

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

Insurance Division, State of Hawaii
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 213
Honolulu, Hawaii 96813
Phone: 808-586-2809

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.

While coverage descriptions may vary, most insurers use one or more of the following policy forms. Comprehensive Form (HO-3), if selected, provides the broadest coverage but is discontinued.				
HOMEOWNER'S POLICY FORMS		RENTER'S POLICY FORM		
BASIC FORM (HO-1)	BROAD FORM (HO-2)	SPECIAL FORM (HO-3)	CONTENTS BROAD FORM (HO-4)	UNIT-OWNER'S POLICY FORM
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.

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	<p>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.</p> <p>Coverage B: Covers damage to other structures on the lot, such as detached garages/carports and storage sheds.</p> <p>Coverage C: Covers damage to or loss of personal property.</p> <p>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.</p>
Section II	<p>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.</p> <p>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.</p>

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 PREMIUM VS. YOUR CURRENT OR PROSPECTIVE RENTERS PREMIUM

Your 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 (HO-6) - OAHU

Rates effective as of: December 1, 2022



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison as part of its continuing effort to assist and educate consumers. It consists of licensed insurance companies that reported Hawaii Homeowners premiums.

OAHU - SAMPLE ANNUAL CONDO UNIT-OWNERS PREMIUMS											
HO POLICY (HO-6) ASSUMPTIONS		BUILDING CHARACTERISTICS									
<u>Contents/Interior:</u> \$125,000 (Replacement) <u>Coverage D:</u> 40% of Coverage C <u>Section II (Liability):</u> \$310,000 <u>Deductible:</u> \$500		<u>Year Built:</u> <u>Construction:</u> <u>Roof:</u> <u>Elevation:</u> <u>Add'l Factors:</u>	1972 Wood (Single-wall) Hip, asphalt shingle	2008 Wood (Double-wall) Gable, asphalt shingle	2000 Masonry (CMU) Flat, torched membrane						
NAIC Co. Code	Insurance Company		Public Protection Class*	3	10	Public Protection Class*	3	10	Public Protection Class*	3	10
25941	United Services Automobile Association	\$	67	\$	74	\$	67	\$	74	\$	64
21253	Garrison Property and Casualty Insurance Co.		96		106		96		106		91
25968	USAA Casualty Insurance Company		96		106		96		106		91
18600	USAA General Indemnity Company		129		142		129		142		122
10677	The Cincinnati Insurance Company		256		477		256		477		254
29068	American Family Connect Property and Casualty Ins. Co.		294		294		294		294		294
26298	Farmers Property & Casualty Insurance Co.		308		352		308		352		352
37265	DTRIC Insurance Company, Ltd.		334		651		334		651		304
25143	State Farm Fire and Casualty Company		334		369		334		369		369
12767	Hawaiian Insurance & Guaranty Co., Ltd		362		700		351		680		574
12873	Privilege Underwriters Reciprocal Exchange		387		966		387		966		348
11026	Zephyr Insurance Company Inc.		487		DNW		395		DNW		430
10861	Universal Property & Casualty Ins. Co.		406		809		406		809		366
19615	American Reliable Insurance Company		417		836		417		836		377
11689	Island Premier Insurance Company, Ltd.		426		843		426		843		388
21105	North River Insurance Co.		430		715		430		715		394
19410	Commerce and Industry Insurance Co.		437		794		437		794		401
41742	First Insurance Company of Hawaii, Ltd.		440		889		440		889		396
41459	Armed Forces Insurance Exchange		457		907		457		907		412
23035	Liberty Mutual Fire Insurance Company		458		518		458		518		458
15598	Interinsurance Exchange of the Automobile Clu		459		525		459		525		525
22853	Tradewind Insurance Company, Limited		478		939		478		939		431
21113	United States Fire Insurance Co.		479		807		479		807		437
10759	Universal North America Insurance Co.		496		955		496		955		452
22845	Island Insurance Company, Limited		562		1,109		562		1,109		504
19232	Allstate Insurance Company		591		668		591		668		591
41726	First Fire and Casualty Insurance of Hawaii, Inc		616		1,255		616		1,255		554
41734	First Indemnity Insurance of Hawaii, Inc.		616		1,255		616		1,255		554
25180	Stillwater Insurance Company		706		782		706		782		706
10938	First Security Insurance of Hawaii, Inc.		774		1,727		774		1,727		697
13056	RLI Insurance Company		822		1,661		822		1,661		633
31348	Crum & Forester Indemnity Co.		824		1,403		824		1,403		753
12502	DB Insurance Co. Ltd, (U.S. Branch)		1,062		1,937		1,041		1,916		940
10111	American Bankers Insurance Co. of Florida		1,815		1,949		1,815		1,949		1,635
DNW = Does Not Write											

OAHU - SAMPLE ANNUAL CONDO UNIT-OWNERS HURRICANE ONLY PREMIUMS											
HURRICANE POLICY		BUILDING CHARACTERISTICS (same as CONDO OWNERS)									
<u>Contents/Interior:</u> \$125,000 <u>Deductible:</u> DED (below)		<u>Construction:</u> Wood (Single-wall) <u>Wind R Devices:</u> None <u>R = Resistive</u>									
NAIC Co. Code	Insurance Company		3	10	3	10	3	10	3	10	3
10048	Hyundai Marine and Fire Insurance Co.		2%		\$	254	\$	50	\$	50	\$
21253	Garrison Property and Casualty Insurance		2%								
25968	USAA Casualty Insurance Company		2%								
25941	United Services Automobile Association		2%								
18600	USAA General Indemnity Company		2%								
10861	Universal Property & Casualty Ins. Co.		2%								
12573	Centauri Specialty Insurance Company		2%								
41459	Armed Forces Insurance Exchange		2%								
11026	Zephyr Insurance Company Inc.		2%								
10677	The Cincinnati Insurance Company		2%								
19410	Commerce and Industry Insurance Co.		2%								
12767	Hawaiian Insurance & Guaranty Co., Ltd		2%								
12502	DB Insurance Co. Ltd, (U.S. Branch)		2%								
20338	Palomar Specialty Insurance Company		2%								
12873	Privilege Underwriters Reciprocal Exchange		2%								
25143	State Farm Fire and Casualty Company		2%								
25180	Stillwater Insurance Company		2%								
15598	Interinsurance Exchange of the Automobile		2%								
19615	American Reliable Insurance Company		2%								
10759	Universal North America Insurance Co.		2%								
13056	RLI Insurance Company		2%								
10111	American Bankers Insurance Co. of Florida		2%								
^ Hurricane roof clips ^^ Foundation anchors											

OAHU - SAMPLE CONDO UNIT-OWNERS WITH HURRICANE COVERAGE INCLUDED											
Assumptions and Dwelling Characteristics Same as Above											
NAIC Co. Code	Insurance Company		Public Protection Class*	3	10	Public Protection Class*	3	10	Public Protection Class*	3	10
30104	Hartford Underwriters Insurance Company	\$	918	\$	1,652	\$	918	\$	1,652	\$	826
18279	Bankers Standard Insurance Company		1,322		2,363		1,322		2,363		1,218
25658	The Travelers Indemnity Company		1,380		2,702		1,380		2,702		1,248
20346	Pacific Indemnity Co		775		1,434		DNW		DNW		DNW
20281	Federal Ins Co		775		1,434		DNW		DNW		DNW

SAMPLE ANNUAL CONDOMINIUM UNIT-OWNERS INSURANCE PREMIUMS (HO-6) - NEIGHBOR ISLANDS

Rates effective as of: December 1, 2022



The Hawaii Insurance Division of the Department of Commerce and Consumer Affairs provides this sample premium comparison as part of its continuing effort to assist and educate consumers. It consists of licensed insurance companies that reported Hawaii Homeowners premiums.

SAMPLE ANNUAL CONDO UNIT-OWNERS PREMIUMS

CONDO OWNERS POLICY (HO-6) ASSUMPTIONS							BUILDING CHARACTERISTIC ASSUMPTIONS													
Coverage C: \$125,000 (Replacement)				Year Built: 1972			Year Built: 2008				Year Built: 2000									
Coverage D: 40%				Elevation: 15' above sea-level			Elevation: 15' above sea-level				Elevation: 15' above sea-level									
Deductible: \$500				Construction: Wood (Single-wall)			Construction: Wood (Double-wall)				Construction: Masonry (CMU)									
Section II (Liability): \$310,000				Roof: Hip, asphalt shingle			Roof: Gable, asphalt shingle				Roof: Flat, torched membrane									
				Add'l: Primary residence, no claims in 5 yrs.			Add'l: Primary residence, no claims in 5 yrs.				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
25941	United Services Automobile Association		\$ 71	\$ 72	\$ 74	\$ 74	\$ 79	\$ 79	\$ 71	\$ 72	\$ 74	\$ 74	\$ 79	\$ 79	\$ 67	\$ 68	\$ 70	\$ 70	\$ 73	\$ 73
21253	Garrison Property and Casualty Insurance Co.		102	105	108	108	113	113	102	105	108	108	113	113	97	99	101	101	105	105
25968	USAA Casualty Insurance Company		102	105	108	108	114	114	102	105	108	108	114	114	97	99	101	101	105	105
18600	USAA General Indemnity Company		138	141	145	145	153	153	138	141	145	145	153	153	131	133	136	136	141	141
10677	The Cincinnati Insurance Company		256	256	256	301	353	477	256	256	256	301	353	477	254	254	254	301	352	469
29068	American Family Connect Property and Casualty Ins.		294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294	294
26298	Farmers Property & Casualty Insurance Cc		308	325	325	339	352	352	308	325	325	339	352	352	308	325	325	339	352	352
37265	DTRIC Insurance Company, Ltd.		334	334	334	334	525	651	334	334	334	334	525	651	304	304	304	304	429	495
25143	State Farm Fire and Casualty Company		334	347	347	353	369	369	334	347	347	353	369	369	334	347	347	353	369	369
12767	Hawaiian Insurance & Guaranty Co., Ltd		362	362	362	427	564	700	351	351	351	417	549	680	343	343	343	343	488	560
12873	Privilege Underwriters Reciprocal Exchange		387	387	387	503	580	966	387	387	387	503	580	966	348	348	348	452	522	870
11026	Zephyr Insurance Company Inc.		487	487	487	592	777	DNW	395	395	395	479	627	DNW	430	430	430	449	624	DNW
10861	Universal Property & Casualty Ins. Co.		410	414	418	493	651	809	410	414	418	493	651	809	370	374	378	382	532	611
19615	American Reliable Insurance Company		426	426	426	508	672	836	426	426	426	508	672	836	377	377	377	377	538	618
11689	Island Premier Insurance Company, Ltd.		426	426	426	513	674	843	426	426	426	513	674	843	388	388	388	388	555	637
21105	North River Insurance Co.		430	430	430	430	591	715	430	430	430	430	591	715	394	394	394	394	537	611
19410	Commerce and Industry Insurance Co.		437	437	437	508	651	794	437	437	437	508	651	794	401	401	401	473	598	705
41742	First Insurance Company of Hawaii, Ltd.		446	449	452	536	714	889	446	449	452	536	714	889	400	405	409	415	581	670
23035	Liberty Mutual Fire Insurance Company		458	477	477	496	518	518	458	477	477	496	518	518	458	477	477	496	518	518
41459	Armed Forces Insurance Exchange		461	465	469	553	733	907	461	465	469	553	733	907	416	420	427	431	598	686
15598	Interinsurance Exchange of the Automobile Club		473	487	489	492	525	525	473	487	489	492	525	525	473	487	489	492	525	525
22853	Tradewind Insurance Company, Limited		478	478	478	569	752	939	478	478	478	569	752	939	431	431	431	431	612	707
21113	United States Fire Insurance Co.		479	479	479	479	664	807	479	479	479	479	664	807	437	437	437	437	603	684
10759	Universal North America Insurance Co.		496	496	496	587	768	955	496	496	496	587	768	955	452	452	452	452	632	723
22845	Island Insurance Company, Limited		562	562	562	671	888	1,109	562	562	562	671	888	1,109	504	504	504	504	724	835
19232	Allstate Insurance Company		610	626	629	630	668	668	610	626	629	630	668	668	610	626	629	630	668	668
41726	First Fire and Casualty Insurance of Hawaii		622	629	635	754	999	1,255	622	629	635	754	999	1,255	560	567	573	578	814	937
41734	First Indemnity Insurance of Hawaii, Inc.		622	629	635	754	999	1,255	622	629	635	754	999	1,255	560	567	573	578	814	937
25180	Stillwater Insurance Company		706	706	706	706	782	782	706	706	706	782	782	782	706	706	706	782	782	782
12502	DB Insurance Co. Ltd, (U.S. Branch)		760	901	911	905	1,098	1,359	739	880	890	884	1,077	1,338	667	799	802	686	883	1,014
10938	First Security Insurance of Hawaii, Inc.		784	793	801	946	1,263	1,727	784	793	801	946	1,263	1,727	705	715	723	731	1,025	1,180
31348	Crum & Forester Indemnity Co.		824	824	824	824	1,149	1,403	824	824	824	824	1,149	1,403	753	753	753	753	1,043	1,190
13056	RLI Insurance Company		832	841	849	1,002	1,335	1,661	832	841	849	1,002	1,335	1,661	638	645	652	660	926	1,067
10111	American Bankers Insurance Co. of Florida		1,815	1,949	1,949	1,949	1,949	1,949	1,815	1,949	1,949	1,949	1,949	1,949	1,635	1,755	1,755	1,755	1,755	1,755

DNW = Does Not Write

NEIGHBOR ISLANDS - SAMPLE CONDO UNIT-OWNERS WITH HURRICANE COVERAGE INCLUDED

Assumptions and Dwelling Characteristics Same as Above

SAMPLE ANNUAL CONDO UNIT-OWNERS HURRICANE ONLY 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 ASSUMPTIONS		DWELLING CHARACTERISTICS (same as HOMEOWNERS)				
<u>Contents/Interior:</u> \$125,000 <u>Deductible:</u> DED (below)		<u>Construction:</u>	Wood (Single-wall)	Wood (Double-wall)	Masonry (CMU)	
NAIC Co. Code	Insurance Company	DED	None	^	^	
10048	Hyundai Marine and Fire Insurance Co.	\$ 254	\$ 50	\$ 50		
21253	Garrison Property and Casualty Insurance Co.	2%	116	81	71	
25968	USAA Casualty Insurance Company	2%	116	81	71	
18600	USAA General Indemnity Company	2%	151	105	92	
25941	United Services Automobile Association	2%	156	108	95	
10861	Universal Property & Casualty Ins. Co.	2%	146	124	65	
12573	Centauri Specialty Insurance Company	2%	211	150	158	
41459	Armed Forces Insurance Exchange	2%	152	152	62	
11026	Zephyr Insurance Company Inc.	2%	620	155	155	
10677	The Cincinnati Insurance Company	2%	394	157	102	
19410	Commerce and Industry Insurance Co.	2%	257	203	182	
12502	DB Insurance Co. Ltd, (U.S. Branch)	2%	492	214	193	
20338	Palomar Specialty Insurance Company	2%	607	219	151	
12767	Hawaiian Insurance & Guaranty Co., Ltd	2%	305	220	151	
12873	Privilege Underwriters Reciprocal Exchange	2%	870	230	265	
25143	State Farm Fire and Casualty Company	2%	243	243	214	
25180	Stillwater Insurance Company	2%	314	314	134	
15598	Interinsurance Exchange of the Automobile Club	2%	723	342	236	
19615	American Reliable Insurance Company	2%	365	365	277	
10759	Universal North America Insurance Co.	2%	971	405	254	
13056	RLI Insurance Company	2%	1,403	1,338	1,157	
10111	American Bankers Insurance Co. of Florid	2%	2,287	2,287	1,635	

^ Hurricane roof clips

^^ Foundation anchors