

## Renters Insurance 101 Explained

If you rent a home or apartment instead of owning a house outright you may not think you have a need for insurance or believe that it is even available to you for that matter. The truth of the matter is that regardless of whether you own or rent it is a good idea to have insurance and even if you rent instead of buy you can qualify for insurance; it is known as renters insurance and it can be a safety net you can't afford to miss.

At a minimum renters insurance will cover your personal property such as furniture, clothing and electronics in the event of theft, fire or natural disaster. Renters insurance may also provide protection for you in the event that someone is injured while at your residence.

There are several options available with renters insurance which can give you a lot of flexibility depending on your needs and how much you want to spend on it.

Personal property coverage will cover just your personal property in the event there is damage related to fire, hail, smoke, vandalism, lightning, plumbing, etc. This type of policy will also cover your personal belongings in the event you are the victim of theft. In order to take out this type of policy you will fix a value on your property and the policy will be written for that amount. Make sure you determine an accurate value for your personal property or you may find yourself undercovered in the event of the unexpected.

You can also take out personal liability protection which will protect you in the event that you are sued due to an injury incurred by someone while visiting your residence. This type of policy will cover related damage as well as relevant legal costs. The minimum for such a policy is usually \$100,000 and will cover injuries or damage that occurs while at your residence or that is caused by you, your children or pets.

Another type of policy you may wish to consider is known as additional living expenses. In the event that you can no longer live in your rented residence because of a hazard that is covered under the policy, this type of coverage will pay up to 20% of the contents coverage amount in order for you to pay additional living expenses. This would include hotel costs as well as meals, laundry, etc. until your residence is ready to be re-inhabited.

An improvements coverage allows you to apply up to 10% of your contents coverage in order to either replace or repair items that you redecorated or altered before a covered hazard occurred.

In the event that you're held legally responsible for fire damage to your place of residence, a fire legal liability policy will protect you.

It is important to be aware that you are usually liable for deductibles with renters insurance just as you would be with any other type of insurance coverage. You can adjust the deductibles in order to lower the cost of your premium, which may make the policy more affordable.

Source: <http://www.articlecircle.com>

### About the Author

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