

The insurance market in the United States is considered the most developed in the world. There are thousands of insurance companies in the country. Relations in the sphere of property insurance is governed by each state individually, not the Federal laws. This system, along with geographical and climatic features in different regions, has led to the formation of different tariffs and features of the damage coverage package. In addition to property insurance against fires, residents of different States are trying to protect themselves from floods, hurricanes, earthquakes. Many people use the opportunity to insure title rights to real estate to avoid problems when disputes arise with other applicants.

Voluntariness and coercion

The conclusion of the contract with the insurance companies, according to the legislation, is only a voluntary decision. But this is if you do not consider the nuances. Many people are simply forced to buy policies. The bases can be:

the demands of residents ' associations;

conditions of the Bank when making a mortgage.

Residents of regions prone to frequent natural disasters, insure real estate, so as not to stay after another natural disaster on the streets. Also, many seek to protect themselves from the damage caused by fires. According to statistics, they are the most common reason for contacting insurers for payments.

When making a policy, it is important to provide reliable information, otherwise the insurance office may refuse payments.

In many States, there are special insurance programs against natural disasters, which are traditionally refused by commercial structures-floods and earthquakes. They are developed at the Federal level and with the local government. Insurance of the house or other real estate for

participation in such programs is conditionally voluntary. Anyone can refuse. But in case of natural disasters, such people will not be able to rely on state aid, loans and subsidies if the building was damaged during a devastating event typical of the region.

The real estate insurance policy comes into force only 30 days after its conclusion. This reduces the chances of trying to pay for security only when there is an immediate threat. For example, if you insured against a hurricane and it swept through a week later, you will not be able to get compensation.

Main types of policies

In the United States of America there are 7 main types of policies, unified by risk. From them it is possible to collect an individual package of protection of home ownership. At the conclusion of the contract, policyholders take into account inflation and the minimum level of loss that is covered. According to the rules, you can insure the house, buildings on the site (garages, swimming pools) for an amount not exceeding 10% of the cost, and the surrounding flora-5%.

Standard packages include the following conditions:

HO-1 (Homeowners-1) – the most popular insurance of an apartment or house. Includes protection against 11 adverse events or incidents (including fires and lightning strikes, damage caused by strong winds or hail), explosions, damage from intentional and unintentional harm caused by intruders, vandals and during protests, theft, aircraft crashes, volcanic activity;

HO-2-provides additional protection against falls of heavy objects, due to the accumulation of ice and snow, damage to the structure and equipment in it due to water leaks from the home water supply network and electricity surges;

NO-3-protects in case of damage that is not specified in the higher policies, except for floods, wars, nuclear destruction and earthquakes;

NO-4-designed for landlords, but can only be used to insure their personal property;

NO-5-provides full protection from any adverse situations. Recently rarely used largely because of the high cost;

NO-6-provides the same protection to condominium owners as HO-2, if you need to protect some parts of the building;

NO-8-used in cases where the house is of particular value in terms of architecture or history. Includes all cases described in HO-1 and architectural view restoration coverage. May involve replacing old materials and systems with new ones.

In some States, the list of cases may vary slightly. The amount of payments and the cost of the policy depend on many factors and vary in different areas.

Title insurance

Here it is not a question of an honorary title, but of the right to property. As a rule, after the acquisition of property, people receive certifying documents. Before the transaction, the legal purity of the object is checked. But that doesn't rule out a dispute. After all, sometimes documents can emerge that no one has seen for a hundred years, and the court will reconsider the rights of the owners, giving the newly acquired property to other people. Title insurance protects against such cases.

Attention. Current at the time of registration of the policy burdens relate to non-insured events.

Insurance is paid voluntarily, once for each change of ownership. The cost of the policy is less than one percent of the value of the object. However, in the event of an insured event, the damage is calculated on the basis of the prices existing at the time of the need for payment. For example, now the house is worth a million. The purchase price was 50,000. In case of loss of

ownership, the owner who insured the title will receive a million.