

Home inventory: What is it and why do you need one?

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You never know when your home might get damaged in a flood, fire or other disaster. And you can't rule out the possibility of a home break-in, either. Ideally, you'll have homeowners or renters insurance in place to cover your damaged or stolen items. But it's best to have an extensive list of your belongings before they're damaged or stolen. That's where a home inventory comes in.

What Is a Home Inventory?

A home inventory is a comprehensive list of your personal belongings, along with their monetary value. While you don't have to list every single item you own as part of your inventory, you should include all items of significant value.

Why Do You Need a Home Inventory?

Your insurance company may not require you to have a home inventory, but it's a helpful thing to have nonetheless. If your home is subject to damage or a break-in, the last thing you'll want to have to do after the fact is rack your brain trying to figure out which items of yours were impacted. With a home inventory, you will have an easier time getting at that information. That could, in turn, make it easier to file a claim against your insurance policy, and also, get paid on your claim much sooner.

Furthermore, if your home is damaged in the course of a major storm, you may be eligible for local or federal assistance. Having a record of your damaged goods could help you qualify for the maximum amount of aid and help you move forward more quickly.

"Having a loss in your home can be very stressful," says Jennifer Brault, AVP, Claims Property Personal Lines at Nationwide. "This is a good way to restore and put your life back together faster during that

time.”

Plus, according to Pat Howard, a licensed property and casualty insurance expert at Policygenius, “A home inventory also helps ensure you’re purchasing the right amount of home or renters insurance coverage and accounting for items that require additional coverage, like an art collection.”

What Should Be Included in a Home Inventory?

Your home inventory should include everything you own of substantial value. There’s no specific threshold for what that entails, but generally speaking, you don’t want to list every \$20 item you own, but you may want to list items costing \$100 or more.

Some of the items you may want to list include:

- Jewelry
- Higher-end apparel
- Handbags
- Kitchenware
- Footwear
- Electronics
- Small appliances
- Musical instruments
- Furniture
- Home décor and artwork

Once you narrow down your list of items to include, you should record each item’s:

- Purchase date
- Description
- Estimated value

If you have receipts documenting your purchases, it pays to retain them. Brault adds that capturing items' brands and serial numbers can be especially helpful when it comes to electronics.

How to Do a Home Inventory

The first step in conducting a home inventory is deciding how you want to keep a record of your belongings. Here are some options to consider:

A written inventory. Using a notebook or spreadsheet, you can create a comprehensive list of the items you own, along with details such as purchase date and value.

A digital inventory. There are a host of home inventory apps you can use to compile your data digitally. Many of these are free, though some limit you to a certain number of items before imposing a fee. Last year, the National Association of Insurance Commissioners introduced its own home inventory app. Sortly offers a free inventory app up to 100 entries, but if you want to take a more extensive inventory, you pay. Then there's the UPHelp Home Inventory app from United Policyholders.

With a home inventory app, you typically take photos of your belongings and put them into categories. If you'd rather not use a home inventory app (or pay for one), you can take photos or videos of your belongings yourself. From there, you can add captions or edits to include details about each item, such as when it was purchased and how much it cost.

Once you decide how you'll conduct your home inventory, your next step is doing the actual work. To that end, a good bet is to tackle your home room by room until you've covered all items of value. Don't forget to check your shed, garage and attic for items you may want to include.

You should also account for items being stored outside of your home. "If you have items in a self-storage unit, make sure to include them, as they are usually covered under your home insurance policy," says

Amy Harris, State Farm spokesperson.

Now if you're in the process of moving, you find it easier to conduct your inventory then. "The best time to tackle a home inventory is during a move," insists Howard, "as you can make a list of everything as you pack up or unpack in your new abode. But ultimately there is no bad time to make a list of everything you own — as long as you're doing so in advance of a loss."

Where to Store Your Home Inventory

It's important to keep your home inventory someplace safe and easily accessible. If you have a written inventory, make sure to scan and email yourself a copy and store it digitally in the cloud. You can keep a hard copy in a fire-proof home safe or a safe deposit box, if you rent one. You may even want to send a copy to your insurance company.

If you have a digital inventory, don't just keep a copy on your phone or laptop. If those items are damaged, you'll be out of luck. Instead, email yourself a copy and store one digitally in the cloud as backup.

How Often Should You Update Your Home Inventory?

Any time you acquire an item of value, be sure to update your home inventory. The goal is to have a comprehensive list of what you own, so it pays to get into the habit of updating your inventory as you go.