

Your monthly mortgage payment is more than just principal and interest--your lender requires that you also pay homeowner's insurance as part of your monthly cost to protect your investment--and your lender's. Learn what you need to know about protecting your biggest investment below.



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101 SERIES

HOMEOWNERS INSURANCE

What is Homeowners Insurance?

Homeowners insurance is an insurance policy for your home required by your lender that covers damage to your property as well as the cost of injuries that occur on your property for which you are legally responsible.



What Does it Cover?

Coverage can vary greatly according to your specific policy, however, most standard policies cover:

- ✓ Damage to the structure of the home and items inside up to a set amount
- ✓ Liability and legal protection from lawsuits regarding injury sustained on your property
- ✓ Reimbursement for living expenses in the event you are unable to live in your home for a reason covered by insurance.

Does it Cover Natural Disasters?

While most policies cover common damage caused by fire, hurricanes, tornadoes, hail, lightning and others, it may not cover flood damage, damage caused by an earthquake or other less common issues. Research your area to see what additional coverage you may need, like flood insurance for a home in a known flood plain.

How Much Coverage Should I Get?

Your home is likely the largest purchase that you will ever make, and it pays to have the peace of mind that your home is protected should disaster strike. Although there are many levels of coverage that you can choose, it is advisable to get enough coverage for your home to cover a total loss.

WANT TO LEARN MORE ABOUT THE COSTS OF HOME OWNERSHIP?

The NC Housing Finance Agency has resources that can help. Learn about our mortgage products, down payment assistance and more .

Learn more at www.nchfa.com/home-buyers.



Think home ownership is out of your league?

THINK AGAIN.

See if you are eligible and learn more at www.nchomeadvantagemortgage.com

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