

# Basic renters insurance worth the cost

## Here are 5 tips to help you find the best coverage

NEW YORK — Renters insurance may seem expensive if you're among the more than two-thirds of tenants who lack it. But it's the best way to avoid losing thousands of dollars if you're robbed or your apartment is damaged by water or fire.

New York apartment dweller Rose Lichter-Marck, 28, had to pay cash to replace all her furniture, housewares and books after a fire in her old building. Cleaning the smell of smoke out of her clothes cost another \$2,000, because she didn't have insurance, she said. Then she had to stay with friends until she found a new apartment. With insurance, the whole experience would have been less painful — and less expensive.

A basic policy can be as little as 50 cents a day. But many renters, mostly young adults, think — incorrectly — that their stuff isn't worth enough to insure, according to Apartments.com, which found in 2010 that 70 percent of tenants don't buy renters insurance.

### Here are five steps to take if you're considering renters insurance:

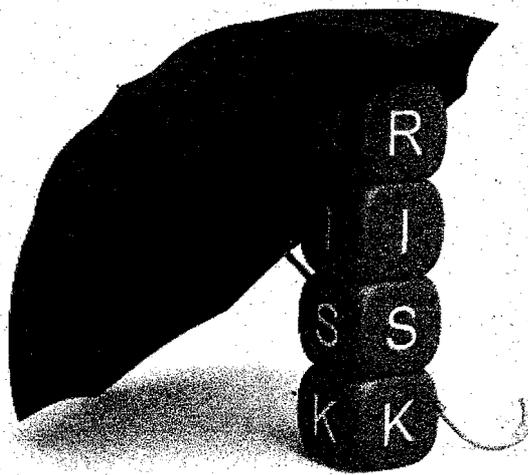
- **Inventory your possessions:** Photograph everything you own to get a sense of how much it would cost to replace all your things. While you're at it, write down the serial numbers of all your electronic devices and appliances.
- **Seek out discounts:** Take note of any special safety precautions in your building that will earn you a break on your monthly premium. If you buy coverage from the same company that insures your car or provides you other types of coverage, that can earn you a multi-policy discount.
- **Think about partying:** If you like to entertain, renters insurance can be especially helpful. Most policies will offer your guests medical coverage, so if someone visiting your place

slips and smacks his head on your kitchen counter, his trip to the emergency room will be covered.

- **Choose replacement vs. actual value:** Most insurers will cover either your belongings' actual cash value or what it would cost to replace them. A cash value policy will be cheaper, but the payout for things you have to replace will be reduced by how much they've depreciated since you bought them.

Replacement-cost coverage will cover the cost of replacing your belongings new, now.

- **Understand your policy's limits:** Basic renters insurance policies cap reimbursements. So be sure to buy the extra coverage you need for pricey items like jewelry, electronics and musical instruments. Some people even carry riders against identity theft. But extra coverage adds up quickly so be clear about your priorities.



- Buying a basic renters insurance policy can save you hundreds and maybe even thousands of dollars in the event of theft or water or fire damage.