

FALL | 2006

SUN INSURANCE SERVICES

Update



Cost of insurance on the rise

The rising cost of homeowners insurance, brought on by two record-breaking hurricane seasons, is one of Florida's most pressing problems.

Most of us are opening renewal bills to find our premiums have increased dramatically. Unfortunately, there is no immediate relief in sight, but there are things you can do to help control the costs.

Make sure you're getting credits you are entitled to. Do you have a monitored fire/burglar alarm or professionally installed storm shutters? Have you made improvements to your home to meet current building codes? These credits can offer significant savings.


Many carriers offer discounts if you carry multiple policies with them. If you are thinking about adding flood insurance or an umbrella policy, this discount may pay for most or all of the new policy.

Let us shop your auto insurance. We may be able to find a better rate and having both your auto and homeowner policies with us can result in discounts.

If you have a payment due, don't be late. Yes, premiums are rising, but finding replacement coverage for a canceled policy is even more expensive. Many of our companies accept credit cards or e-checks for quick, online payments.

Show pride of ownership. All companies inspect the properties they insure. Make sure yours is one they want to keep. If they ask for additional information, please respond quickly. Don't give them any reason to cancel your policy.

And finally, don't cut corners on your coverage just to save money. If you have questions or don't understand what your various coverages and endorsements are, call us or email us at info@suninsuranceservices.com. Your home is your most valuable asset; make sure it is adequately insured.


Jim Brandt, President

What's Inside:

INSURING YOUR HOME FOR THE CORRECT AMOUNT

BUILDING FEATURES THAT SAVE YOU MONEY

PROTECTING YOUR PERSONAL PROPERTY



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In 2005 homeowners spent \$149 billion on improvements to their homes.

Source: Harvard University Joint Center for Housing Studies



Protecting your most important investment

If you're like most folks, you think about your insurance policy a couple times a year- when there's a storm brewing somewhere off the coast, and when it's time to pay the bill. Your tendency may be to just renew your policy each year and forget about it, but this habit could be leaving you underinsured. The replacement cost of your home is most likely quite a bit higher than it was a few years ago.

Insurance companies use replacement cost, not market value, to determine the amount of insurance you need to carry on your home. If your home were to burn to the ground today, the replacement cost would be the amount needed to rebuilt from the ground up. According to Marshall & Swift/Boeckh, a supplier of local building cost information, more than half of all homes in 2005 were underinsured by an average of 22%. Home construction costs have been on the rise in recent years so it's critical to review your policy and make sure your coverage is adequate. Contact us at info@suninsuranceservices.com if you'd like us to run a replacement cost estimator on your home.

IT PAYS TO HAVE DISASTER COVERAGE

Since Katrina, one issue receiving more attention is how homeowners can continue to make mortgage payments in catastrophe-hit areas.

To address this issue, Sun Insurance now offers First Protection, a mortgage product from Assurant Solutions that pays your monthly mortgage payment (including taxes and insurance) should your home become unlivable after a disaster. Covered disasters

include fire, hurricanes, flooding, earthquakes, tornadoes, and common household disasters like gas leaks or even trees falling on the house. A typical homeowners policy will pay for the repairs, but it does not usually make your mortgage payments.

Monthly mortgage payments are made for up to two full years while the home is being repaired or rebuilt to livable conditions. The

policy also pays up to \$500 of the homeowners policy deductible for a covered

How do you pay for your mortgage if disaster strikes and you are without employment and your home is destroyed?

loss, even if you are still able to live in the home. Should the home be deemed permanently unlivable, First Protector helps pay the outstanding mortgage loan

balance up to the amount indicated by the mortgage servicing company. The cost of this policy is based on your mortgage payment and ranges from \$6 to \$31 monthly. Call Jim Brandt at ext. 1602 for information.



TIPS TO LOWER YOUR WIND INSURANCE PREMIUM

FLORIDA HOMEOWNERS CAN QUALIFY FOR A DISCOUNT ON THEIR PROPERTY INSURANCE PREMIUMS BY INCORPORATING BUILDING FEATURES THAT REDUCE DAMAGE DURING HURRICANES.

The risk of loss from a hurricane is something that each Floridian must accept. Facing what many experts believe will be a string of very active hurricane seasons, many Floridians are not aware there are things they can do to better protect their property from damage or destruction. Certain construction techniques and features are very effective in protecting your property.

Building features that reduce wind damage include improved roof shingles, strong roof decks, hurricane clips/straps, impact resistant glazing or shutter protection for windows, and roof shape. Homes built in compliance

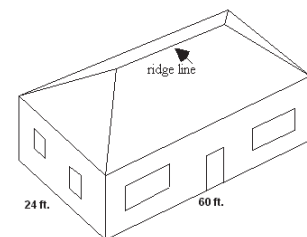
with the 2001 Florida Building Code also receive a significant discount as a result of the features required by the new code. Please contact us at info@suninsuranceservices.com to find out if you are receiving the proper discounts and credits on your homeowners insurance.

To help Floridians identify how they can strengthen their homes against hurricanes, the Florida Comprehensive Hurricane Damage Mitigation Program will offer free home inspections to eligible

homeowners. Floridians whose homes have undergone a wind certification and hurricane mitigation inspection approved by the Department of

Financial Services will then be eligible to apply for matching grants up to \$5000. The state has a pool of \$242.5 million available to state residents to help make their homes more wind resistant. For more information, visit the

Consumer Resources section of our Web site.



A ROOF THAT IS SLOPED ON ALL FOUR SIDES LIKE A PYRAMID, ALSO KNOWN AS A HIP ROOF, GIVES A PREMIUM DISCOUNT.

Insuring valuables and big ticket items

Homeowners insurance covers most basic contents of a house, such as furniture, clothing, and electronic equipment, at 40-50% of the value of the policy. Many people find that the coverage for their higher priced items, like jewelry and electronics, is too limited. The dollar limit for theft is low and the policy's deductible applies to all claims. You can opt to increase your coverage with higher limits or through endorsements.

Electronics are generally covered under your homeowners policy at a set amount under Section C- Personal Property. As the market in Florida becomes more stringent, many insurance companies are readjusting policy coverages and decreasing the coverage offered in Section C. This coverage can be increased if you feel that the set amount will not cover your big ticket items like large screen TVs, computers, PDAs, cell phones, etc.

Jewelry coverage is surprisingly inexpensive. A typical premium can range from \$1.50 to \$2.50 for each \$100 of coverage. You can buy an endorsement that covers the item up to the purchase price or its appraised value, or you can purchase a separate policy.

Both an endorsement and a separate policy will cover your jewelry on an "all-risk" basis, covering most, but not all, losses. You're not covered if the ring is damaged from normal "wear and tear" or "gradual deterioration," but if the ring flies off your hand and falls through a sewer grate, the policy will pay to replace it.

The most common claim on jewelry insurance policies is for "mysterious disappearance," meaning there's no indication of whether the jewelry was stolen or simply lost. Under a homeowners policy, "mysterious disappearance" would not be covered, because you would need proof of theft for the company to cover your claim. With "all-risk" policies or floaters, mysterious disappearance is often covered. When the jewelry disappears, mysteriously or not, the policy will replace it.

Call or e-mail us at info@suninsuranceservices.com to find the best coverage for your valuables.

Next Issue:

HOME WARRANTY

UMBRELLA POLICIES

UNINSURED MOTORIST
COVERAGE

TOWER HILL OFFERS ONLINE ACCESS

Tower Hill policy holders can now access the Web site to view their policy documents, check account balances, and make

INSURANCE. MADE EASY.

premium payments. Registration is quick and easy at www.thig.com. For changes to your policy, please contact your Sun Insurance agent. To report a claim, contact Tower Hill Claims Service at (800) 216-3711.



FOR TIPS ON HOW TO REDUCE THE POSSIBILITY OF NON-RENEWAL OR PREMIUM INCREASES THIS YEAR, VISIT OUR **CONSUMER RESOURCES** SECTION AT WWW.SUNINSURANCESERVICES.COM.



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