CANADIAN RELOCATION SYSTEMS
Renters Insurance for your Apartment, Rented House, Condo or Co-op.

Why Renters insurance?

 Renter's Insurance policies are designed to indemnify (cover your loss) you in the event of a covered loss to your personal property and protect you in the event you are responsible for bodily injury or property damage to others. It is available for apartments, rented house, condo, co-ops, dormitories, and roommate arrangements. It has been estimated 75% of Renter's do not have coverage. Most homeowners **HAVE TO**. More and more landlords are *requiring Renter's Insurance* as a condition to rent.

Suppose you have visitors to your apartment and someone slips on a wet kitchen floor and breaks an arm? Who is responsible for the medical costs? In most circumstances **you are**. Renter's insurance in general provides "named peril" coverage, meaning the policy states specifically what you are insured against. Some named perils include Fire or Lightning, Smoke, Vandalism or Malicious Mischief, Theft, Accidental Discharge of Water and 10 or more others. Your agent will detail these for you.

Liability coverage also includes Medical Payments coverage, which applies *to nonresidents of the insured premises*. This coverage pays for the actual medical expenses incurred up to the limit for a non-resident guest.

Always read the contract for specific explanations of coverage and exclusions.

When getting an insurance quote on your rental, condo or home, consider asking for a quote on your Auto Insurance policy as well. Often the insurer offers a discount if you carry both Auto, Home or Renter Insurance policies with the same company.

Renter's Insurance Costs

You might think you don't need Renter's Insurance if you rent, but think again! Add up the cost of your furniture, your electronic equipment, your CD collection, computer, garments and other personal property. Can you afford to replace everything in the event of a fire or burglary? Renter's Insurance i*s relatively inexpensive.* The average cost of renter's insurance begins about $25 a month for around $30,000 worth of property coverage and $100,000 worth of liability coverage. Rates vary depending on coverage and your location and the amount you want to cover.

Renter's Insurance may cover...

Repair or replacement of your personal property damaged, destroyed or stolen as the result of various types of peril -- fire or lightning, windstorm or hail, explosions, smoke, vandalism, theft, damage by glass, electrical surge damage, and water-related damage from home utilities, and more. If your home is made unlivable by one of these perils, Renter's insurance will pay for the associated expenses (cost of a temporary residence, meals eaten out, etc.). Coverage is usually limited to a percent of the total value of the policy. Renter's insurance provides the security of knowing that if you lost everything today, you wouldn't be forced to start from scratch. Renter's insurance can even cover you for personal possessions that don't happen to be in the apartment at the time of the loss. If that friendly tour guide in Milan happens to find his way back to your hotel and makes off with a suitcase full of your stuff, you don't have to just suffer the loss - in some policies.

Actual cash value or Replacement cost value?

Although you will pay about 15 percent more for it, you're usually better off with replacement cost coverage, which pays for what it actually costs to replace the items you lost. Actual cash value, on the other hand, pays only for what your property was worth at the time it was damaged or stolen.

Lower Your Insurance Costs

Typically you *can lower your cost* even further by getting a policy with roommates, increasing your deductible or having multiple policies with the same carrier (Renter's insurance and auto insurance, for example). It's certainly cheaper than replacing all your possessions.

Landlord is Responsible, right?

Of course, you can always count on part of your landlord's policy, right? **Well, not quite**. Many renters are under the impression that their landlord's policy covers their belongings as well. *Unfortunately that's not the case*, and they often don't find that out until the worst possible time, after a disaster or a robbery. Your landlord's policy *doesn't cover anything* that's yours. The only exception to this would be if the loss was caused by negligence on the part of your landlord, and then you would still have to prove it in court. That is where Renter's insurance comes in.

Here are some of the facts you need to know when deciding whether or not you need renter's insurance.

FACT: Your landlord's policy does not cover any part of your belongings. It covers the structure alone.
FACT: Basic Renters insurance also provides you with liability in case someone is hurt in your home and decides to sue. An average policy includes about $300,000 in liability coverage.
FACT: A basic policy covers 17 perils, but floods and earthquakes are not included. However, you can add flood and earthquake coverage for a relatively small amount of money. Flood insurance is covered by a government - subsidized program and, along with earthquake insurance, is purchased through participating insurance companies.
FACT: If you live in a dormitory, your parents' policy may cover you. If you live in an apartment, it probably doesn't. In either case, you should check with your parents and their agent and not take for granted that you're covered for Renters insurance
FACT: The most common disasters are fire and flood. A fire spreads in three to five minutes, and the chance for a total loss is very high.
FACT: After a disaster, you may not be able to return to your apartment. Renter's insurance can pay for temporary housing or foot the bill for permanent relocation.

This is a guide only and insurance rules and conditions will vary from province to province.
To get in touch with an Insurance Broker visit our **"Easy Insurance"** section:

http://relocatecanada.com/easyinsurance.html