



BUYING A NEW HOME

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This is the seventh issue in a series of educational newsletters on risk solutions from Nationwide Private Client, compliments of SCM's Personal Risk Management Division.

Buying Your New Home Inspect these eight important details first.

Buying a new home can be a significant investment in time, energy, and money. It can also be a source of considerable stress. However, there are some simple steps you can take to help the purchase go more smoothly and give you peace of mind in your new home for years to come.

Home inspection

An inspection by a well-qualified home inspector is a wise investment and will help you make informed decisions when purchasing your new home. The level of detail the inspection entails will vary between home inspectors. Make sure you understand what the inspection includes. In addition to the home itself, other structures like swimming pools and sport courts should be examined as well. Keep in mind that due to the complexity of high-value homes, additional inspections by licensed tradesmen and professionals may be warranted.

Mechanical systems

Regardless of age, it is important to have all the home systems inspected, including but not limited to the HVAC, electrical, and plumbing. Depending on the age of the home, components may be near the end of their useful life and require repairs or replacement. Due to the unique nature of high-value homes and the complexity of the mechanical systems, an additional inspection by a licensed tradesman in addition to a home inspector is a wise decision.

Roofing systems

Roof inspections are a very important part of purchasing your new home. A roof inspection should be completed regardless of age and include more than just looking at the condition of the roof covering. Hiring a licensed professional roofer is your best option and they should inspect the following areas: roof cover, fascia, soffit, flashing and gutters. They should also examine the attic space for evidence of leakage, high moisture levels, and mold. A thorough roof inspection may also include looking at the interior finishes for signs of water or frost penetration and evidence of structural deficiencies. The roof is another area that you may wish to have examined by a licensed professional tradesman, in addition to the home inspector.

Energy audits

With the constant rising cost of natural gas and electricity, an energy audit is a great way to determine how much energy the home uses and it can help you identify steps that can be taken to make your new home more energy efficient. A comprehensive energy audit may offer blower door testing, duct testing, infrared scanning, examining the insulation or even recommendations for lighting.

C.L.U.E. report

Most insurance carriers report their claims history to a database called the Comprehensive Loss Underwriting Exchange or C.L.U.E.®. As a buyer, a C.L.U.E. report can help you determine if any claims were made on the seller's insurance policy in the past 5 years. It will identify the type of loss such as hail or theft, the amount paid, and even identify if a claim was denied. Contact your insurance agent to discuss the availability of this report.

Alarm systems

Another important aspect of buying your new home is the presence of alarm systems for both fire and burglary. In effort to provide the most comprehensive protection for your family and home, a centrally monitored fire and burglar alarm system from a reputable company is highly recommended. The alarm systems should provide whole house coverage and include door and window contacts, motion detectors, glass breakage sensors, smoke detectors, and heat detectors. Other components might include low temperature monitoring, cameras, carbon monoxide detection, or signal continuity. With a centrally monitored alarm system, you may qualify for a credit on your homeowners insurance policy.

Water leak detection

This alarm system component is so important we felt it should be discussed separately. According to industry studies, water causes more damage to American homes than fire, thunderstorms, and theft. There are many ways to install a water leak detection system within your home and some systems even have the ability to shut off the water main in the event a leak is detected. If the water leak detection is tied into your centrally monitored alarm system, you may qualify for a credit on your homeowners' insurance policy.

Fire protection

An important, but often widely overlooked factor of choosing a new home is the capability of the fire department within your community. While you are researching your options and looking at homes, be sure to give consideration to the following fire protection items: distance to the nearest public fire hydrant, distance to the responding fire department, and department type (staffed or volunteer). These factors will not only help determine the level of protection for your family and home, but also may affect the cost of your homeowners insurance.

We offer this information to assist you in making decisions that can help mitigate your risk. While we cannot address every possible scenario or guarantee these tips will work for you, our goal is to support your efforts to protect yourself and your family. For more information, please email SCM's Personal Risk Management Division at prminfo@sullincurt.com or call 800.427.3253 and reference "Nationwide newsletter."



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