

About this guide

This guide provides price comparisons on three types of homeowners policies: 1) HO-3, homeowners insurance for owner-occupied dwellings to insure the dwelling, personal property and general liability of the owner, 2) HO-4, renters insurance covering the personal property and liability of tenants, and 3) HO-6, condominium unit owners insurance designed to cover personal property and liability, the interior portion of the condominium, and loss of use.

The figures quoted in this guide were drawn from a 2001 survey of insurance companies that write homeowners insurance products in Colorado. The list of companies included in the guide, however, is not all-inclusive and is not meant to be an endorsement of any one company. Consumers are encouraged to shop around for prices and service. The companies quoted in this guide were asked to provide annual premium quotes for policies with the following limits:

Homeowner Insurance *

Dwelling Replacement Cost	\$200,000
Deductible	250
Contents Replacement	160,000
Personal Liability	100,000
Medical Expense	1,000

Renters Insurance

Deductible	\$ 250
Contents Replacement	40,000
Personal Liability	100,000
Medical Expense	1,000

Condominium Unit Owners Insurance *

Deductible	\$ 250
Contents Replacement	80,000
Personal Liability	100,000
Medical Expense	1,000

* For a 10-year old structure, equipped with dead-bolt locks and smoke/fire detectors, within 5 miles of a fire station and within 1,000 feet of a fire hydrant.

Homeowners Insurance

A homeowners insurance policy (HO-3) can provide comprehensive protection against damages to a house and its contents. Covered perils include hail, fire, windstorm, vandalism and theft. Your policy can also provide liability coverage for injury to others or damage to the property of others that you or a member of your family might cause.

Consumers should have a minimum coverage of at least 80 percent of the replacement costs of their home. With replacement cost coverage, no reduction is made for depreciation and losses are settled for the full cost of repair or replacement, subject to policy limits and the applicable deductible. Eighty percent is the minimum coverage usually required by companies providing replacement cost coverage, though some use 90 or 100 percent as the cutoff point. Typically, if you carry insurance equal or greater than 80 percent of the replacement cost and your home is partially destroyed, your company will reimburse you for the full cost of repairs, provided it does not exceed the face amount of the policy. This can be helpful in the event of a partial loss, which is the kind of loss most people incur. If you do not insure to 80 percent, your loss may be settled for significantly less than replacement cost.

Consumer Tips

- First, shop around. This guide illustrates that prices for identical coverage can vary greatly among insurers. Talk to several agents before purchasing.
- Read your policy. Pay special attention to the exclusions.
- Take the highest deductible you can afford. While a \$250 deductible is generally standard, a higher deductible can save money on premiums.
- Ask your company or agent if you are eligible for any discounts. Many companies provide a discount if you install a smoke detector or burglar alarm system.
- Purchase replacement cost coverage for your home rather than actual cash value. The cost difference is small.

NOVEMBER 2001

Homeowners Insurance Premium Comparison

A SURVEY OF COSTS FOR
HOMEOWNERS, RENTERS AND
CONDOMINIUM UNIT INSURANCE



A publication of the
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Colorado Homeowners Insurance

2001 Premium Survey

Company	Mkt Share ¹	<u>Frame</u>				<u>Masonry</u>			
		Denver	Pueblo	Junction	Ft. Collins	Denver	Pueblo	Junction	Ft. Collins
Homeowners Ins (HO-3 Policy Forms):									
Alliance Ins Co	0.23%	765	899	366	612	727	856	350	584
Allied Property & Casualty Ins Co	0.15%	780	892	376	566	726	828	350	526
Allstate Indemnity Co	0.22%	1,081	1,270	749	898	1,032	1,211	718	857
AMCO Ins Co	0.24%	821	938	395	595	764	871	368	554
American Family Mutual Ins Co	1.91%	1,099	1,147	620	832	1,014	1,058	574	768
American National P & C Co	0.57%	1,013	906	541	733	952	837	487	679
Amica Mutual Ins Co	0.47%	1,092	1,014	573	671	1,092	1,014	573	671
Armed Forces Ins Exchange	0.18%	884	1,096	637	747	845	1,046	609	782
Associated Indemnity Corp	0.10%	1,332	1,059	800	1,059	1,204	957	723	957
Automobile Ins Co of Hartford CT	0.33%	939	980	408	627	856	896	372	572
Colo Farm Bureau Mutual Ins Co	0.74%	1,329	1,193	662	833	1,221	1,095	597	769
Country Mutual Ins Co	0.62%	1,573	1,625	678	811	1,449	1,497	626	748
Economy Premier Assurance Co	0.32%	1,121	1,262	455	700	1,009	1,136	410	630
Employers' Fire Ins Co	0.58%	1,565	1,558	542	1,107	1,565	1,558	542	1,107
Farmers Alliance Mutual Ins Co	0.11%	939	1,094	458	753	899	1,045	441	722
Farmers Ins Exchange	0.57%	1,058	1,431	789	876	992	1,339	742	823
Federal Ins Co	0.59%	1,129	1,135	738	1,135	1,129	1,135	738	1,135
Fidelity and Guaranty Ins Co	0.23%	1,064	1,114	450	995	1,012	1,060	429	946
Fire Ins Exchange ²	2.90%	993	1,365	711	801	925	1,271	662	746
Glens Falls Ins Co ³	1.10%	1,345	1,263	535	893	1,272	1,195	508	846
Grange Ins Association	0.16%	860	1,018	613	783	860	938	613	783
Great Northern Ins Co ⁴	1.19%	813	819	536	819	813	819	536	819
Hartford Underwriters Ins Co	2.13%	1,149	1,142	572	754	1,082	1,077	541	710
Horace Mann Ins Co	0.19%	1,296	1,330	625	844	1,191	1,222	577	776
Liberty Mutual Fire Ins Co	0.80%	1,283	1,322	705	1,204	1,201	1,225	646	1,117
Metropolitan P & C Ins Co	0.14%	1,468	1,542	753	1,053	1,401	1,470	721	1,006
National Farmers Union P & C Co	0.35%	1,136	1,447	529	876	1,058	1,332	467	783
Nationwide Mutual Ins Co	0.10%	1,135	1,130	592	717	1,049	1,044	547	663
Ohio Casualty Ins Co	0.13%	1,161	1,367	606	917	1,048	1,233	548	827
Prudential P & C Ins Co ⁵	0.48%	915	877	448	621	863	826	423	586
SAFECO Ins Co of America ⁶	2.66%	1,020	970	416	613	841	895	390	569
Shelter Mutual Ins Co	0.56%	903	791	476	569	842	730	420	525
Standard Fire Ins Co	2.63%	999	1,043	434	667	911	953	396	609
State Farm Fire & Casualty Co	20.09%	1,232	1,304	651	795	1,139	1,205	601	735
Teachers Ins Co	0.20%	1,134	1,358	492	808	1,042	1,249	455	744
Union Insurance Co	0.22%	1,163	1,127	441	740	1,105	1,071	420	705
United Services Auto Assoc ⁷	7.86%	757	794	384	641	723	757	368	613
United States Fidelity & Guaranty	0.12%	1,260	1,326	566	1,189	1,198	1,260	538	1,130
USAA Casualty Ins Co ⁷	0.34%	784	821	396	662	723	784	368	613
Vigilant Ins Co ⁴	0.42%	873	877	574	877	873	877	574	877
West American Ins Co	0.62%	1,057	1,245	553	836	954	1,123	500	754
Median Premium		1,081	1,130	553	801	1,012	1,060	538	748

Company	Mkt Share ¹	<u>Frame</u>				<u>Masonry</u>			
		Denver	Pueblo	Junction	Ft. Collins	Denver	Pueblo	Junction	Ft. Collins
Renters Ins (HO-4 Policy Forms):									
Allstate Indemnity Co	0.05%	169	141	141	145	169	141	141	145
American Family Mutual Ins Co	0.49%	316	261	178	178	316	261	178	178
American National P & C Co	0.02%	266	212	186	200	266	212	186	200
Amica Mutual Ins Co	0.02%	231	173	175	173	209	156	158	156
Colo Farm Bureau Mutual Ins Co	0.02%	303	267	231	227	276	245	212	206
Economy Premier Assurance Co	0.02%	289	227	217	227	289	227	217	227
Farmers Ins Exchange	0.01%	167	137	120	113	167	137	120	113
Fire Ins Exchange	0.39%	159	130	114	107	159	130	114	107
Glens Falls Ins Co ³	0.03%	276	251	214	263	276	251	214	263
Great Northern Ins Co ⁴	0.02%	189	165	180	165	189	165	180	165
Hartford Underwriters Ins Co	0.04%	349	285	330	285	315	257	296	257
Liberty Mutual Fire Ins Co	0.02%	193	154	137	154	193	154	137	154
Prudential P & C Ins Co	0.02%	204	183	156	164	204	183	156	164
SAFECO Ins Co of America ⁶	0.09%	188	188	188	188	188	188	188	188
Shelter Mutual Ins Co	0.02%	209	162	176	162	209	162	176	162
Standard Fire Ins Co	0.10%	295	230	230	230	282	219	219	219
State Farm Fire & Casualty Co	1.10%	208	172	144	154	208	172	144	154
Median Premium		209	183	178	173	209	183	178	165
Condominium Ins (HO-6 Policy Forms):									
AMCO Ins Co	0.03%	203	176	173	171	195	170	165	164
American Family Mutual Ins Co	0.22%	297	193	209	193	297	193	209	193
American National P & C Co	0.02%	351	284	247	271	351	284	247	271
Amica Mutual Ins Co	0.02%	279	208	212	208	252	188	190	188
Country Mutual Ins Co	0.02%	376	288	248	229	376	288	248	229
Federal Ins Co	0.09%	386	335	367	335	386	335	367	335
Fire Ins Exchange ²	0.42%	155	129	111	107	155	129	111	107
Fireman's Fund Ins Co ^{4, 8}	0.06%	427	335	372	335	427	335	372	335
Glens Falls Ins Co ³	0.04%	303	273	231	289	303	273	231	289
Great Northern Ins Co ⁴	0.09%	305	266	292	266	305	266	292	266
Hartford Underwriters Ins Co	0.11%	445	362	416	362	399	326	376	326
Liberty Mutual Fire Ins Co	0.03%	243	197	175	197	243	197	175	197
Prudential P & C Ins Co ⁵	0.02%	235	211	180	190	235	211	180	190
SAFECO Ins Co of America	0.09%	208	208	208	208	208	208	208	208
Standard Fire Ins Co	0.06%	170	139	126	139	163	134	120	134
State Farm Fire & Casualty Co	0.95%	280	230	192	206	280	230	192	206
United Services Auto Assoc ⁵	0.14%	129	135	58	105	115	122	52	95
USAA Casualty Ins Co ⁵	0.10%	152	160	69	126	138	144	62	113
Vigilant Ins Co ⁴	0.04%	328	287	312	287	328	287	312	287
Median Premium		280	211	209	208	280	211	208	206

Footnotes:

(1) Market share figures are each company's residential homeowners, renters, condominiums or other markets written premium divided by the total direct written premium for all Colorado companies writing residential homeowners, renters, condominiums and other markets.

(2) Protective Devices discount was applied to all examples.

(3) \$5,000 Medical Expense Coverage.

(4) \$10,000 Medical Expense Coverage.

(5) A mandatory 2% wind/hail deductible is included.

(6) \$500 Base deductible and contents replacement cost is 75% of dwelling coverage.

(7) United Services Auto Assoc and USAA Casualty Ins Co coverage is generally available only to current, retired and former US military personnel and their dependents.

(8) Base rates include \$300,000 for Personal Liability.