

Renter's Insurance

Residents cannot hold landlords responsible for loss to personal property as a result of fire, theft, or any cause other than landlord's gross negligence. Therefore, it's a good idea to have renter's insurance.

1. Many students are eligible for coverage under their parent's homeowners policy. This is not automatic. They must contact their parents and the insurance carrier to arrange for coverage. Usually this coverage is free, but their parents may have a higher deductible (the amount the policyholder must pay before the insurance company pays) than a policy in which they would buy themselves.
2. If you own an automobile, call the company that carries your auto insurance. Often, companies give a reduced rate to policyholders that have both homeowners/renter's and auto insurance through the same company.
3. Compare policies based on the following:
 - a. Annual premium – the amount you are going to have to pay each year for coverage.
 - b. Deductible – the amount you will have to pay before the company will cover your damages.
 - c. Extent of coverage – the maximum amount for which you can make a claim.
 - d. Replacement cost – the insurance company will pay to replace the lost property, rather than merely reimbursing you the depreciated value. Note: Some policies provide replacement cost only for \$20,000 coverage.
 - e. Alternative housing costs for hotel bills if a fire forces you out of your home. This coverage should be for as long as possible.
 - f. Exemptions – the fewer the better, but insurance shoppers should expect some exemptions and make sure that they have coverage for everything they need. Be sure property such as a home computer, jewelry, antiques, photography equipment, etc. is covered by your policy. If you rent a basement apartment, you may have to purchase extra coverage in case of flooding or sewer back-up.
4. THE BEST REASONS TO HAVE INSURANCE
 - a. Theft
 - b. Fire. When it happens, the damage is usually extensive.