

15 Items that Impact the Cost of Homeowners Insurance

by John Kiernan on May 2, 2011

home-insurance-tips

No more than once a year, most people will repeat the insurance ritual. When it comes time to renew your homeowners insurance, you'll likely do one of the following:

1. Write a check and renew the policy.
2. Do some research to compare insurance rates.

Number two is the better choice as it helps you to be sure you are going to be getting the best insurance rates. Don't worry. It doesn't necessarily mean you'll be switching insurance companies every year or two. If you find a better rate, call your current insurance provider and let them try to match the rate.

Beyond doing a little research at the time of your renewal, are there any ways to reduce the cost of homeowners insurance?

Yes, there is still one often overlooked way to decrease your insurance rates. The best part is that this may even be something you can control or impact. You can do a household inventory to see if you can make any changes around your home. The following list of items may be impacting your insurance premiums.

1. **Age of the Home** – Over time things break, decay, and rust. The insurance company knows this, so the older your home is, the higher your premium will be (if age were the only variable).
2. **Distance from Emergency Services** – Houses that are closest to Fire Stations and fire hydrants receive a premium break compared to houses in the country that are miles away from the nearest emergency service.
3. **Pets** – If you have notoriously dangerous pets like a Pit Bull or Rottweiler, it is possible that your insurance will be affected. If you are the owner of a pet with a bad reputation then you should contact your insurance company. Otherwise, it is entirely possible that they will not cover any claims related to accidents involving the animal.
4. **House Size and Features** – Typically, the bigger your home, the more expensive it is to insure. In addition, if you use more expensive materials than your neighbor (i.e. the highest quality siding or roofing), then you should also expect that to increase your premiums.
5. **Deductible** – This one ought to come as no surprise. The more financial responsibility you, the homeowner, are willing to accept (higher deductible), the more the insurance company will be willing to reward you with lower rates. When renewing or purchasing homeowners insurance, simply ask what the premium would be if your deductible was \$500 more than the current amount. This way you can evaluate how valuable it would be to increase your deductible.
6. **Swimming Pool and Trampoline** – If you are considering putting a swimming pool on your property, a quick call to your insurance company will confirm that the presence of a pool usually increases your homeowners insurance rates. Some