

Press Release: Top 5 Most Expensive Moves for Car Insurance Rates

June 25, 2018 (Foster City, Calif.) – Moving is certain to affect one’s car insurance premium. Consumers might find they save a bundle by relocating – or get socked with an unexpected increase.

CarInsurance.com, an independent quote-comparison website, offers a tool that answers Will my insurance go up if I move? It will help consumers budget accordingly before a move. Simply input current and new ZIP codes to see the average rate change.

Rate changes can be dramatic. CarInsurance.com analyzed data from its new moving calculator to predict rate changes when moving from the least expensive places for car insurance to the most expensive.

Top 5 most expensive moves for car insurance rates, for cities and towns, on average:

1. Freemont, Ohio (\$804), to Detroit, Michigan (\$7,415) = 822% increase
2. Swannanoa, North Carolina (\$813), to Brooklyn, New York (\$4,440) = 466%
3. Normal, Illinois (\$818), to New Orleans, Louisiana (\$3,747) = 358%
4. Blacksburg, Virginia (\$819), to Coral Gables, Florida (\$3,310) = 304%
5. Lafayette, Indiana (\$838), to Philadelphia, Pennsylvania (\$3,189) = 281%

When calculating a car insurance rate, insurance companies look at the driver's age, driving record, type of car and a slew of other factors, but the driver's location is often the starting point.

Insurance companies put ZIP codes into different risk categories based on the number and severity of claims within the area. "Territorial rating," as the method is known, is used in most states to calculate a base rate used as the starting point for drivers buying coverage.

One consequence of territorial rating is that even within a city, differences in accident and theft claims result in significant rate changes from ZIP code to ZIP code.

Every carrier has its own base rate and does its own calculations, which is why it's important to compare quotes when moving to get the cheapest car insurance rates.

You don't have to move far, or from the country to a city, to experience a dramatic swing in your premium. For instance, in Williamsburg, Brooklyn (11211), the average rate is \$3,553. That's \$1,006 more (about 40 percent) than the average rate of \$2,547 in the Lower East Side of Manhattan (10009), just over the river about four miles away.

Even if you stay in the same city but move to a different ZIP code, you can wind up with sticker shock -- within Detroit, from ZIP code 48242 to 48227, premiums rise by \$4,072, more than double or (121 percent).

Tips for updating your policy when you move

Notify the car insurer. States typically give 10 to 60 days after moving to register a vehicle. The insurer from the previous state usually allows the same time to switch to a new policy, so use this window of time to compare rates and coverage.

Drivers still need to notify their insurer of their new address even if they move within the same state or town.

Know the minimum coverage required under state law. Drivers should find out the minimum car insurance requirements in their new state because liability limits and other necessary coverage vary by state. For example, some states don't require personal injury protection (PIP).

Have a new policy in effect before the old one is canceled. Drivers shouldn't cancel or let their current policy lapse before registering their vehicle and having their new coverage in place. Drivers changing states will need to return their license plates.

Be aware of potential refunds or fees. Drivers who paid their auto insurance term in full and cancel before the renewal date should check with their insurer to see if they are eligible for a pro-rated refund. It's possible an insurer will charge a fee for early cancellation.

CarInsurance.com's moving calculator is available at <https://www.carinsurance.com/Articles/will-my-insurance-go-up-if-i-move.aspx>

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