

Renter's Insurance Information

WHAT DOES RENTER'S INSURANCE COVER?

- Personal property coverage (Personal property coverage helps reimburse you if your stuff is stolen, damaged, and/or destroyed by a covered event.)
- Liability and medical expenses (This is for financial risk if someone is accidentally injured and you're at fault. It's available if something happens at your place or somewhere else.)
- Additional living expenses or loss-of use coverage (It takes care of accommodations if you can't live in your home due to a covered event.)

The best renter's insurance policies also cover:

- Protection against property damage: If you're responsible for damage to the property, landlords can make a claim against your renter's insurance to pay for the damage.
- Relocation expenses: Some renters insurance policies will pay for the cost of temporary housing or relocation caused by covered disasters that make your apartment uninhabitable.
- Damage or injuries from pet: Many renters policies cover damage or injury caused by your pet to other people's properties, like if your dog bites someone. Read carefully, though, policies don't often cover damage that your pet does to your own apartment.

HOW MUCH DOES RENTER'S INSURANCE COST?

- The average cost of renters insurance is \$12-18 per month for policies that offer between \$10,000-\$25,000 in property protection.

HOW IS RENTER'S INSURANCE CALCULATED?

1. **The more stuff you have the higher the premium.** Do you have \$5000 or \$40,000 worth of stuff to cover? Take inventory of all your belongings, bike, TV, bed, etc, add up their value to decide how much coverage you need.
2. **Where you live will affect your rate.** If you live in a high-crime area or an area often hit by natural disasters like flooding or tornadoes, you'll pay a bit more.
3. **Low deductibles equal higher premiums and vice versa.** This is the amount you pay out-of-pocket before the renters insurance policy pays anything. The higher your deductible, the lower your premium. Just be careful to not set the deductible higher than you can comfortably pay if you need to file a claim.
4. **Replacement cost vs. actual cash value.** "Replacement cost" means your provider reimburses you for the cost to fully replace (at the current going rate) whatever was damaged or stolen. "Actual Cash Value" is when your insurer reimburses you for how much your items are worth today. Because anything you buy tends to lose value ("depreciate") over time, this type of policy means you'll have to add in some of your own money to buy a new item to replace the old one.

5. **Bundle your renter's insurance to save money.** The more types of insurance you have with one company, like car and renters, the more likely they are to offer a discount.
6. **Fewer claims filed saves you money.** If you've filed claims in the past, your rate may be higher. While this is frustrating, it is a factor that influences your renter's insurance premium rate because insurance companies consider you to be higher risk.
7. **Good credit scores can mean better insurance rates.** Some renter's insurance companies will run a credit check on you when determining your premium.

4 WAYS TO SAVE ON THE BEST RENTER'S INSURANCE

While there are many factors that may raise your rate, there are ways to lower your rate too. The best renter's insurance companies offer multi-policy discounts, safety discounts, and more ways to save. Here are some of the most common:

1. **Policy discounts:**
 - a. Association discount: If you are a member of the military, are retired or are a member of a credit union.
 - b. Safety discount: If you have things like deadbolts, fire sprinklers, and smoke detectors.
 - c. Claim-free discount: If you haven't made a claim in a year or more.
2. **Policy bundles** - If you use the same carrier for renters and auto insurance, the best renter's insurance companies will offer discounts.
3. **Reduce your personal property coverage** - You may be paying for more coverage than you need. Take inventory of all your belongings and add up the value. Chances are, you are over insured.
4. **Shop around** - Sometimes insurance goes up a little bit each year or your situation changes. If you shop around, sometimes you can find an equivalent policy with a new company, for a lower cost.