



University at Buffalo
The State University of New York

Office of International Education
International Student and Scholar Services

RENTER'S INSURANCE: WHAT YOU NEED TO KNOW

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.

Renter's insurance usually will NOT cover you for "acts of God", such as floods and natural disasters.

What Steps Should I Take To Get A Policy?

1. Locate insurance companies that offer renter's insurance by consulting the yellow pages of your phone directory or the Internet. 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 the terms of standard renter's insurance policies. Obtain estimates for renter's insurance 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) and 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 or need replaced if they were lost, as well as any valuable items for which you may need special coverage. This could include your stereo, computer equipment, television, DVD player, Palm Pilot, 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. As with car insurance, there is a per-incident limit on this coverage, and you should make sure this 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" just as your auto insurance covers a rental car while yours is being repaired.

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 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 \$65 - \$170 per year, depending on where he or she lives. This is a small price to pay for knowing 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 comprehensive resource guide only and is not an endorsement of any company.

Allstate 716-634-8100 (Williamsville)

<http://home-insurance.allstate.com/Renters-insurance.aspx>

GEICO 1-800-841-2964

<http://www.geico.com/home/renters/>

GMAC 1-800-462-2123

<http://www.gmac123.homesite.com/Renters.asp>

Independent Agents (*who represent several companies to find the best deal*)

Look for this logo at the agent's office



or go to:

http://www.wnyagent.com/member_info.asp

Liberty Mutual 716-631-9140

<http://www.libertymutual.com> They call it "*Tenant's Insurance*"

Met Life <http://www.metlife.com> type "renters insurance" in the search window

Nationwide 716-691-4000 or 636-9030 (near North Campus)

<http://nwinsurance.nationwide.com/nwinsurance/>

State Farm 716- 835-9393 (near South Campus) or 688-5700 (near North Campus)

<http://www.statefarm.com/index.asp>