

# HOW TO SAVE MONEY ON INSURANCE



## DON'T LET A HOMEOWNERS POLICY "GATHER DUST."

Choose a homeowners policy that covers 100 percent of the replacement cost, not only market value. Unfortunately, in some areas, older homes have a market value that is substantially below the replacement cost. Don't be caught with an inadequate policy.

Review your policy every year and see if it needs to be updated to cover increases in your home's value, like completion of a major remodeling project. Building contractors or professional replacement-cost appraisers are good sources for obtaining an estimate for your home.



## BUY AND UPDATE RENTERS INSURANCE.

Renters insurance protects the valuables inside your home. If an incident occurs, such as a fire or flooding, a landlord's insurance will cover the building itself but not your own property. You should review the policy regularly to assure it reflects your current address and property.



## MANAGE YOUR CREDIT FOR THE LOWEST INSURANCE PREMIUM.

Insurance companies use your insurance score to determine how much your annual homeowners insurance will cost. An insurance score takes into account your outstanding debt, the length of your credit history, whether you pay your bills on a timely basis, your number of credit accounts and any new applications for credit. The best insurance scores are assigned to individuals with long, established credit histories, a track record of on-time bill payments, low debt and few new credit accounts.



## LOOK FOR WAYS TO LOWER AUTO INSURANCE COSTS.

Most auto insurance companies offer reduced rates to drivers with clean records. If you haven't had an accident in the last few years, check with your insurer and others to determine if your rate could be lowered.

Parents of children who drive know that adding their kids to the policy could push up the annual premium. But if your child successfully completed some driver-education courses, or earns good grades in school, alerting your insurance company could lower your auto insurance costs.



## PURCHASE LIFE INSURANCE.

Life insurance is a tough investment for many people, but if your income is essential to your family's day-to-day life, then planning for the ultimate unexpected occurrence could be the right thing to do.

**Working with a financial coach at a NeighborWorks organization can help you set a budget that will help you manage all of your insurance needs.. Find a NeighborWorks organization near you.**

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