

Why Should I Buy Renters Insurance?

Rental Insurance is one of the last things most renters think about when faced with moving. Most renters do not realize that if there is a problem in their home, they are not covered by the landlord's insurance. To protect yourself and your valuables, renters are encouraged to obtain renters insurance. Renters insurance is one of the most overlooked types of policies. However, those who have had to use it know its value. Buying a policy insures not only your belongings, but also gives you peace of mind—and that's something hard to put a premium on.

What is Renter's Insurance?

Renters insurance is an insurance policy that protects your personal property from a variety of perils that might occur to those who rent. Most policies cover the following losses:

- Windstorm or hail
- Explosion
- Aircraft
- Smoke
- Theft
- Falling objects
- Water-related damage from home utilities
- Damage by glass or safety-glazing material that is part of a building
- Fire or lightning
- Riot or civil commotion
- Vehicles
- Vandalism or malicious mischief
- Volcanic eruption
- Weight of ice, snow, or sleet
- Electrical surge damage

What are the Coverage Options in a Renter's Policy?

1. **Coverage C: Personal Property:** You decide how much your personal property is worth and request coverage for that amount. You should also decide if you want coverage for ACV (Actual Cash Value) or Replacement Cost. ACV coverage will only pay you for what your belongings were worth at the time they were stolen or damaged. You will pay higher premiums with replacement cost coverage, however, if something happens, you will be paid the amount that it will actually cost to replace your items.
2. **Coverage D: Loss of Use:** Another important provision included in most policies is coverage for additional living expenses. This means that your insurer will cover your living expenses in another location, if your home becomes unlivable. The typical limit is 30 to 50 percent of the total value of the policy. You will be limited to what your carrier considers a reasonable length of time for rebuilding or relocating, often twelve months.
3. **Coverage E: Personal Liability:** Most policies include liability coverage that will cover the costs for any injury to yourself or visitors to your home if you are legally responsible for the injury.
4. **Coverage F: Medical Payments:** Most policies include an amount for Medical Payments to Others. This type of coverage will pay reasonable medical expenses regardless of who is at fault.
5. **Optional Coverages:** You'll also need to let your insurer know if you are interested in any optional coverages. If you own any particularly valuable items, like a piece of jewelry or expensive electronic equipment, you may want to "schedule" these items. There are also other optional coverages to consider, such as water or sewer backup and identity theft protection.

What do I need to do to protect myself?

After you move in, take inventory of all the items in your home. Insurers state that most people underestimate the value of their possessions and therefore don't have enough personal property coverage. Experts recommend making an inventory of each item including its value and serial number. You should also photograph or videotape each room and be sure all the items of value are clearly visible. If you make any major purchases, keep the receipts. If you want to pay less for your policy, consider choosing a higher deductible. This is the amount you have to pay if you do have to use your policy. If you or your home owner has installed smoke detectors, fire extinguishers or burglar alarms, you may be eligible for a discount. If so make sure to mention these when you are purchasing a policy.

For More Information, or For a Free – No Obligation Quote, Please Contact:

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