RENTER’S INSURANCE

What Is Renter’s Insurance?

Renter’s insurance is for anyone who rents a home, house or apartment. Even though you may not own the place where you live, you still need insurance protection.

Why Do You Need It?

If you rent an apartment or own a condominium, you need insurance to protect your belongings and yourself from legal problems. While your landlord or condo association might have insurance, it only protects the building. Your belongings are not covered under those policies.

What Should Renter’s Insurance Cover?

Your policy should cover:

- Personal property against theft, fire and wind damage
- Personal liability for accidents of others on your premises
- Damage to property of others in your care
- Living expenses if you’re forced to vacate the premises during disasters or repairs

Note: Renter’s insurance usually will NOT cover you for “acts of God” (e.g. floods, natural disasters).

What Steps Should I Take to Get a Policy?

1. Locate insurance companies that offer renter’s insurance by searching on the Internet or consulting the yellow pages of your phone directory. If you have a car, check with the company that insures your car to see if they also offer renter’s insurance.
2. Contact insurance agents and ask about standard renter’s insurance policies. Obtain estimates for those policies.
3. Compare quotes and coverage levels from different insurance companies and purchase the policy that best suits your needs and budget.

Note: Premium rates can vary considerably, depending on the age and location of your rental unit, the crime rate in your area and other factors.
Glossary

Deductibles
Like any insurance policy, renter's insurance will have a deductible. This is the amount of loss you will have to cover out of your pocket before receiving any money from the insurance company. For example, if your deductible is $500 and $2500 worth of property was destroyed, you would have to pay the first $500 (the deductible). Then you would get a check for $2000 (the remainder of the value).

Inventory
Before shopping for renter's insurance, take a look around your living space. Inventory the possessions you would most want to be replaced if they were lost, as well as any valuable items for which you may need special coverage. This could include your computer equipment, television, DVD player, jewelry, appliances or photography equipment. Write down the make, model, serial number, age and costs (both purchase cost and current replacement cost).

Liability
Basic renter's insurance will include liability coverage in case someone is injured in your apartment. There is a per-incident limit on this coverage; you should make sure this amount is high enough. Increasing liability coverage will often not increase premiums much at all.

Loss of Use Coverage
If something happens which prevents you from staying in your apartment for a period of time, you may have to live in a hotel and eat meals out. Your renter's insurance can and should cover such "loss of use".

Premium
The amount that a policyholder agrees to pay to the insurance company for an insurance policy

Replacement Cost vs. Actual Value
A basic policy usually provides for the actual cash value of your belongings. This means that a 3-year-old computer would be covered for its initial cost minus depreciation. Since computer technology changes so quickly, you would probably receive little or no cash for such a computer. Therefore, it is better to insure your property at replacement cost value.

Myths

My landlord's insurance covers me. Not true. Your landlord carries insurance that will cover his/her loss in a situation where the building is destroyed or damaged in some way. Your landlord's policy most likely excludes liability for something that occurs in your rented residence. You could be held responsible for injury to another person or damage to another person's property if an incident occurs inside your rented residence. Without liability coverage, your savings and future earnings could be at risk.

Renter's insurance is expensive. Not true. The average renter can purchase complete coverage for $100 - $250 per year, depending on where he or she lives. This is a small price to pay to know that you and your belongings are protected.
If my roommate has insurance, I don't need it. Not true. Your roommate’s insurance will cover his/her possessions, but it will not cover yours unless you are listed on the policy. It is possible (and even encouraged) for roommates to get a single policy to cover all inhabitants and possessions in the apartment.

Ownership myth: "I don't own very much."
Most people’s belongings are actually worth more than they think. That's one reason why you need renter's insurance. However, it's important to know how much you need.

Insurance Companies/Providers

This list is provided as a resource guide only. It is not an endorsement of any company.

Allstate 716-634-0030 (Williamsville)
http://home-insurance.allstate.com/Renters-insurance.aspx

GEICO 1-800-841-2964
https://www.geico.com/getaquote/renters/

Independent Agents (who represent several companies to find the best deal)
Look for this logo at the agent’s office
or go to:
www.iiaba.net/agentlocator/findagent.aspx

Liberty Mutual 716-631-9140
www.youcovered.com/renters-insurance.html

Met Life 634-1515
www.metlife.com  Type “Renter's Insurance” in the search window

Nationwide 716-691-4000 or 636-9030 (near UB’s North Campus)
www.nationwide.com Type “Renter’s Insurance” in the search window and click “New York Renter’s Insurance”

Progressive 995-5620 (near UB’s North Campus)

State Farm 716- 835-9393 (near UB’s South Campus) or 688-5700 (near UB’s North Campus)
www.statefarm.com  Type “Renter’s Insurance” in the search window