

10 things every La Canada Resident needs to know about Insurance

1. How much does it cost to rebuild a home in La Canada?

According to 2 local builders, Chelsea Construction and Dave Paynter Construction, the cost to build a home in La Canada ranged from \$300 to \$400. However, they had both been involved in local home construction that was significantly more per square foot.

At no cost to the homeowner, all homes covered by the La Canada Protection Package are professionally inspected and an appraisal is presented to the homeowner. This information takes the guess work out of deciding how much is needed to insure a home and ensures that the home will be rebuilt to the original specifications in the event of a loss.

2. What happens if a home is underinsured?

All home insurance policies have a stipulation called co-insurance. If it is deemed you are underinsured, there is a co-insurance penalty. For instance, if there is a \$100,000 fire loss to a kitchen and the home is insured for \$500,000 but it should have been insured for \$1,000,000. The amount paid on the claim will be reduced by 50% or \$50,000.

3. How much can you get sued for?

Local attorney Ed Anderson said it is not uncommon for a claim to soar past the \$100,000 or \$300,000 mark. Recently a jury awarded \$1,300,000 to an accident victim in an accident that might not have been avoided. Juries typically look for deep pockets to award claims to the injured, it is imperative that you are properly insured.

4. How do you choose the proper umbrella to be adequately covered?

The rule of thumb is to add up all assets, including home equity, savings, investments and then round up to the next million. The cost per million declines when you purchase higher limits, the cost of a typical \$1,000,000 umbrella is less than \$300.00.

The La Canada Coverage proposal provides quotes for \$1,000,000 to \$10,000,000.

5. Check your deductible.

Many local residents have deductibles as low as \$500.00. It would not be prudent to turn in small claims and run the risk of being canceled. Plus, many companies offer discounts for higher deductibles and some companies waive the deductible all together if the claim is over \$50,000.

It is recommend too reduce the annual home insurance premium by carrying a higher deductible. The La Canada Protection Proposal outlines the various premiums associated with higher deductibles.

6. Try to keep all of your policies in one basket.

Strive to have all of your policies with one agent/company.

Receive deep discounts when combining home, auto and umbrella polices with one company. Plus, it reduces the chance of a gap in coverage between the policies with various companies.

And when all policies are with one agent, you only need to make one phone call to update your information.

7. Different polices have different limits on things such as Jewelry and fine art.

Standard polices will limit the amount of coverages on things such as jewelry and fine art coverage. However, there are more deluxe polices that will increase the amount from \$1,500 to \$5,000.

Another option is to purchase a rider on to increase the amount of coverage to \$25,000 on a blanket basis.

Finally, for larger items, schedule the items on a floater policy. This is the broadest form of coverage. The premium is based on the value of the items.

The Crescenta Valley Sheriff Station reports that although La Canada is a very safe city, the larger burglaries involve residential jewelry theft. It is suggested to protect your investment in jewelry with insurance and/or a mounted safe.

The deputies reported that there were over 60 residential burglaries in 2009. The larger losses tend to be the targeted item: Jewelry.

8. Do you need a Fair Plan policy?

There may be much better options than the having a Fair Plan policy and a wrap policy.

Some of the companies we represent are writing closer to the designated brush area than in the past.

Another option is to purchase a homeowners policy through Lloyds of London. You can receive more coverage for a lower premium.

9. Do you have coverage for back up of sewer or drains?

Most standard policies do not cover water back up of sewers or drains. However, deluxe policies will include the coverage anywhere from \$5,000 per claim up to the dwelling limit.

The La Canada Package policies include back up of sewer and drain coverage.

10. We recommend you to take the time to video the inside and outside of your home.

Be sure to open closets and drawers as you move through your home.

A video tour of the outside of your home showing construction materials, additions, windows and garage contents can help refresh your memory after a catastrophic loss.

Also, make sure to take the tape to a relative's home or an office away from the premises. Or use a digital recorder and store the video on multiple computers outside the home.