

You REFER - We REWARD!

The timing was right and our winner, Noelle Crandall, could not have been more thrilled. Thank you for your referral, Noel and congratulations!

All you have to do is refer someone to us and your name goes into the hopper for a chance of winning. The more you refer the greater your chances of winning... Contact us for rules and regulations.

Thank you for your referrals... It's how we stay in business!



Noelle Crandall, John, Cami, Jerry and Dan Young

Insurance Briefs

January 2012



What Coverage Limits Do You Need for Homeowner's and Auto Insurance?

Most people avoid thinking about scenarios that would cause an insurance claim - our homes damaged by fire or wind, someone injured on our property, or family members hurt in an auto accident. However, it is necessary to give some thought to these upsetting possibilities to ensure that you are adequately prepared and protected in the event of a catastrophe. Reviewing your insurance coverage will also clarify if there's a need for an additional umbrella policy for extra protection. So, let's try to summarize some of the basics on coverage limits.

Homeowner's Insurance

Homeowner's insurance covers three areas: damage to the home, damage to the contents of the home (personal property), and your liability for injuries to others.

Prior to obtaining homeowner's insurance, it's a good idea to stop and consider exactly what you want the insurance to cover. It's likely you'll want to continue living in your home after a claim or sell it at market value, so you will want your insurance to pay for repairs caused by wind, fire or some other covered peril. In most cases, reconstruction means you will need insurance that actually covers more than the home's market value.

Replacement value, which is the cost to reconstruct a damaged home, is typically higher than the cost of buying a similar home on the market due to the



specialized nature of reconstruction as opposed to new construction. For example, in reconstruction there is an initial cost of debris cleanup. New construction starts at the bottom and builds up, but with reconstruction it is often necessary to take off the roof and build down, which is more expensive. Additionally, after a natural disaster, construction costs may rise due to increased demand. Keep in mind that your insurance can cover not only the costs to rebuild, but also the costs for you to live elsewhere, if necessary, while the home reconstruction is completed. An experienced insurance agent can help you assess your coverage needs as well as determine available coverage based on the age and condition of your home.

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Insurance Briefs

Interstate Insurance Agency  
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Your Trusted Neighborhood Agency!



Welcome to the Interstate Insurance Agency Newsletter!

It is with great satisfaction that we bring this newsletter to you. In this issue and in coming months, we will discuss pertinent insurance topics which may affect you and your family. We sincerely hope that you will find this newsletter informative and please do not hesitate to contact us should you have any questions or needs.



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Welcome to 2012! How was your year? I talked with many of over the past 12 months and sure, there were a few bumps in the road in terms of jobs, housing and the economy but we made it and we are all looking forward to the year ahead.

Speaking of bumpy roads, have you driven by our office here on Aurora in Shoreline lately? Good. I say that due to the Aurora Corridor Construction Project which has been right in front of our building over the past year. They're ahead of schedule and by March we should be enjoying a much improved and safer Aurora Avenue. They even gave us our own turn lane from the north!

On a personal note, 2011 was bitter sweet. My daughter went on a group mission trip to Honduras where they spent a week building a new home for an impoverished family. A few weeks later she graduated from high school. Seriously, where does the time go? Now she's at college starting a whole new chapter in her life and I'm not sure I was quite done with the last chapter... On we go.

As usual, your referrals in 2011 were outstanding. We want to be number one on your list when someone you know needs help with their insurance. Send them our way and you will be rewarded with a gift card and will become eligible to win a flat screen

TV. (See the back page for this year's winner.) Rules and conditions do apply and are available by calling our office or sending an email tojohnrousey@msn.com.

Our Customer Service Representative / Agent Cami Hooper is entering her fourth year with us. She enjoys working with all of you and every year she becomes more experienced and knowledgeable in this business. When you call or stop by, she's willing and able to help you out and she has a heart of gold. Thank you, Cami for your good work. Jerry and I appreciate you!

Here's to a fantastic 2012! Let's hope we can get unemployment down, housing prices up and the economy turned around. Thank you for supporting Interstate Insurance Agency!

- John Rousey



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Some insureds will need more coverage for personal property (contents) than their policy provides. The amount of personal property coverage is usually limited to 70% of the coverage limit for the structure. For instance, if you have an art collection, antique furniture, jewelry, or other valuable possessions, talk to your agent about supplemental coverages, such as fine arts or scheduled property endorsements, to adequately protect your investment in these items. The cost is modest for the extra protection.

Liability limits generally start at about \$100,000; however, some experts recommend that you purchase at least \$300,000 worth of protection, which covers personal liability for damage to property or personal injury caused to others. The additional coverage also help to protect your assets in the event you are found liable in a personal injury lawsuit. Additionally, you may want to consider purchasing a separate liability umbrella policy (discussed below).

Auto Insurance

There are six different types of auto insurance coverage. Three relate to liability, two for damage to your vehicle, and one provides specific coverage for accidents involving you and an uninsured or underinsured driver.

Collision coverage covers the costs of damage to your vehicle caused by collisions with other cars or objects; comprehensive coverage covers theft or damage to the vehicle caused by events other than a collision with another car or object. The amount of coverage you need depends on the value of your vehicle.

Auto liability insurance is required in most, if not all, states, but the liability limits that drivers are required may not be enough to protect your assets. Even one serious injury caused by an accident for which you are liable could cost into the six figures, or more in extreme cases, just for medical expenses. And the amount only increases if there are more injured people. It's easy to see that the \$50,000 of per accident liability coverage required in many states would not be enough to pay all the costs of property damage and bodily injury. Auto insurance companies recommend that you have \$250,000 of bodily injury protection per person and \$500,000 per accident. If your personal net worth is more than \$300,000, consider buying additional liability auto insurance.

What About an Umbrella Policy?

Unfortunately, even with our best intentions and



efforts, accidents may happen for which we are legally at fault. Medical costs can skyrocket. If someone were permanently disabled by an accident, the expenses of lifetime care could be astronomical. If someone killed left behind survivors who were depending on that person for support, you could be liable for damages to the survivors. Be aware that any costs not covered by insurance will come out of your pocket. Hence, you could be forced to sell property or to turn over part of your earnings for years to come, perhaps the rest of your working life, to an injured party.

There are limits on the amount of liability coverage available as part of your homeowner's and auto insurance policies. If you have total assets valued at more than these limits - including, say, your vacation home, investments, rental property, boats and vehicles -- or if you have a high income, an umbrella policy offers a great deal of protection for a relatively low premium.

In addition to the assets you want to protect, you may want to consider your risk of being sued. Do you live in a state that is particularly friendly to plaintiffs? Do you have frequent guests on your property? Do you have a swimming pool, trampoline, swing set, or other sports equipment in your yard? Do you have a dog that is overly protective of your property? Are you or any of your household members aggressive, fast, or careless drivers? If so, your risk is greater that someone may be injured, perhaps very seriously, and you would be legally at fault. In fact, any situation that could result in serious injury, long-term physical impairment, psychological damage or death could put your financial well-being at risk.

Once the liability limits are exhausted on your home or auto policy, your umbrella policy takes over and provides another layer of liability protection. Policies typically start at \$1 million with coverage available up to \$5 million. Premiums start at around \$200 a year - less than a dollar a day for a great deal of protection.

The best way to determine whether you need an umbrella policy is to discuss your financial status, lifestyle, and current and future assets with your insurance agent. Ask him or her to review the liability limits in your current policies and suggest the best strategy to ensure protection of your assets in the event of an injury for which you are legally liable.

We LOVE Referrals!

Many thanks to all of you for your recent referrals.

Cindy Cho	Heidi Perkins	Noelle Crandall	Topelagi Siva
Danilo Delamerced, Jr	Janna Dmochowsky	Robyn Johnson	Vasiliy Sasko
David Qziel	Jeff Kyle (2)	Semret Asgada	
Devorah Campbell	Marcie Fosse	Sheryl Haile	
Elizabeth Justice	Michael Farthing	Tom Nasky	

Thank you ! Thank you!! Thank you!!!