

**The home insurance market has changed dramatically in recent years. Gone are the days when buyers could simply call their insurance broker or agent and arrange insurance for their new home, and do it on 24 hours notice.**

## **Honesty and Integrity**

Most real estate professionals in our province are members of the Ontario Real Estate Association (OREA) and only members of OREA can call themselves REALTORS®.

When you work with a REALTOR®, you can expect not only strict adherence to provincial laws, but also adherence to a Code of Ethics. That code assures you will receive the highest level of service, honesty and integrity.

## **Highest Professional Standards**

Before receiving a real estate registration, candidates must successfully complete an extensive course of study developed by OREA on behalf of the Real Estate Council of Ontario. Registrants must then article with an experienced broker for two years and complete three additional courses. All registrants must continue to attend courses throughout their careers in order to maintain their registration.



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# Home Insurance

What Consumers  
Need To Know



## Standards Are Tougher

When you apply for insurance, companies will look at both the home to be insured and the person applying for the insurance.

When looking at a home, insurance companies consider its age and condition, including the electrical system, plumbing, heating, oil tanks and structural components. They will also want to know if the home is owner occupied, rented or left vacant.

Insurance companies also look at the individual applying for insurance.

Individuals with a number of previous claims, policies that have been cancelled, declined or lapsed, a poor credit rating or convictions for insurance fraud may see their applications declined or a surcharge added to their premium.

## How Do I Find Affordable Home Insurance?

Buyers should work with their insurance broker to find an insurer that covers the type of property they are considering purchasing. Some insurance companies will underwrite only homes in certain geographic areas; others may not insure homes with underground oil tanks or homes that are over 50 years old.

## What to Do When Buying or Selling a Home?

Buyers should consider home insurance in their decision making process. Consider getting “pre-approved” for insurance, just as you would for a mortgage. Ask your broker to get a “claims report” on the home you plan to buy. Don't wait until the last minute. Buyers may consider working with their REALTOR® to make offers conditional on obtaining satisfactory home insurance. Buyers should arrange home insurance as soon as their offer is accepted.

Sellers can speed the sale of their home by obtaining a home inspection, which may highlight potential insurance issues. Sellers may wish to fix any problems in order to promote a faster sale at a better price.

## How to Save on Home Insurance

Many underwriters provide insurance discounts if you combine your home and auto insurance. Ask about these volume discounts. Buyers can also choose higher deductibles, which will often lower premiums. Enquire about discounts for centrally monitored burglar and fire alarm systems, claims free years and age discounts.

## Buying a home? Some questions your insurer may ask:

- Year Built
- Home Construction Type
- Roof Age
- Type of Electrical, Plumbing, Heating
- Proximity to Fire Hydrant/Hall
- Multiple Family Occupancy
- Primary/Secondary Residence
- Your Insurance History

For more detailed information visit [www.orea.com](http://www.orea.com).

## Want More Information?

The Insurance Bureau of Canada operates a consumer information centre at 1-800-387-2880 and a website at [www.ibc.ca](http://www.ibc.ca).

The Insurance Brokers Association of Ontario also has a helpful website at [www.ibao.org](http://www.ibao.org)

