

The top mistakes to avoid when buying homeowners insurance.



Buying a home is a big decision. Choosing the right coverage to protect it is another one. Did you know there are common things homeowners overlook in their policies? Discover the top mistakes to avoid when buying homeowners insurance, so you can get the best protection and peace of mind.

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- 1. Going with the first carrier.** It can be tempting to go with the first call you make or the lowest premium you're offered. However, a policy that looks affordable now could cost much more if it does not fully cover a claim later. Research [carriers for reputability, reviews, and time in business](#) before deciding.
- 2. Insuring your home for its market value.** One of the biggest misconceptions homebuyers make is assuming their policy should match what their home would sell for. In reality, homeowners insurance is based on the cost to rebuild your property if something happened to it, not its potential listing price. Your policy should account for the rebuild price and be adjusted for [rising construction, labor, and material costs](#) so you're not left underinsured in the event of a loss.
- 3. Misunderstanding personal property value.** The cost of the items in your home should be accounted for in the coverage price, too, and items like furniture, electronics, clothing, and tools can add up quickly. Rather than guessing the estimated value of these items, inventory your belongings. [Keep receipts for large purchases](#), like electronics or appliances when possible.
- 4. Not knowing policy exclusions.** You don't want to be left surprised that a certain event isn't [covered by your policy](#). Take the time to review exclusions, ask questions, and avoid unexpected

surprises.

5. **Skipping liability coverage considerations.** Liability protection is a key part of homeowners insurance. Without adequate limits, you could be responsible for medical or legal costs if someone were injured on your property, like a delivery driver falling on your front walk or a child [getting injured on your backyard trampoline](#).
6. **Overlooking local risks.** Every location comes with unique risks, like [severe storms](#) or [water damage](#). Make sure you account for any hazards common to your area in the policy.
7. **Not updating your policy after updating your home.** As we mentioned before, your home insurance should reflect your home's rebuild value. So, if you've [completed any renovations, additions, or large home projects](#), it can increase your home's replacement cost. If your policy is not updated, your coverage may fall short of what it takes to rebuild.
8. **Not using discounts and bundling options.** Many insurers offer savings for safety features, like home security. Many also offer [savings for bundling multiple policies](#) through the same carrier. Ask about your additional savings options when exploring policies.
9. **Leaving questions unanswered.** Insurance policies are detailed for a reason. Failing to ask questions about limits, deductibles, or [claims processes](#) can lead to confusion and frustration down the road. Your [local, independent agent](#) is an insurance expert and true partner for that reason. They'll help you learn the ins and outs of your policy and what's truly right for you.

Knowing the top mistakes to avoid when buying homeowners insurance can help you pursue the right policy with the right protection ... something that can save both time and money down the road. Start a conversation about [homeowners insurance](#) today.

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