



IS YOUR HOME UNDERINSURED? ISSUES TO DISCUSS WITH YOUR BROKER

If you check "yes" on any of the issues below, we suggest contacting your independent insurance broker about the amount of coverage you have for your home and its contents. Two out of three homes in the country are underinsured. Discussing these questions will help determine if yours is one of them.

- | | YES | NO |
|--|--------------------------|--------------------------|
| 1. Did you use the purchase or market value of your home to set its value for insurance purposes?
Mortgage lenders often require insurance coverage based on the purchase price. But, the cost of rebuilding a home often differs significantly from the purchase price or market value. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Have you made any additions or improvements to your home or property since it was last appraised for insurance purposes?
Improvements such as adding or expanding a room, finishing a basement, or adding a porch or deck will increase the replacement cost of a home. Unfortunately, many homeowners forget to inform their broker or insurance company about such improvements. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To save on premium, did you lower the replacement cost used for the coverage limit on your home?
Doing so could leave you dangerously exposed, particularly in the event of a total loss. A better route to savings might be selecting a higher deductible or taking advantage of credits offered for protective devices (e.g., burglar alarm systems) that help homeowners avoid losses altogether. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Did you determine the square footage of your home by taking inside measurements or using a real estate ad?
Proper square-footage estimates are based on outside measurements. Real estate ads often use inside measurements, don't account for porches, or fail to make adjustments for special features like vaulted ceilings or bay windows. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Does your home have unique architectural details or building materials that are not reflected in a home appraisal by the insurance company?
A few examples of the details and materials are marble flooring, custom moldings, special tile or wood roofing, and special siding (redwood, etc.) | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Was the last insurance appraisal of your home conducted more than five years ago?
Construction costs have been rising faster than inflation in general. Periodic appraisals by the insurance company in addition to annual adjustments for inflation help make sure the coverage limits on your home are consistent with current reconstruction costs. | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Do you have valuables or possessions such as fine arts, jewelry or other collectibles that might exceed \$10,000 in total value?
While standard homeowners policies insure the contents of a home as well as its structure, the coverage limit for contents is typically set at a percentage of the structural replacement cost. It's easy to exceed standard contents limits when there is a collection of fine arts or jewelry. A separate valuables policy is often necessary to ensure adequate protection. | <input type="checkbox"/> | <input type="checkbox"/> |

Mennonite Mutual, which insures high-value homes, is represented by a select group of independent brokers in Saskatchewan. You can find a broker in your area by visiting www.mmfi.com and clicking on the "MMFI Brokers" link on the left-hand side.

Important Notice: This checklist alone cannot determine the proper amount of coverage for your home. Other factors not given in this list can also affect evaluation or replacement cost. An accurate evaluation and estimate of replacement cost can only be given when a qualified insurance professional conducts an appraisal of your home and its contents.