

RENTER'S INSURANCE



Do you have coverage and is it sufficient?

Importance of Renter's Insurance

When living in government housing or on the economy, it is important to be covered with renter's insurance. The Department of Defense does not provide renter's insurance for government-owned/leased housing or rental housing on the economy. So, it is your responsibility – military members and civilians – to ensure protection of your possessions and liability coverage if there is an accident or natural disaster. It is important to have sufficient coverage on your renter's insurance policy, too. Renter's insurance generally covers your personal property, so a basic policy may not cover the cost of damages you made to your unit or rental home.

Below are examples where residents have been charged for damage they caused to their homes. The military member or civilian did not have renter's insurance, or their policy did not cover the damage they caused, so they were financially responsible.

Example 1

Resident put hot barbecue coals into a trash can next to the garage. The trash can caught fire and caused \$15,000 in damages.

Example 2

Resident did not adequately tighten the water supply hose to the washing machine, which allowed a slow leak to go undetected. It resulted in extensive mold growth behind the wall. Repair costs were more than \$10,000.

Example 3

Resident's child clogged the toilet, causing an overflow and several thousand dollars of water damage to the home.

Understanding your Renter's Insurance Policy

It is important to understand what your renter's insurance covers. Coverage varies between insurance providers. Some policies do not cover accidental damage you cause to your home like in the examples listed above. Other companies cover it under the liability coverage of the policy. And some companies may require you to purchase additional coverage beyond the basic policy, such as water and sewer backup coverage.

To be sure your renter's insurance covers costs for building damage you may accidentally cause. Ask the insurance agent, "Will my policy cover costs my landlord charges me to repair damages I cause to the rental unit? For example, if my child accidentally clogs the toilet or sink causing a water overflow and the flooring must be replaced?" If the answer is no, ask if the agent if there is supplemental coverage offered or look at other insurance policies that provide coverage for these types of damage.

Protect yourself from unexpected expenses. Renter's insurance is relatively inexpensive, often less than \$20 a month depending on your coverage. Also, you may be able to bundle it with your auto insurance and save money.

Your installation's Legal Services Office is available to discuss insurance policy terms and conditions before you buy the policy.

