



My Top 3 reasons to Renters Insurance, Not what you would expect

There are a number of reasons to have renters insurance if you are renting a home or apartment. Renters insurance covers personal property, so if there were a fire or theft your possessions would be replaced. It also is extremely affordable, usually in the \$200-\$300 range a year. You may also be required to have coverage by your landlord. While the above reasons are important they are not the most important reasons to carry the coverage. Below are my top three reasons to have renters insurance, and why.

1. Liability – Liability insurance, or “I don’t want to ruin my life”, is one of the most important coverage’s of any insurance policy. This is

coverage for the incidents where you are held liable. If a friend, co-worker, or delivery guy have an injury on your premises you maybe sued. Also, for my fellow golfers, a bad shot that breaks a car window at the golf course would be covered by your renter's policy. In a lawyer up culture, it doesn't take much of an imagination to see how life altering lawsuits could occur.

2. Multi-policy Discount – If you have watched any sporting event recently its hard to miss insurance commercials on saving money by bundling your auto with your home, tenant/renters policy, etc. Fact of the matter is by combining your insurance policies you will save money. Insurance companies give significant discounts for having multiple policies. In some cases the amount you may save on your auto insurance could come close to covering your cost for renters insurance.

3. Future Discounts – If you are renting chances are that down the road you may look to purchase a home of your own. While renter's insurance isn't always required by landlords, homeowner insurance is going to be required by all lenders. If you have historically had renters insurance you will receive a discount on your new homeowner's policy with most companies. With that, by having a lower premium on your insurance this will contribute to a lower monthly payments on your escrow account.

Please let me know if you have any questions or comments regarding this article.

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