14 - J	309	461	211	329	309	455						
22853	Tradewind Insurance Company, Lim	Ited	333	466	231	323	300	466						
41459	Armed Forces Insurance	0.1	254	355	239	334	254	355						
15598	Interinsurance Exchange of the Auto		283	346	257	315	283	346						
22845	Island Insurance Company, Limited		392	548	272	380	352	548						
21105	North River Insurance Co.		314	440	289	404	314	440						
23035	Liberty Mutual Fire Ins Co		374	472	307	387	323	417						
29068	IDS Property Casualty Insurance		360	455	320	404	311	407						
21113	United States Fire Insurance Co		357	501	329	461	357	501						
25180	Fidelity National Insurance Company		352	447	334	425	352	390						
10759	Universal North America Insurance	Company	350	DNW	350	DNW	350	DNW						
12767	Hawaiian Insurance and Guaranty		391	528	357	481	391	528						
19232	Allstate Insurance Company		393	476	393	476	359	453						
25143	State Farm Fire and Casualty Comp	•	440	520	396	468	365	431						
25941	United Services Automobile Associa	tion	425	553	399	519	425	553						
10340	Stonington Insurance Company		496	DNW	449	DNW	484	DNW						
25968	USAA Casualty Insurance Company		486	631	456	593	486	631						
26298	Metropolitan Property & Casualty Ins	surance Co.	519	727	456	640	492	690						
13056	RLI Insurance Company		551	786	468	668	551	786						
31348	Crum & Forster Indemnity Co		484	678	484	678	484	678						
19615	American Reliable Insurance Compa	any	512	717	486	681	512	717						
18600	USAA General Indemnity Company		631	821	593	771	631	821						
21873	Fireman's Fund Insurance Company		968	1066	910	1002	968	1066						
39500	Fireman's Fund Insurance Company	of Hawaii	968	1066	910	1002	968	1066						
20281	Federal Insurance Company		1260	2346	1222	2275	1071	1994						
20346	Pacific Indemnity Company		1260	2346	1222	2275	1071 1994							
25623	The Phoenix Insurance Company		1500	2100	1500	2100	1500	2100						
25658	The Travelers Indemnity Company		1500	2100	1500	2100	1500	2100						

	ent Cost: \$250,000 eductible: DED (below) ve as of December 1, 2012	Constru Wind R Dev R = Resistiv	vices:	Wood ( <b>Single-wall</b> ) None	Wood ( <b>Double-wall</b> ) Hurricane roof clips Foundation anchors	Masonry (CMU) Hurricane roof clips		
NAIC Co. Code	Insurance Company	,	DED	Premium (\$)	Premium (\$)	Premium (\$)		
10799	GeoVera Insurance Company		2%	1601	368	426		
11026	Zephyr Insurance Company		2%	1595	400	462		
10677	The Cincinnati Insurance Compan	у	2%	426	426	426		
12767	Hawaiian Insurance and Guaranty		2%	1215	435	521		
12502	Dongbu Insurance Co., Ltd. (U.S.	Branch)	2%	1421	464	526		
12573	Centauri Specialty Insurance Com	pany	2%	1977	485	509		
10861	Universal Property & Casualty Inst	urance Co.	2%	1495	595	533		
25180	Fidelity National Insurance Compa	any	1%	683	683	374		
25941	United Services Automobile Assoc	ciation	2%	1758	686	1201		
15598	Interinsurance Exchange of the Au	uto Club	2%	1573	745	581		
37273	Axis Insurance Company		2%	2092	766	852		
25968	USAA Casualty Insurance Compa	ny	2%	2009	783	1372		
10340	Stonington Insurance Company		2%	1881	814	599		
29068	IDS Property Casualty Insurance		5%	822	822	659		
41459	Armed Forces Insurance		2%	937	937	515		
19615	American Reliable Insurance Com	pany	2%	939	939	939		
25143	State Farm Fire and Casualty Con	npany	2%	1240	995	918		
18600	USAA General Indemnity Company	ıy	2%	2611	1018	1784		
13056	RLI Insurance Company		2%	1469	1302	1269		
25623	The Phoenix Insurance Company		2%	2446	2446	2446		
25658	The Travelers Indemnity Company	/	2%	2446	2446	2446		

OAHU - SAMPLE HOMEOWNERS HURRICANE PREMIUMS Hurricane insurance supplements your homeowner's policy by covering property damage due to hurricanes. For information about homeowner's hurricane insurance, please visit www.hawaii.gov/dcca/ins/hurricane-insurance.html

DWELLING CHARACTERISTICS (same as HOMEOWNERS)

DNW = Does Not Write

#### OAHU - SAMPLE HOMEOWNERS AND HURRICANE COMBINED PREMIUMS

	Assumptions and Dwelling Characteristics Same as Above														
NAIC		Public Prote	ection Class*	Public Prote	ection Class*	Public Prot	ection Class*								
Co. Code	Insurance Company		3 10 3 10 3		10										
30104	Hartford's Underwriters Insurance Company	1418	1507	656	720	918	1007	~~~~~	These sample premiums INCLUDE Hurricane coverage						
18279	Bankers Standard Insurance Company	1381	1974	1381	1974	1307	1752	<<<<<							

#### SAMPLE PREMIUM VS. YOUR CURRENT OR PROSPECTIVE HOMEOWNERS PREMIUM

Your Homeowners insurance premium may be affected by, but not limited to, the following considerations: coverage limits, deductible levels, loss preventative devices (i.e. security system) and previous claims. Each insurer may have unique rating factors associated with these risk classifications so your current or quoted premium could vary from these sample indications. Please contact your agent to obtain quotes that account for your home's specific attributes and desired coverage provisions.

#### \*WHAT IS A PUBLIC PROTECTION CLASSIFICATION?

Public Protection Classification (PPC) is a rating criterion that measures a community's fire protection capabilities. PPC community grading is based on Fire Department characteristics, available water supply, and communication system. The majority of Oahu properties are classified as a **PPC 3**. If you live in Tantalus or Waialua, please contact your agent to verify your property's classification. Generally, dwellings located more than 5 road miles from a recognized fire station and 1000 feet from a 4" hydrant are a PPC 10.

# SAMPLE ANNUAL HOMEOWNERS INSURANCE PREMIUMS - NEIGHBOR ISLAND



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison of licensed insurance companies transacting Homeowners insurance in Hawaii as part of our continuing effort to assist and educate consumers.

NEIGHBOR ISLAND - SAMPLE ANNUAL HOMEOWNERS PREMIUMS												NEIGHBOR ISLAND - SAMPLE ANNUALHURRICANE PREMIUM															
1101	HOMEOWNERS POLICY (HO-3) ASSUMPTIONS DWELLING CHARACTERISTIC ASSUMPTIONS														Hurricane insurance supplements your homeowner's policy by covering property damage due to hurricanes. For information about homeowner's hurricane insurance, please visit www.hawaii.gov/dcca/ins/hurricane-insurance.html												
	· · · · ·	_											-						11.								
Coverage /	6		<u>t</u> 1980 <u>E</u>		-	ove sea-le	evel							Year Built: 1990 Elevation: 15' above sea-level							CANE POLICY ASSUMPTIONS	DWELLING CHARACTERISTICS (same as HO					
C: 50% of Coverage A (ACV)		Construction: Wood (Single-wall)												Contruction: Masonry (CMU)						Replacem	Constructi		Wood (Single-wall)	Wood (Double-wall)	Masonry (CMU)		
D: 20% of Coverage A													Roof: Flat, torched membrane						De	Wind R Devic		None	Hurricane roof clips	Hurricane roof clips			
Section II (Liability): \$100,000 Deductible: \$500									Add'l: F	Add": Primary residence, no claims in 5 yrs.						Rates effect	R = Resistive			Foundation anchors							
NAIC Insurance Company		Public Protection Class*   4 5 6 7 9 10				Public Protection Class*   4 5 6 7 9 10					- 4	Public Protection Class*   4 5 6 7 9 10						NAIC Co. Code	/	DED	Premium (\$)	Premium (\$)	Premium (\$)				
10938	First Security Insurance of HI	181		185	201	238	256	150	-	50 16			_	183	185	186	238	256		10799	GeoVera Insurance Company		2%	1601	368	426	
41742	First Insurance Company of Hawaii	205		210	201	230	290	164		68 18				207	210		230	230		11026	Zephyr Insurance Company		2%	1595	400	462	
	The Cincinnati Insurance Company	205 164		210 167	181	210	290	164		67 18				165	167	168	210	290		1028	The Cincinnati Insurance Company		2%	426	400	402 426	
10677 11689	Island Premier Insurance Company, Ltd.	251		251	274	325	232 349	164		74 19				226	226	251	325	232 349		12767	Hawaiian Insurance and Guaranty		2% 2%	426 1215	426	426 521	
	1 2					325 275		174									325 275	349 295							435 464		
12502	Dongbu Insurance Co., Ltd. (U.S. Branch)	210		213	232		295								213	216				12502	Dongbu Insurance Co., Ltd. (U.S.		2%	1421		526	
10805	American Pacific Insurance Company	266		274	305	359	398	178		84 20			266	270	274	278	352	392		12573	Centauri Specialty Insurance Com		2%	1977	485	509	
41734	First Indemnity Insurance of HI	241		247	268	317	342	193		97 2				244	247	248	317	342		10861	Universal Property & Casualty Insura		2%	1495	595	533	
41726	First Fire and Casualty Insurance of HI	241		247	268	317	342	193		97 21				244	247	248	317	342		10861	Universal Property & Casualty Ins		2%	1495	595	533	
37265	DTRIC Insurance Company	281		281	311	311	311	196		96 21			281	281	281	311	311	311		25180	Fidelity National Insurance Compa		1%	683	683	374	
10861	Universal Property & Casualty Insurance Co.	211		215	217	277	298			215 21			190	192	193	195	249	268		25941	United Services Automobile Assoc		2%	1758	686	1201	
28487	Farmers Insurance Hawaii, Inc.	314		322	359	418	461			22 25			314		322	326	411	455		15598	Interinsurance Exchange of the Au		2%	1573	745	581	
22853	Tradewind Insurance Company, Limited	333		333	365	433	466			231 25				300	300	333	433	466		37273	Axis Insurance Company		2%	2092	766	852	
41459	Armed Forces Insurance	254		254	279	330	355	239		239 26	52 3 <sup>-</sup>		254	254	254	254	330	355		25968	USAA Casualty Insurance Compa		2%	2009	783	1372	
22845	Island Insurance Company, Limited	392	392	392	431	509	548	272		272 29	9 35	53 380	352	352	352	392	509	548		10340	Stonington Insurance Company		2%	1881	814	599	
21105	North River Insurance Co.	314	314	314	346	408	440	289	289	289 3´	8 37	4 404	314	314	314	314	408	440		29068	IDS Property Casualty Insurance		5%	822	822	659	
15598	Interinsurance Exchange of the Auto Club	331	331	350	350	372	388	301	301	319 3 <sup>4</sup>	9 33	38 353	331	331	350	350	372	388		41459	Armed Forces Insurance		2%	937	937	515	
29068	IDS Property Casualty Insurance	356	367	367	384	403	431	316	326	326 34	1 3	58 383	308	318	326	335	343	386		19615	American Reliable Insurance Com	npany	2%	939	939	939	
25180	Fidelity National Insurance Company	340	340	340	340	397	425	323	323	323 32	3 37	7 404	340	340	340	340	340	377		25143	State Farm Fire and Casualty Con	npany	2%	1240	995	918	
23035	Liberty Mutual Fire Ins Co	398	406	406	430	454	482	327	333	333 35	3 37	3 396	338	350	358	358	382	426		18600	USAA General Indemnity Compar	лy	2%	2611	1018	1784	
21113	United States Fire Insurance Co	357	357	357	393	465	501	329	329	329 36	62 42	27 461	357	357	357	357	465	501		13056	RLI Insurance Company		2%	1469	1302	1269	
10759	Universal North America Insurance Company	350	357	387	417	518	DNW	350	350	350 35	50 4 <sup>-</sup>	0 DNW	/ 350	350	350	350	495	DNW		25623	The Phoenix Insurance Company		2%	2446	2446	2446	
12767	Hawaijan Insurance and Guaranty	391	391	391	426	494	528	357	357	357 38	9 44	481	391	391	391	391	494	528		25658	The Travelers Indemnity Company	v	2%	2446	2446	2446	
25941	United Services Automobile Association	425	425	425	468	510	553	399	399	<b>399 43</b>	9 47	'9	425	425	425	425	510	553			5 1 3		-				
19232	Allstate Insurance Company	405		432	432	453	476	405	405	32 43				393	405	405	432	453									
25143	State Farm Fire and Casualty Company	486	519	519	519	575	575	437	467	67 46	57 5 <sup>.</sup>	7 517	405	430	430	430	479	479									
26298	Metropolitan Property & Casualty Insurance Co.	505	553	553	575	624	671	444	486	86 50	6 54	9 590		524	524	546	592	638									
10340	Stonington Insurance Company	496		496	496	DNW	DNW	449	449	49 44	9 DN	W DNW	484	484	484	484	DNW	DNW									
25968	USAA Casualty Insurance Company	486	486	486	534	583	631	456	456	56 50	2 54	7 593	486	486	486	486	583	631									
13056	RLI Insurance Company	556	561	567	618	731	786	472		82 52			556	561	567	572	731	786									
31348	Crum & Forster Indemnity Co	484		484	534	630	678	484		84 53			484	484	484	484	630	678									
19615	American Reliable Insurance Company	512		512	563	666	717	486		86 53			512	512	512	563	666	717									
18600	USAA General Indemnity Company	631		631	695	758	821	593		593 65			631	631	631	631	758	821									
21873	Fireman's Fund Insurance Company	968		968	968	1066	1066	910		910 9 <sup>4</sup>		02 1002		968	968	968	1066	-									
39500	Fireman's Fund Insurance Company of Hawaii	968		968	968	1066	1066			910 9 <sup>4</sup>				968	968	968	1066										
20281	Federal Insurance Company	1327				2256	2346			416 20					1240		1917										
20201	Pacific Indemnity Company	1327				2256	2340			416 20 416 20					1240		1917										
25623	The Phoenix Insurance Company	1500		1439	1650		2100			410 20 500 16					1500		1949										
25658	The Travelers Indemnity Company	1500				1949		1500		500 10 500 16		49 2100		1500				2100									
20000	The fravelers indemnity company	1500	1000	000	1000	1343	2100	1000	1000	10	55 15	10 2100	1300	1500	1500	1500	1343	2100									
DNW - Does	Not Write																										

#### DNW = Does Not Write

#### OAHU - SAMPLE HOMEOWNERS AND HURRICANE COMBINED PREMIUMS Assumptions and Dwelling Characteristics Same as Above NAIC Public Protection Class\* Public Protection Class\* Public Protection Class\* Insurance Company Co. Code 5 6 7 9 10 6 7 9 10 These sample premiums INCLUDE Hurricane coverage Hartford's Underwriters Insurance Company ~~~~ 1677 1752 <<<<< Bankers Standard Insurance Company

#### SAMPLE PREMIUM VS. YOUR CURRENT OR PROSPECTIVE HOMEOWNERS PREMIUM

The premium cost of your Homeowners insurance policy may be affected by, but not limited to, the following considerations: coverage limits, deductible levels, loss preventative devices (i.e. security system) and previous claims. Each insurance company may have unique rating factors associated with these risk classifications so your current or quoted premium could vary from these sample indications. Please contact your insurance agent to obtain quotes that account for your home's specific attributes and desired coverage provisions.

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