

Home Renters Insurance can protect you

Contributed by Administrator
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Renters face the same risk as the homeowners in cases of disasters striking their home. Your landlord or condo association may have insurance, but this only protects the building, not the things in it. Home Renters Insurance can protect your belongings in case of disaster.

One thing you want to look at is whether the insurance company will be writing the actual cash value.

There are several types of Home Renters Insurance policies. The HO-4 policy is merely designed for renters, while the HO-6 policy is for condo owners. Both HO-4 and HO-6 cover the losses for your personal property from 16 types of perils such as, fire or lightning windstorm or hail ,explosion , riot or civil commotion, damage caused by aircraft, damage caused by vehicles, smoke vandalism or malicious mischief, theft, volcanic eruption or falling objects, weight of ice, snow, or sleet . Accidental discharge or overflow of water steam, from within a plumbing, heating, air conditioning, or automatic fire-protective sprinkler system, or from a household appliance. Sudden and accidental tearing apart, burning, cracking, or bulging of a steam or hot water heating system, an air conditioning or automatic fire-protective system. Freezing of a plumbing, air conditioning, heating or automatic, fire-protective sprinkler system, or of a household appliance.

Sudden and accidental damage from artificially generated electrical current (does not include loss to a tube, transistor or similar electronic component)

Floods and earthquakes aren't on the coverage of Home Renters Insurance. If you live in an area prone to either, you'll need to buy a separate policy or a separate rider. In some coastal regions, where hurricanes might pose a threat, you might also need to buy a separate rider to cover damage by wind. One thing to look at is whether the Home Renters Insurance Company will offer the actual cash value (ACV) or replacement cost coverage for your belongings. As the name implies, ACV coverage will pay only for what your property was worth at the time it was damaged or theft.

So, if you bought a TV five years ago for \$500, it would be worth significantly less today. While you'd still need to spend about \$500 for a new TV, your insurance company will pay only for what the old one was worth, minus the deductible.

In some regions, most insurers write the ACV coverage. In other places, they'll quote you replacement cost coverage by default. Replacement cost coverage of Home Renters Insurance will cost you more in premiums, but it will also pay out more if you ever file a claim.