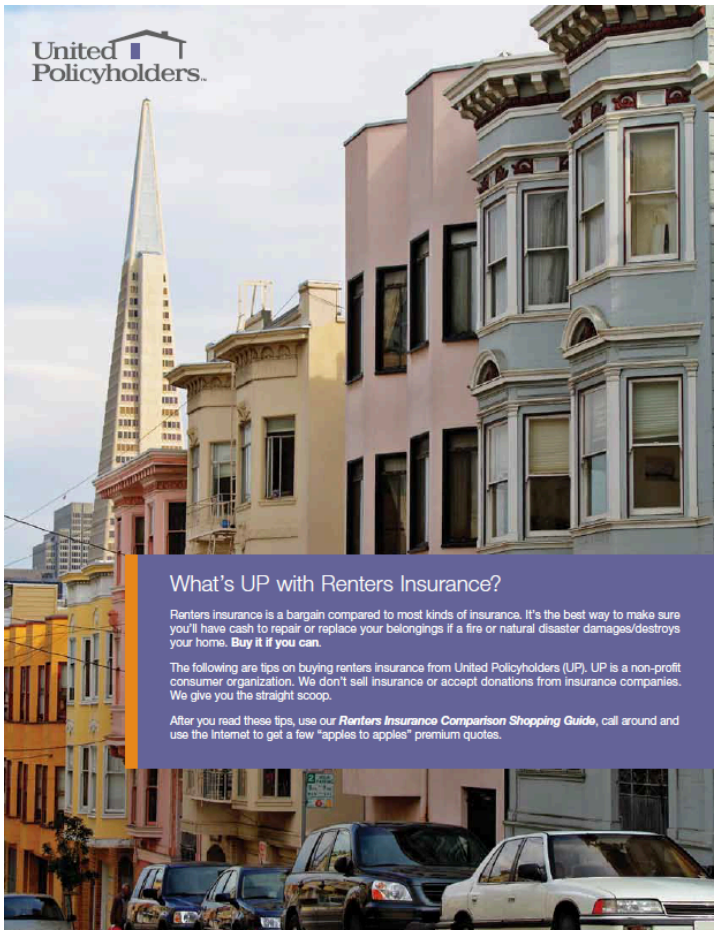
What’s UP with Renters Insurance?

Renters insurance is a bargain compared to most kinds of insurance. It’s generally affordable and the best way to make sure you’ll have cash to replace and repair your belongings if a fire or natural disaster damages/destroys your home. **Buy it if you can.**

Download What’s UP with Renters Insurance?
and call around or use the internet to get
“apples to apples” premium quotes from
competing insurance companies.
En Español: ¿Qué onda con el seguro de inquilino?



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Source: https://uphelp.org/buying-tips/whats-up-with-renters-insurance/ Date: September 8, 2026

What do you get when you buy a renter's insurance policy?

Coverage for Personal Property (your "stuff"): Renters insurance should cover the cost of repairing or replacing your furniture, clothing, household items, appliances and electronics, collections and art…whatever belongs to **you** that's in your rental unit at the time of a loss.

To find out how much insurance you need, we recommend making an inventory list of everything you own. A convenient time to do this is when you're packing or unpacking for a move, but you can do it any time. To create your inventory on a computer, you can use the UP Home Inventory spreadsheet, or make a video by walking around your home or apartment, narrating and describing each item as you film it.

Store your inventory in a safe location online or outside your home. If you ever have a loss and need to file a claim, the insurance company will ask you to itemize every single item that was damaged or destroyed. Having an inventory already done will be a huge time and money saver. It's just not possible after a trauma or fire to remember everything you had before the loss, so people who pre-inventory end up with a much better insurance settlement.

Options / Extra coverage for special "stuff": A standard renter's policy has caps/limits on payments for certain items such as jewelry, firearms and electronics. If you have collections, art or high value items, consider buying extra coverage, known in insurance lingo as a "rider" or an "endorsement."

"Loss of Use": Loss of use coverage pays for hotel bills, a security deposit and temporary rent if your home is damaged and you have to move out while it is being fixed. Some insurance companies pay for loss of use up to a set dollar amount. Others will cover you for a set amount of time for lodging similar to what you had, usually 12-24 months.

Liability Coverage: If someone gets injured while visiting you and sues you, liability coverage pays for your lawyer and legal fees. This coverage is usually included in your renters insurance, but you may want to buy more than the bare minimum, depending on how often you have people over and/or any special conditions where you live.

Earthquake Coverage: Renter's insurance does **not** cover damage to your belongings caused by

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earthquakes. Adding earthquake coverage is fairly inexpensive and will protect your stuff and temporary rent if you have to vacate after a quake. For more information, read Earthquake Insurance for Renters?

Deductible: Your deductible is a set dollar amount of a loss that you have to "pay out of pocket" before insurance kicks in. Ask for a higher deductible if you want to pay less for your insurance

Evacuation expenses: If you are required to evacuate your rental due to a nearby event that doesn't directly damage your rental unit, most renters' policies will cover up to two weeks of temporary lodging expenses. If your unit gets damaged and is uninhabitable, rental policies typically cover temporary lodging expenses for 12-24 months, depending on the policy wording.

EXAMPLE:
If you have a policy with a $500 deductible and a robber steals $2,000 worth of stuff, you can file a claim with your insurance company, and they will give you a check for $1,500 for your loss.
If you have a policy with a $500 deductible and a robber steals $400 worth of stuff, your insurance company will not pay you anything, because the loss is not greater than your deductible. In cases where your loss does not exceed the deductible, it is wise not to file a claim with your insurance company.

Shopping Tips:

Replacement Cost (RC) vs. Actual Cash Value (ACV) coverage: These are the two types of personal property coverage – RC is better, ACV is cheaper. If you have replacement cost coverage, your insurance company owes to reimburse you for the full cost of replacing what you lost. If you only have ACV, your insurance company will pay only replacement cost less depreciation, or what a willing buyer would have paid you immediately before the loss. We strongly recommend replacement cost coverage if you can afford it.

Discounts: Ask your insurance agent/broker what discounts might be available to you. The most common one is a "multi-policy" discount for buying an additional policy, such as auto. Discounts may also be available for having fire extinguishers in your home, a home security system, having a clean claim history, and having good credit.

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