

There's No Place Like Home

Learn how you can protect your most treasured asset



WHAT DOES FIRE INSURANCE FOR RESIDENTIAL PROPERTY COVER?

Most fire insurance for buildings cover against damages caused to an apartment/unit by:

Fire

Lightning

Overseas Cooker

Bursting Of Tank And Apparatus

Road Vehicle Impact

Aircraft Impact

Malicious Mischief

Wind and Storm

Earthquake, Windows and Flood

Contents of your property are usually not covered. You have to purchase a separate or additional policy for home contents.

WHAT DOES A HOME CONTENTS INSURANCE POLICY COVER?

It covers the contents of your apartment/unit, including:

Appliances

Furniture

Jewellery

Decorative

Electronics

Books

Personal Effects

Household Items

This policy is also applicable to tenants.

Our homes are often our most valuable asset. Risks like fire and water damage can cause significant financial losses and leave homeowners vulnerable. When the untoward happens, sufficient home insurance cover can help homeowners get back to normal life.

Home insurance needs can vary depending on the type of property. Here are 3 common types of home ownership:

| Property Types | HDB homes | Private apartments or homes with Strata Title | Landed homes or private property without |
|---|---|---|--|
| Building & Structural Coverage | <ul style="list-style-type: none"> Flat owners with HDB loans starting after 1994 must join the HDB Fire Insurance Scheme, which covers the building and its structures | <ul style="list-style-type: none"> The Management Corporation (MC) of your strata titled development is responsible for insuring the buildings and common property for fire damage | <ul style="list-style-type: none"> You may wish to buy fire insurance for your buildings and structures |
| Home Contents Insurance | <ul style="list-style-type: none"> Covers your home contents including furniture, renovations as well as personal belongings against loss and damage from perils like fire, flood, burglary and theft Provides extra cover like alternative accommodation expenses or loss of rent when your home becomes uninhabitable | | |
| Mortgagee Interest Policy (MIP) | <ul style="list-style-type: none"> If your property is mortgaged to a bank, the bank might require you to take up a MIP to protect its financial interest for the amount of loan outstanding If there is a failure to service the loan as a result of the damage to the mortgaged home, the bank can make a claim on the MIP You remain liable for the outstanding property loan amount to the MIP insurer | | |

HOME INSURANCE

✓ Insurance Provides Financial Support So You Can Focus on Rebuilding Your Home

In one case, a homeowner was left with extensive damage to his property after an accidental fire, caused by fire embers, gutted his entire apartment. Due to the spread of the fire, his furniture, renovations and home appliances were destroyed along with all personal belongings and his home became uninhabitable.

With the benefit of home contents insurance, he was able to make arrangements for alternative accommodation and stayed in a rented unit while his home was being reinstated. His insurer also reimbursed the full cost of his remedial renovation work as well as his personal belongings. The insurer paid S\$131,537.

✓ One Size Fits Most but Not All

Home insurance is inexpensive. Homeowners should shop around and find a policy that best suits their needs and budget.

Here are some factors to consider:

1 Other types of home-related insurance

Mortgage Reducing Term Assurance (MRTA) is a type of insurance that pays off your outstanding home loan (up to the sum assured) in the event of death or total permanent disability.

HDB owners who are using their CPF to service their HDB loan have to be insured under the Central Provident Fund Board's Home Protection Scheme (HPS). The HPS is a type of mortgage-reducing insurance.

2 What extra cover do you require?

Home contents insurance specify a limit for the value of any one item. If you have an expensive item which forms a substantial percentage of the total sum insured, you should declare this to the insurer when you buy the policy to ensure that it is covered beyond the per-item limit.

Are you an avid collector of art or other valuables? Consider purchasing extra insurance cover to protect your valuable collection.

3 Review your insurance policy regularly

If you already have fire or home contents insurance, it is worth reviewing your policies regularly to determine if your insurance needs have changed.

A home is a valuable asset, ensure it is adequately protected for complete peace of mind.