

Renters' Insurance

Should you as a RENTER have insurance?

Unless you are sure your property is covered on another individuals' (your parent's or spouse) home owners insurance -- MOST DEFINITELY YES!

Do not assume that the landlord's insurance covers your personal belongings, because more than likely it does not. Your landlord probably has insurance that covers the building only. The landlord's policy does not cover your liability to others (some one else's injury or damage for which you may be held responsible).

What Does Standard Renters' Insurance Cover?

Renters' insurance covers personal belongings for their actual cash value at the time of the loss. However, there is limited coverage for furs, jewelry, monies, fine arts and other specific valuables. These special items may be covered under a special addition to your renter's policy or under a separate policy. The renter's policy usually insures your household contents and personal belongings against losses from:

- fire and lightning
- falling objects
- vandalism
- riot/civil commotion
- windstorm
- explosion
- weight of snow, ice and sleet
- vehicles
- smoke
- theft
- aircraft
- volcanic eruption
- sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water system or of appliances for heating water.
- freezing of plumbing, heating and air conditioning systems and domestic appliances.
- accidental discharge, leaking or overflow of water or steam from within a plumbing, heating, air conditioning system or domestic appliances. ("Rising water" is not covered. Separate flood insurance must be purchased for this purpose.)
- sudden and accidental injury from artificially generated currents to electrical appliances, devices, fixtures, and wiring.

Additional Living Expenses

Your renters' insurance will also pay for any increase in living expenses when your residence can not be occupied because of damage caused by events previously listed. For example the policy would help in paying for a hotel and food in restaurants while you are out of the apartment or unit that is being repaired.

Liability to Others

The liability coverage in a tenant's policy applies at home or elsewhere (except automobile) to injuries or damages caused by you, a member of your family, or even a pet. It includes coverage of legal fees in the event you are sued.

Determining Your Insurance Needs

Make a list of all your belongings, estimate the values of each, and take pictures of major items. Prepare an extra copy of this list to keep in a separate place (a close friend, relative, etc).

Shopping for Renters' Insurance

Once you have estimated the amount of insurance you need, you are ready to shop for an insurance policy. Find listings of insurance agencies by asking friends/relatives and by checking the yellow pages in the phone book. Your best bet may be to talk with the company you insure your car with.

Talk with several insurance companies to obtain the best value and one within your budget. Take a list and photographs of your belongings when talking to insurance representatives. Compare the deductibles and Total Content amount for each insurance company. In most cases the theft deductible will usually be higher. The reason is that students are more likely to be robbed because of the long periods of time their units are left unoccupied during break periods.

Be sure to ask questions on particular sections about which you are uncertain. An insurance policy is a legally binding contract which defines the duties and responsibilities of both the insurance company and the consumer. Thus, you want to have complete confidence and understanding in your renters' insurance policy.