

Why Should I Get Renter's Insurance? – A Guide for Residents

As a tenant, you may see renter's insurance as just another bill to pay and wonder why it would be beneficial to have. After all, your owner is insured, right? Usually, but... Accidents Happen!

1. Did you know that if you are at fault for causing a fire, or otherwise damaging your rental property, that you may be held financially liable?
2. Did you know that if your rental home burns in a fire the owner's structure is covered, but your belongings are not? The owner is only required to refund your security deposit and prorated rent, but is not required to find substitute housing for you or pay for it! How will you pay to replace all of your belongings? Find a new place to live?
3. Did you know the same is true for a catastrophic Act of God? A freak power surge that fries your electronics? A tree that falls on the house? A burst water pipe?
4. Did you know that you can be held financially liable for your owner's insurance deductible if their claim is related to damage caused by you or a guest? From minor accidents like the classic baseball through the window to major damage such as a kitchen fire, did you know that the insurance company may pursue you for the cost of the damage claim, resulting in a huge potential debt or judgment on your credit?
5. Did you know that thefts are the most common claim on renter's insurance policies? Did you know that if your home is broken into and valuables are stolen, or you have valuables stolen from your car, that without renter's insurance your loss is not covered?
6. Did you know that if your child leaves their bike or skateboard on the sidewalk and someone trips on it and hurts themselves that you can be held financially liable? What if your dog bites someone? What if you accidentally collide with a friend in your kitchen and they get burned? The liability portion of your policy will kick in, hopefully covering in full any expenses related to the accident.
7. Did you know that Renter's Insurance (which usually includes premises liability coverage of \$100,000, \$25,000 coverage for theft or loss of personal property, and coverage for loss of use of the dwelling unit) only costs about \$10/month?
8. Did you know that while your landlord may only require a maximum of \$100,000 in liability coverage for your policy, that you can increase that amount? Also, that the purchase of a personal liability umbrella will cover you above your liability limits in an auto crash where you are at fault?
9. Did you know that if you are sued for negligence for something that occurs away from the rental premises, your liability umbrella could provide for your legal defense?
10. Did you know that a one million dollar liability umbrella costs only a few hundred dollars per year, and may be tax-deductible?

You are strongly encouraged to purchase and maintain in force a Renter's Insurance policy for your own benefit, regardless of whether it is required by the rental owner. Please choose to protect yourself.