



John Darr IV, Agent

Homeowners Insurance Policies

Homeowners insurance helps pay to repair or rebuild your home and replace personal property due to a covered loss. Although Florida law does not require homeowners insurance, lenders typically require full coverage for mortgaged homes and a policy must be in place prior to closing. Unfortunately, it is common for buyers of real estate to wait until the last minute to shop for and/or purchase homeowners insurance. This can result in a delay of the closing if there are any issues encountered during the underwriting process. Here are four typical scenarios that can delay issuance of a policy:

- Homes over 30-years old: Insurance carriers may require that a “Four Point Inspection” be performed to determine potential liability associated with aging HVAC (Heating, Ventilation and Air Conditioning), Electrical, Plumbing, and Roof systems;
- Roofs over 15-years old: Insurance carriers may require that a Uniform Mitigation Verification Inspection Form be completed to verify that the roof structure complies with the more stringent requirements of today’s building codes;
- Foreclosures and short sales: Insurance carriers may require additional inspections to document the condition of short sale and bank owned properties; and
- Sink holes: Insurance carriers may require geotechnical evaluations and additional inspections if a property has been involved in a sinkhole claim.

Try to purchase a homeowners insurance policy as soon as the contract to purchase a home is executed. Providing a 2 – 3 week lead time will allow for your agent to find the most comprehensive and competitively priced insurance. There should not be out-of-pocket expenses associated with the policy because a binder can be issued with the payment delayed until closing. Remember that insurance coverage can vary substantially and not all carriers have equal capacity. Janie Boyd Real Estate works closely with local insurance agencies, and can recommend the right professional to guide you through the homeowners insurance process.

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5200 - B Newberry Road, Gainesville, FL 32607

Telephone 352-338-0552 • Fax 352-376-5741

www.DarrSchackowInsurance.com