

A Consumer's Guide to Homeowner's Insurance in the State of Hawaii

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GENERAL INFORMATION

Homeowner's insurance is not required by law in Hawaii. Your lender, however, may require insurance on your home for the duration of your mortgage. Homeowner's insurance provides protection for your dwelling, personal property, and on-site buildings if damaged or destroyed by a covered peril. Perils are events (i.e. fire and explosion) which cause damage to property. Aside from property coverage for your home and outbuildings, each policy usually contains four additional coverages: personal property, additional living expenses, personal liability, and medical payments.

This guide provides a general overview of homeowner's insurance in Hawaii and is not intended to replace reviewing your policy. Keep in mind, insurers may have varying definitions of policy language and charge different rates for the same coverage. We encourage you to review your policy with your insurance agent to ensure your current provisions best suit your coverage needs.

TYPES OF HOMEOWNER'S INSURANCE POLICY FORMS

While coverage descriptions may vary, most insurers use one or more of the following policy forms. Comprehensive Form (HO-5), not listed, provides the broadest coverage but is uncommon.

HOMEOWNER'S POLICY FORMS			RENTER'S POLICY FORM	UNIT-OWNER'S POLICY FORM
BASIC FORM (HO-1)	BROAD FORM (HO-2)	SPECIAL FORM (HO-3)	CONTENTS BROAD FORM (HO-4)	CONDO OWNERS FORM (HO-6)
Named peril coverage: fire, lightning, windstorm excluding hurricane, hail, explosion, vandalism or malicious mischief, damage by vehicles, aircraft and riots. Since few homeowners select this limited policy, many insurers no longer offer Form HO-1.	In addition to the Basic Form (HO-1) coverages, this form also insures a home and personal property for collapse or damage from falling trees and other objects, and (under certain conditions) from steam and water damage.	Open peril coverage excluding the following: flood, surface water, sewer backups, tidal waves, earthquakes, landslides, war, nuclear radiation, and hurricane. Personal property only covered for the same perils as the Broad Form (HO-2).	This policy provides renters personal property protection against the same perils as the Broad Form (HO-2) and includes personal liability protection. Unlike the other policy forms, the renter's HO-4 form only incorporates coverages C through F.	This condominium and townhouse unit owners form offers coverage for personal property and interior finishes. The condo association typically purchases a separate policy that covers the building (including common walls and grounds) and associated liability.
>>>>>>>>>>> Generally, as coverage increases so does your premium >>>>>>>>>>				

POLICY COVERAGES

Every homeowner's policy (except for HO-4) includes the following six coverages. If your policy's standard coverage is inadequate, endorsements may offer specialized coverage to meet your needs.

Section I	Coverage A: Covers main house damage. The coverage limit is typically set at or near the replacement cost of the home. For Condo Unit-Owners (HO-6), limit usually the declared value by insured.
	Coverage B: Covers damage to other structures on the lot, such as detached garages/carports and storage sheds.
	Coverage C: Covers damage to or loss of personal property.
	Coverage D: Covers additional living expenses (incurred by the insured) to continue the "normal" standard of living when the house cannot be occupied due to a covered loss.
Section II	Coverage E: Covers personal liability exposures. Protects against a claim/lawsuit resulting from (non-auto & non-business) bodily injury or property damage to others caused by your negligence.
	Coverage F: Regardless of who is at fault, this coverage pays for reasonable medical expenses for persons (other than you or residing family members) accidentally injured on your property.

TYPES OF VALUATION

Replacement cost is the amount necessary to replace, rebuild, or repair your home/property without deducting for depreciation. Depreciation is the decrease in an asset's value due to age, obsolescence, and/or "wear and tear." Many insurers require policyholders to insure their homes for at least 80% of its replacement value.

Actual cash value (ACV) is the cost to replace, rebuild, or repair your home/property after deducting for depreciation. Most homeowner policies cover personal property on an ACV basis.

PREMIUM DEVELOPMENT CONSIDERATIONS (VARIES BY INSURER)

Your premium may be based on, but not limited to, the following factors: type of construction, loss prevention devices, public protection class, deductible level, amount of insurance, and policy form.

BUYING INSURANCE FOR YOUR HOME

The key to insurance comparison shopping is identifying your desired deductible levels, coverage limits and provisions before getting premium quotes. Once your ideal policy parameters are selected, the quotes you receive should be on an "apples to apples" comparative basis. After obtaining multiple premium quotes, your personal preference dictates the importance of the following considerations: premium cost, service and financial stability. Generally, financial ratings from reputable sources (i.e. A.M. Best and Moody's) indicate an insurance company's financial "health" and ability to pay claims.

Note: if your agent only represents one insurance company, you may need to contact an independent agent to obtain competing quotes.

SAMPLE ANNUAL CONDOMINIUM UNIT-OWNERS INSURANCE PREMIUMS - OAHU



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison of licensed insurance companies transacting Homeowners insurance in Hawaii as part of our continuing effort to assist and educate consumers.

OAHU - SAMPLE ANNUAL CONDO UNIT-OWNERS PREMIUMS

HO POLICY (HO-6) ASSUMPTIONS		BUILDING CHARACTERISTICS					
Contents/Int.: \$100,000 D: 40% of Coverage C Deductible: \$500		Year Built: 1972	2003		2003		
Rates effective as of December 1, 2014		Construction: Wood (Single-wall)	Wood (Double-wall)		Masonry (CMU)		
		Roof: Hip, asphalt shingle	Hip, asphalt shingle		Flat, torched membrane		
		Elevation: 15' above sea-level	15' above sea-level		15' above sea-level		
		Add'l Factors: Primary residence	Primary residence		Primary residence		
		No claims in 5 yrs.	No claims in 5 yrs.		No claims in 5 yrs.		

NAIC Co. Code	Insurance Company	Public Protection Class*		Public Protection Class*		Public Protection Class*	
		3	10	3	10	3	10
25968	USAA Casualty Insurance Company	68	63	68	63	68	63
18600	USAA General Indemnity Company	68	63	68	63	68	63
25941	United Services Automobile Association	89	82	89	82	89	82
15598	Interinsurance Exchange of the Automobile Club	112	126	112	126	105	119
10938	First Security Insurance of Hawaii, Inc.	150	297	150	297	150	189
41742	First Insurance Company of Hawaii, Ltd.	150	150	150	150	150	150
12873	Privilege Underwriters Reciprocal Exchange	156	390	156	390	140	351
10340	Stonington Insurance Company	195	DNW	182	DNW	181	DNW
23035	Liberty Mutual Fire Ins Co	196	222	196	222	196	222
37265	DTRIC Insurance Company, Limited	198	397	198	397	180	298
26298	Metropolitan Property & Casualty Insurance Company	207	290	207	290	207	290
11689	Island Premier Insurance Company, Ltd.	217	436	217	436	196	327
25180	Stillwater Insurance Company	224	249	224	249	224	249
29068	IDS Property Casualty Insurance	226	257	226	257	226	257
10861	Universal Property & Casualty Insurance Company	230	469	230	469	206	352
41734	First Indemnity Insurance of Hawaii, Inc.	231	470	231	470	175	299
41726	First Fire and Casualty Insurance of Hawaii	231	470	231	470	175	299
22853	Tradewind Insurance Company, Limited	243	488	243	488	220	365
19232	Allstate Insurance Company	245	281	245	281	245	281
21105	North River Insurance Co.	256	460	256	460	231	358
10805	American Pacific Insurance Company	263	537	263	537	235	404
22845	Island Insurance Company, Limited	288	574	288	574	258	433
12502	Dongbu Insurance Company, Ltd.	290	586	290	586	260	440
10759	Universal North America Insurance Company	294	DNW	294	DNW	269	DNW
21113	United States Fire Insurance Co	295	529	295	529	266	442
19615	American Reliable Insurance Company	336	672	303	504	303	504
25143	State Farm Fire and Casualty Company	306	339	306	339	306	339
12767	Hawaiian Insurance and Guaranty Company Limited	333	597	333	597	305	465
28487	Farmers Insurance Hawaii, Inc.	386	787	386	787	348	590
13056	RLI Insurance Company	471	960	471	960	423	722
31348	Crum & Forster Indemnity Co	524	937	524	937	473	785
21873	Fireman's Fund Insurance Company	590	1061	590	1061	530	889
20281	Federal Insurance Company	864	1627	864	1627	864	1627
20346	Pacific Indemnity Company	864	1627	864	1627	864	1627
25623	The Phoenix Insurance Company	1106	2212	1106	2212	997	1660
25658	The Travelers Indemnity Company	1106	2212	1106	2212	997	1660

DNW = Does Not Write

OAHU - SAMPLE ANNUAL CONDO UNIT-OWNERS HURRICANE PREMIUMS

Hurricane insurance supplements your homeowner's policy by covering property damage due to hurricanes. For information about homeowner's hurricane insurance, please visit www.hawaii.gov/dcca/ins/hurricane-insurance.html

HURRICANE POLICY		BUILDING CHARACTERISTICS (same as CONDO OWNERS)			
Contents/Interior: \$100,000 Deductible: DED (below)		Construction: Wood (Single-wall)	Wood (Double-wall)	Masonry (CMU)	
Rates effective as of December 1, 2014		Wind R Devices: R = Resistive	None	Hurricane roof clips	Hurricane roof clips
			Foundation anchors		

NAIC Co. Code	Insurance Company	PPC	Premium (\$)	Premium (\$)	Premium (\$)
25941	United Services Automobile Association	2%	29	20	19
25968	USAA Casualty Insurance Company	2%	54	37	37
18600	USAA General Indemnity Company	2%	54	37	37
10861	Universal Property & Casualty Insurance Compa	2%	87	66	38
15598	Interinsurance Exchange of the Automobile Club	2%	165	78	61
25180	Stillwater Insurance Company	2%	95	95	40
12873	Privilege Underwriters Reciprocal Exchange	2%	421	100	179
10799	GeoVera Insurance Company	2%	119	100	100
10340	Stonington Insurance Company	2%	243	105	78
11932	White Pine Insurance Company	2%	245	110	110
11026	Zephyr Insurance Company	2%	532	115	133
12573	Centauri Specialty Insurance Company	2%	524	123	165
12502	Dongbu Insurance Company, Ltd.	2%	320	139	125
25143	State Farm Fire and Casualty Company	2%	194	194	171
25623	The Phoenix Insurance Company	2%	200	200	200
25658	The Travelers Indemnity Company	2%	200	200	200
12767	Hawaiian Insurance and Guaranty Company Lim	2%	343	230	166
29068	IDS Property Casualty Insurance	5%	251	251	133
37273	Axis Insurance Company	2%	466	285	190
19615	American Reliable Insurance Company	2%	292	292	292
13056	RLI Insurance Company	2%	392	333	338

OAHU - SAMPLE CONDO UNIT-OWNERS WITH HURRICANE COVERAGE INCLUDED

Assumptions and Dwelling Characteristics Same as Above							
NAIC Co. Code	Insurance Company	Public Protection Class*		Public Protection Class*		Public Protection Class*	
		3	10	3	10	3	10
30104	Hartford Underwriters Insurance Company	585	1054	585	1054	527	884
18279	Bankers Standard Insurance Company	839	1677	839	1677	755	1467

These sample premiums INCLUDE Hurricane coverage

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SAMPLE PREMIUM VS. YOUR CURRENT OR PROSPECTIVE CONDOMINIUM UNIT-OWNERS PREMIUM

Your Condominium insurance premium may be affected by, but not limited to, the following considerations: coverage limits, deductible levels, loss preventative devices (i.e. security system) and previous claims. Each insurer may have unique rating factors associated with these risk classifications so your current or quoted premium could vary from these sample indications. Please contact your agent to obtain quotes that account for your home's specific attributes and desired coverage provisions.

*WHAT IS A PUBLIC PROTECTION CLASSIFICATION?

Public Protection Classification (PPC) is a rating criterion that measures a community's fire protection capabilities. PPC community grading is based on Fire Department characteristics, available water supply, and communication system. The majority of Oahu properties are classified as a **PPC 3**. If you live in Tantalus or Waialua, please contact your agent to verify your property's classification. Generally, dwellings located more than 5 road miles from a recognized fire station and 1000 feet from a 4" hydrant are a PPC 10.

SAMPLE ANNUAL CONDOMINIUM UNIT-OWNERS INSURANCE PREMIUMS - NEIGHBOR ISLAND



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison of licensed insurance companies transacting Homeowners insurance in Hawaii as part of our continuing effort to assist and educate consumers.

NEIGHBOR ISLAND - SAMPLE ANNUAL CONDO UNIT-OWNERS PREMIUMS

CONDO OWNERS POLICY (HO-6) ASSUMPTIONS		BUILDING CHARACTERISTIC ASSUMPTIONS																	
Contents/Int.: \$100,000 D: 40% Deductible: \$500 Rates effective as of December 1, 2014		Year Built: 1972 Elevation: 15' above sea-level Construction: Wood (Single-wall) Roof: Hip, asphalt shingle Add'l: Primary residence, no claims in 5 yrs.						Year Built: 2003 Elevation: 15' above sea-level Construction: Wood (Double-wall) Roof: Hip, asphalt shingle Add'l: Primary residence, no claims in 5 yrs.						Year Built: 2003 Elevation: 15' above sea-level Construction: Masonry (CMU) Roof: Flat, torched membrane Add'l: Primary residence, no claims in 5 yrs.					
NAIC Co. Code	Insurance Company	Public Protection Class*						Public Protection Class*						Public Protection Class*					
		4	5	6	7	9	10	4	5	6	7	9	10	4	5	6	7	9	10
25968	USAA Casualty Insurance Company	56	56	56	56	54	54	56	56	56	56	54	54	56	56	56	56	54	54
18600	USAA General Indemnity Company	56	56	56	56	54	54	56	56	56	56	54	54	56	56	56	56	54	54
25941	United Services Automobile Association	69	69	69	69	66	66	69	69	69	69	66	66	69	69	69	69	66	66
15598	Interinsurance Exchange of the Automobile Club	114	118	118	119	126	126	114	118	118	119	126	126	108	112	112	112	119	119
10938	First Security Insurance of Hawaii, Inc.	150	150	150	179	238	297	150	150	150	179	238	297	150	150	150	150	164	189
41742	First Insurance Company of Hawaii, Ltd.	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
12873	Privilege Underwriters Reciprocal Exchange	156	156	156	203	234	390	156	156	156	203	234	390	140	140	140	183	211	351
10340	Stonington Insurance Company	195	195	195	195	DNW	DNW	182	182	182	182	DNW	DNW	181	181	181	181	DNW	DNW
23035	Liberty Mutual Fire Ins Co	196	204	204	212	222	222	196	204	204	212	222	222	196	204	204	212	222	222
37265	DTRIC Insurance Company, Limited	198	198	198	198	317	397	198	198	198	198	317	397	180	180	180	180	257	298
11689	ISLAND Premier Insurance Company, Ltd.	217	217	217	261	348	436	217	217	217	261	348	436	196	196	196	196	284	327
26298	Metropolitan Property & Casualty Insurance Company	218	238	238	247	267	290	218	238	238	247	267	290	218	238	238	247	267	290
25180	Stillwater Insurance Company	224	224	224	224	249	249	224	224	224	224	249	249	224	224	224	224	249	249
29068	IDS Property Casualty Insurance	226	235	235	248	257	257	226	235	235	248	257	257	226	235	235	248	257	257
10861	Universal Property & Casualty Insurance Company	232	234	237	281	375	469	232	234	237	281	375	469	209	211	213	216	305	352
41734	First Indemnity Insurance of Hawaii, Inc.	233	235	237	283	376	470	233	235	237	283	376	470	177	179	181	183	259	299
41726	First Fire and Casualty Insurance of Hawaii	233	235	237	283	376	470	233	235	237	283	376	470	177	179	181	183	259	299
22853	Tradewind Insurance Company, Limited	243	243	243	292	388	488	243	243	243	292	388	488	220	220	220	220	316	365
19232	Allstate Insurance Company	252	261	263	264	281	281	252	261	263	264	281	281	252	261	263	264	281	281
21105	North River Insurance Co.	256	256	256	256	371	460	256	256	256	256	371	460	231	231	231	231	333	385
10805	American Pacific Insurance Company	266	269	271	322	430	537	266	269	271	322	430	537	238	243	246	249	350	404
22845	Island Insurance Company, Limited	288	288	288	345	458	574	288	288	288	345	458	574	258	258	258	258	374	433
12502	Dongbu Insurance Company, Ltd.	292	295	297	353	471	586	292	295	297	353	471	586	262	265	268	275	383	440
10759	Universal North America Insurance Company	294	294	294	342	440	DNW	294	294	294	342	440	DNW	269	269	269	269	367	DNW
21113	United States Fire Insurance Co	295	295	295	295	428	529	295	295	295	295	428	529	266	266	266	266	383	442
19615	American Reliable Insurance Company	336	336	336	403	538	672	303	303	303	303	437	504	303	303	303	303	437	504
25143	State Farm Fire and Casualty Company	306	318	318	323	339	339	306	318	318	323	339	339	306	318	318	323	339	339
12767	Hawaiian Insurance and Guaranty Company Limited	333	333	333	385	492	597	333	333	333	385	492	597	305	305	305	305	411	465
28487	Farmers Insurance Hawaii, Inc.	389	394	399	473	629	787	389	394	399	473	629	787	350	355	358	363	511	590
13056	RLI Insurance Company	474	481	485	577	767	960	474	481	485	577	767	960	427	432	437	440	624	722
31348	Crum & Forster Indemnity Co	524	524	524	524	756	937	524	524	524	524	756	937	473	473	473	473	679	785
21873	Fireman's Fund Insurance Company	590	590	590	590	860	1061	590	590	590	590	860	1061	530	530	530	530	770	889
20281	Federal Insurance Company	864	864	864	864	1147	1627	864	864	864	864	1147	1627	864	864	864	864	1147	1627
20346	Pacific Indemnity Company	864	864	864	864	1147	1627	864	864	864	864	1147	1627	864	864	864	864	1147	1627
25623	The Phoenix Insurance Company	1106	1106	1106	1328	1770	2212	1106	1106	1106	1328	1770	2212	997	997	997	997	1439	1660
25658	The Travelers Indemnity Company	1106	1106	1106	1328	1770	2212	1106	1106	1106	1328	1770	2212	997	997	997	997	1439	1660

DNW = Does Not Write

NEIGHBOR ISLAND - SAMPLE ANNUAL HURRICANE PREMIUM

Hurricane insurance supplements your homeowner's policy by covering property damage due to hurricanes. For information about homeowner's hurricane insurance, please visit www.hawaii.gov/dcca/ins/hurricane-insurance.html

HURRICANE POLICY ASSUMPTIONS		BUILDING CHARACTERISTICS (same as HOMEOWNERS)			
Contents/Interior: \$100,000 Deductible: DED (below) Rates effective as of: 12/1/2014		Construction: Wind R Devices: R = Resistive	Wood (Single-wall) None	Wood (Double-wall) Hurricane roof clips Foundation anchors	Masonry (CMU) Hurricane roof clips
NAIC Co. Code	Insurance Company	Rate	Premium (\$)	Premium (\$)	Premium (\$)
25941	United Services Automobile Association	2%	22	15	15
10861	Universal Property & Casualty Insurance Company	2%	87	66	38
15598	Interinsurance Exchange of the Automobile Club	2%	165	78	61
25180	Stillwater Insurance Company	2%	95	95	40
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10799	GeoVera Insurance Company	2%	119	100	100
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11932	White Pine Insurance Company	2%	245	110	110
11026	Zephyr Insurance Company	2%	532	115	133
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18600	USAA General Indemnity Company	2%	169	118	115
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37273	Axis Insurance Company	2%	466	285	190
19615	American Reliable Insurance Company	2%	292	292	292
13056	RLI Insurance Company	2%	392	333	338

OAHU - SAMPLE CONDO UNIT-OWNERS WITH HURRICANE COVERAGE INCLUDED

Assumptions and Dwelling Characteristics Same as Above		Public Protection Class*																		
NAIC Co. Code	Insurance Company	Public Protection Class*						Public Protection Class*						Public Protection Class*						These sample premiums INCLUDE Hurricane coverage
		4	5	6	7	9	10	4	5	6	7	9	10	4	5	6	7	9	10	
30104	Hartford Underwriters Insurance Company	585	585	585	585	855	1054	585	585	585	585	855	1054	527	527	527	527	761	884	<<<<<<
18279	Bankers Standard Insurance Company	839	839	839	1006	1342	1677	839	839	839	1006	1342	1677	755	755	755	923	1216	1467	<<<<<<

SAMPLE PREMIUM VS. YOUR CURRENT OR PROSPECTIVE HOMEOWNERS PREMIUM

The premium cost of your Condominium insurance policy may be affected by, but not limited to, the following considerations: coverage limits, deductible levels, loss preventative devices (i.e. security system) and previous claims. Each insurance company may have unique rating factors associated with these risk classifications so your current or quoted premium could vary from these sample indications. Please contact your insurance agent to obtain quotes that account for your home's specific attributes and desired coverage provisions.

*WHAT IS A PUBLIC PROTECTION CLASSIFICATION?

Public Protection Classification (PPC) is a rating criterion that measures a community's fire protection capabilities. PPC community grading is based on Fire Department characteristics, available water supply, and communication system. Generally, dwellings located more than 5 road miles from a recognized fire station and 1000 feet from a 4" hydrant are a PPC 10. For the neighbor islands, PPC grades vary by island and community. Please contact your insurance agent to obtain the PPC associated with your property location.