

## On the move? Think about insurance

There's a bitter sweetness involved in buying a new home. For every apartment or house you view, you imagine a life there and envision what you need to do to make it feel like your home. However, don't let the romance of buying a home get in the way of reality. There are many things to consider with such a major purchase. A move – even if you are a tenant moving from one rental property to another – is a material change of risk, and requires a review of your insurance policies.

### Insurability

Buyers often make offers on new homes subject to financing, inspection, and review of strata minutes. Another subject to be considered is insurability. Some homes, especially older ones, may have features that require additional diligence to meet insurers' criteria. Some of the common ones to look out for are:

- **Electrical system.** Knob-and-tube wiring, found in pre-1940s houses, and electrical fuse panels with the screw-in type fuses used until the mid-1950s may raise a red flag. These systems in and of themselves may be sound, but upgrades done over the decades to accommodate the additional load for modern appliances may have added a hazard, especially if the upgrading was done by non-professionals. The insurer may request an electrical inspection.
- **Galvanized steel water distribution lines.** Another post-1940s feature, these lines are recognizable by their grey colour and threaded fittings and are prone to rusting and deposit build-up which restricts water flow.
- **Wood burning stoves and fireplace inserts.** A potential fire hazard if not installed properly. Most insurance companies will require documentation to prove that it has been.
- **Storage tanks for heating oil.** Even if the old oil-based heating system has been replaced with electrical heat, the underground oil tank may not have been decommissioned properly.
- **Evidence of marijuana-growing or drug-lab operations.** Several factors can help determine this, such as modifications to the plumbing and electrical systems that have been carried out for irrigation and lighting purposes. The presence of mould could also indicate a home was previously a grow-op, due to the lighting and moisture from cultivating these plants. Marijuana grow-ops usually involve many structural changes to aid in growing marijuana plants, changes that affect its ability to maintain good conditions.

### Strata insurance

Potential buyers of strata units should also thoroughly read the strata insurance policy. If an occurrence that originates in your unit causes damage to common property or to other owners' units, the strata corporation will file a claim on its policy for repair to the common property, and may require you to pay the deductible on the strata's claim. Talk to your insurance broker about ensuring that your condo policy, should you decide to

purchase the unit, includes sufficient coverage to pay the strata corporation's deductible in this instance.

### **Passed with flying colours?**

Have you found the one? It's ticked all the boxes and passed all inspections and now you are finally ready to move in. Here are some tips for that will keep your home pleasantly insurable and protected from risk:

- Change your locks. You never know how many copies were made for friends and family of the previous owner.
- Get to know your appliances. Consult the manuals of dishwashers, washing machines and dryers to ensure its proper use. Most of these manuals can be found online. Clean dryer lint traps and vents. Look behind appliances for signs of leaks, mould or overloaded wiring that need immediate attention.
- Remember to change your address for your car insurance.
- Be wary of storing important documents in your storage locker. Storage lockers are typically located in basements, which can be prone to high humidity or flooding. You may not be able to recover these valuables.
- Take photos or video and document your home inventory and keep these off site in case you ever need to make a claim. It will be harder to do so after an event, such as a fire. New furniture and items bought for the new home should be included.
- Candles add a wonderful ambiance, but use them carefully. They are one of the biggest causes of house fires.
- Keep a fire extinguisher handy. Install a fire alarm and a carbon monoxide alarm. If you already have one, do a test-run to ensure they work.
- Consider installing an intruder alarm.