

**RENTAL INSURANCE GUIDELINES:** Landlord, Owner, or Manager does not maintain insurance to cover the personal property of Tenant(s) or personal injury to Tenant(s), their guests or occupants. Tenant(s) is required to obtain rental insurance in the amount of \$100,000 public liability and \$5,000 property damage from whatever cause to his person or property and to the person or property of those on the premises with his consent, and Tenant(s) shall indemnify and hold all other parties harmless from all claims arising from any such injury or damage throughout the term of the tenancy. Tenant(s) is responsible to obtain insurance within seven (7) days of residing on the Premises. Should any injury or damage occur within the first seven (7) days or prior to obtaining rental insurance, Tenant(s) shall indemnify and hold all other parties harmless from all claims arising from any such injury or damage.

#### **Minimum Coverages required in the lease**

**\$100,000 Personal Liability**

**\$ 5,000 Personal Property**

#### **Great Sources for Renters Insurance**

1) \*Cheapest Policy that I could Find\* [microsoft-edge:https://www.lemonade.com/](https://www.lemonade.com/)

Premiums start at **\$5/mnth** or \$60/yr

**\$10,000 Personal Property**

\$1,500 Portable Electronics

**\$100,000 Personal Liability**

\$3,000 Loss of Use

\$1,000 Medical Payments to Others

\$250 Deductible

\$0 Add Interested Party/Landlord

\$0 Add Spouse

2) <https://www.geico.com/>

After entering your email, make sure to "review coverages" to reduce the coverage limits and the cost.

Premiums around \$11.59/mnth or **\$79/yr** (\$6.58/mnth equivalent)

**\$5,000 Personal Property**

\$500 Damage to Property of Others

**\$100,000 Personal Liability**

\$1,000 Loss of Use

\$1,000 Medical Payments to Others

\$250 deductible

\$0 Add Interested Party/Landlord

Geico Application Screenshot:

I also suggest one or all of the following:

- Check with your auto insurance company – they can likely bundle it for you.
- Use any other major insurance carrier.
- Use a recommended and trusted insurance agent whom you already have business with.

The largest and leading renter's insurance companies are:

- [Lemonade](#)
- [Progressive Renters Insurance](#)
- [State Farm Renters Insurance](#)
- [Geico Renters Insurance](#)
- [Allstate Renters Insurance](#)
- [Esurance Renters Insurance](#)
- [Nationwide Renters Insurance](#)
- [eRenterPlan Renters Insurance](#)
- [Effective Coverage Renters Insurance](#)

## 4 Myths About Renter's Insurance

### Common Misconceptions

By Sally Anderson

If you're wondering what's the big deal about renter's insurance -- like you need another way to spend your monthly paycheck? -- first consider these common misconceptions:

**It's cool -- my landlord's covered.** In most cases, a landlord's insurance covers only structural damage to the building itself—and many landlord policies don't even go that far if the damage is caused by a tenant. If you leave the tub running and it turns your floor into cardboard and dribbles downstairs, damaging your neighbor's couch, you may be liable for the whole drippy mess. If your building went up in flames, your landlord's coverage would include repairs, but only to the building, not to the possessions of tenants.

**It's out of my price range.** Is \$10 to \$20 per month too much? In March of 2002, unofficial online quotes from two major carriers produced annual rates of \$147 (\$12.25 per month) and \$203 (under \$17 monthly) respectively. Both quotes were for a fictional five-room house in Boulder, Colorado, covering the basics for "standard" personal property valued at \$35,700 (the automated figure produced by one company). Both quotes had a deductible of \$500 per incident, and included medical coverage for others, on-premise or off-premise. Assumptions were that the house contained a smoke alarm and fire extinguishers. For lower rates, you can raise the deductible; for more protection, you can pay more for replacement cost coverage, in which reimbursement is based on today's replacement cost rather than original value.

**I'm in a great building, and I'm not worried about security.** Renter's insurance extends beyond on-premise theft and hazards. If your suitcase is stolen while you're on vacation, you'll likely be covered. Same with property stolen from your car. If you're prone to barroom brawls—well, you might need more help than renter's insurance, but you'll probably be covered if you hurt someone. Speaking of injuries, you'll also likely be protected if someone slips and sprains their ankle at your annual dance-a-thon; you may even receive compensation for legal defense costs in the case of a lawsuit.

**My stuff isn't really worth much.** You might be surprised at how quickly all those books, CDs, and kitchen appliances add up. According to StateFarm.com, most people own more than \$20,000 worth of property. Refer to the lists in this article to make an inventory of your possessions prior to contacting an insurance carrier for a quote. (Some Web sites help you with this step, such as <http://www.statefarm.com/insuranc/renters/howmuch.htm>.) List each item along with its year of purchase and what you think it would cost to replace it today.

### Types of Coverage

#### Personal property coverage

As with any insurance policy, coverage varies by state, company, and type, but here are some basic examples of personal property to include in your inventory. Items not listed here may still be insurable; ask agents about customizing your policy with more options.

Property typically covered:

- Stereo systems, VCRs, and television sets
- CDs, DVDs, videos, and tapes
- Cameras and other photography equipment
- Movable appliances, including microwave oven
- Furniture
- Sports equipment
- China and glassware
- Clothing
- Books
- Miscellaneous

Property typically covered with limitations:

- Home computers
- Cash, including coin collections
- Checks, traveler's checks, and securities
- Jewelry and watches
- Precious and semi-precious stones
- Comic books, trading cards, and stamps, including collections
- Antiques and fine art
- Goldware and silverware (theft)
- Rugs, wall hangings, and tapestries
- Firearms (theft)
- Furs or clothing trimmed in fur
- Boats or other watercraft, and related equipment

### **Natural hazards coverage**

Again, natural-hazard coverage varies by state and company, but most policies protect your property against losses created by the following:

- Vandalism
- Water damage from failure of plumbing or appliances
- Frozen water pipes
- Hail
- Windstorm
- Smoke

- Explosion
- Vehicles or aircraft

For a higher premium, most insurance carriers offer options to add coverage for hazards not included in a standard renter's policy:

- Earthquake, landslide, or other damage caused by movement of the earth
- Water damage caused by an underground source or flooding
- Nuclear-hazard damages

#### Questions to Ask Your Insurance Carrier

- Will your insurance cover any property shared by your roommates?
- Which items should you take photographs or videotapes of?
- What are the limits on specific categories of personal possessions?
- What optional coverage is available, including for satellite dish and portable cellular communication systems?
- What is the price and protection difference between "replacement cost coverage" and "depreciated cost coverage"?
- How should you value fine-art objects?
- What circumstances are covered in your personal liability?
- What circumstances are covered in the medical coverage for others?
- Will you be notified before any rate increases because of policy changes or inflation?
- If your building were damaged or destroyed, would you be compensated for interim housing?
- How much protection would you have if your home were damaged or destroyed because of an action by yourself or a guest?
- Will your personal liability include defense costs in the case of a lawsuit filed against you?
- What will your off-premises coverage include, for both personal property and medical liability?
- If you're planning to be married, is protection provided or available to cover the value of gifts?

Remember that insurance is about your protection against unforeseeable circumstances. Even if you think "it can't happen here," paying the price of one music CD a month might someday make the difference between an empty house and a replacement-shopping spree.

Sally Anderson is a writer and editor based in Seattle.