Rental's Insurance

There are two main reasons for obtaining renter’s insurance. The first is to protect your property against damages. Renter’s insurance can cover fire, smoke damage, theft, vandalism, and damages from windstorms or other natural hazards. The second reason to get a policy is for liability coverage, which protects you from a civil suit brought because of your negligence. Some policies also pay medical costs if people are injured on your property.

Renter’s insurance usually ranges between $65 to $225 a year. To decide how much coverage you need, add up the cost of replacing your possessions. Every policy is slightly different and each company varies. Check out various companies and find a policy that fits your needs. Sample companies include Geico, Liberty Mutual, and Progressive.

- **Deductible**
  Most policies have a deductible or a specific amount deducted from each claim filed. Each policy and company varies in the deductible.

- **Liability**
  Liability coverage can range from $300,000 to $300,000. In most cases, more coverage is better. Check to see if your policy covers attorney costs and medical costs.

- **Minimum Coverage**
  Some policies will not cover your property for less than a specific amount. The typical minimum is about $10,000. In a case of a shared residence, each person should get their own policy to cover personal property and liability.

- **Parents Homeowner’s Coverage**
  Students up to age 25 are typically covered under their parents’ homeowner’s insurance. If possible ask your parents to review their policy to determine if you have coverage in the event of a loss.

- **Variables That Can Affect Your Rate**
  - If you live in or out of city limits.
  - If the structure is wood frame or brick.
  - The amount of theft & fire restraints the home has.
  - Your student or non-student status.
  - If you live in a complex with 4 or more units.
  - If you have other policies with the company.
  - How much property & liability coverage wanted.

Leases

A lease is a legally binding agreement that outlines the rights and responsibilities of both the landlord and the tenant. The lease details rules by which landlords and tenants agree to follow. A written lease gives you the most protection under the law. Most leases are for a full calendar year, making the tenant responsible for the entire amount of the rent. Before signing a lease, make sure you understand it and agree to the terms listed.

- **Important Things to Look for in a Lease**
  - Names and addresses of all parties listed.
  - The amount of rent, when it is due & whether there are late fees.
  - The beginning & ending dates of the lease.
  - Security deposit amount.
  - Who is responsible for paying what utilities.
  - Whether pets are allowed.
  - Who is responsible for maintenance & repairs.
  - Who is responsible for disposing trash, cutting grass & shoveling snow.
  - Limits on number of person allowed in the unit.

Subleasing

Subleasing occurs when a tenant rents the apartment to a third party. The subtenant is responsible to the tenant to perform all the same obligations in the original lease agreement. Before you negotiate a sublease agreement, be sure you are entitled to do so under your lease.

Security Deposits

A security deposit is money that protects landlords against damage beyond normal wear and tear, provides a remedy for unpaid rent and funds cleanup for the rental. Almost every landlord will require you to pay a security deposit in addition to your first month’s rent. It can be anywhere from 1 or 2 times your monthly rent.

Protecting Your Security Deposit

When moving in, the best way to protect your security deposit is to complete a detailed checklist of all the damages already present in the unit. Note things as small nail holes in the walls, burns in the carpets and cracks in the windows. Be sure that your landlord is present when this is occurring and have them sign the checklist. If your landlord is unable for a walk through, you can take video footage or pictures and send a copy to your landlord. When you move out, you should conduct the same kind of inspection with your landlord with the results recorded in writing.