

How much does tenant's insurance cost?

The cost of tenant's insurance depends on many things, including the amount of insurance you choose, where your apartment is located, how it was constructed, and the insurance company you choose. The value of your contents also determines the cost of your tenant's insurance. The more you own, the more coverage you will need to replace those contents. You can also purchase optional coverage for risks such as water damage.

When you compare how much you stand to lose if you don't have insurance, the cost of tenant's insurance is minimal. Insurance should be factored into your living expenses, much like the cost of food and shelter.

If you have a car, consider getting a quote from your auto insurer. You may be eligible for a discount for "bundling" your auto and tenant's policies together. Ask about other discounts or other ways that could save you money on premiums. Shop around to compare the prices of different companies.



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TENANT'S INSURANCE?



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If you rent an apartment or house, tenant's insurance is available to help you replace your belongings after a loss due to theft, fire, water damage or other insured perils. Insurance pays for extra costs to help you get back on your feet after a loss. Insurance also protects you if someone gets hurt or someone else's property is damaged because of your negligence.



DO I NEED TENANT'S INSURANCE? YES. HERE'S WHY:

1 It insures your belongings, helping you rebuild your life after a loss.

Think about all the things you own – the furniture in your bedroom and living room and all the items in your bathroom and kitchen. Think about the clothes, household items, toys, electronics and other things. Now imagine having to replace all of those items at once due to fire or certain types of water damage.

Insurance doesn't just cover furniture, TVs and expensive items. Insurance will repair or replace pots, pans, clothes and most other household items. Even if you think your belongings have little value, you might be very surprised by how much it would cost you to replace everything – all at once. However, keep in mind that coverage for some insured items may be subject to exclusions or maximum limits. Read your policy carefully to determine your exact coverage.

2 It helps you to cope with your other needs after a loss, covering extra costs that may result from an insured loss.

If there was a fire in your apartment and you were forced to leave the building until the damage was fixed, where would you stay? Without a kitchen to prepare food, could you afford to dine out every night?

Tenant's insurance pays for any necessary expenses while your apartment is being repaired, such as hotel bills, restaurant meals and moving costs. This coverage is called additional living expenses and will pay for additional expenses that you have to pay because you are not living in your own home. This coverage is subject to certain limits.

3 It helps to protect you and your family in the event of a lawsuit.

Tenants are responsible for the harm they cause to any part of their apartment, the building and to others who live or visit there. For example, if a cooking fire causes damage to the contents of your apartment and those of other tenants as well as parts of the building, you may be held responsible for the cost of that damage. Tenant's insurance covers that cost.

Similarly, if someone slips and falls in your apartment, you might be held financially responsible for the cost of the injured person's pain, suffering and medical bills.

A typical tenant's insurance policy provides coverage, up to a limit, for the amount that you would have to pay to someone who successfully sues you. This is called liability coverage. It will also cover the legal costs of defending the lawsuit. You can often buy extra coverage to increase the limit of your liability coverage.

Your lease may stipulate that you maintain tenant's legal liability insurance.

