

# **Home Insurance Inventory**

## **Why a Home Insurance Inventory?**

There are two important benefits to using a home insurance inventory to properly settle a property insurance claim: reducing guesswork and ensuring accuracy. A home inventory that is easily accessible and up-to-date will help you and your adjuster get your claim paid quicker and more accurately.

Expediting a claim is not the only reason that having a home insurance inventory is important. An accounting of your possessions will help you and your insurance agent or company determine an adequate limit of insurance as well as verify deductible losses to the IRS. Conducting a home insurance inventory should be a priority, especially considering the daily threats (e.g., fire, theft, windstorm, flooding, earthquake) to your home and its contents.

## **What is a Home Insurance Inventory?**

A home inventory is a detailed accounting of your home and personal property. After a loss, determining current and replacement value of your property can be time consuming and tedious. Therefore, it is important that you track information that will help your insurance company properly settle your claim by maintaining a home inventory.

## **How do I Create One?**

You begin by creating a list of all of your possessions. Take a room-by-room accounting by carefully making notes about every piece of personal property in each room in your home. Some homeowners have simplified this process by using video to conduct a home tour, narrating the visual with descriptions of the property or taking photos of their possessions with notes on the back. Also, most personal finance software (e.g., Microsoft Money, Quicken) provide templates for a home insurance inventory.

Whichever method you use to construct your home inventory, be sure

to include this information:

- Date, proof of purchase, and price paid.
- Brand name, make and/or model.
- The serial number of items is the most important information you can note on your home inventory. Items such as appliances, furniture, electronics as well as lawn and sports equipment usually are inscribed with serial numbers.
- A sales receipt provides information about proof of purchase price and date of purchase.
- Sales contracts, appraisals and warranty information. Any information you have concerning your personal property should be kept with your inventory.

Remember to record as much accurate information as possible. The rule of thumb to use is: When it comes to your home insurance inventory, some information is better than none at all.

### **Periodically Review and Safeguard Your Inventory**

Property such as jewelry and collectibles may increase in value over time. Review these items with your agent frequently to make necessary changes to your home insurance policy's limits. Also be sure to indicate coverage changes, appraisals, or fluctuations in value on your home inventory.

You never know what type of loss you will have. Whether your inventory is on video, in photos, on a hard drive or disk or scribbled on napkin, it is extremely important to keep a copy of your home insurance inventory in a safe deposit box or another secure place away from your home. That way you have quick access to it if your home is a total loss.