

Storage woes: Do you need insurance for stuff in storage?

<http://www.insure.com/home-insurance/storage-units.html>

Whether you need a place to safeguard valuable artwork, stash your stuff while living with Mom and Dad or store unneeded items when you move into a smaller home, obtaining the proper amount of insurance for belongings in storage is a necessity.

If an item is important enough that you're willing to pay for its storage, it should be insured, advises the Insurance Information Institute (III).

Check your homeowners or renters insurance policy

Before you buy storage insurance, check your homeowners or renters insurance policy to find out how much protection for stored items you may already have. When it comes to home insurance, "many insurers typically limit the off-premises coverage for possessions to 10 [percent] to 15 percent of the overall amount of coverage that they have, so it's wise to double-check with your insurance company," says Amy Bach, executive director of United Policyholders in San Francisco.

"Homeowner policies also have internal caps," Bach adds. "They might have a cap of \$1,000 on jewelry or \$200 on comic books and trading cards. If one of the items you're storing in the unit has this cap, you have to think about this."

If you don't have homeowners or renters insurance "you may be able to buy a special policy that covers items in a storage unit, and you want to make sure that the coverage is broad enough to cover what might happen, like theft or weather-related events," Bach explains. "Most of these facilities will make you sign a waiver acknowledging they won't be responsible if your stuff gets damaged."

Don't forget to make a list of what you put in your storage unit, she adds. That way, you won't have to rely on your memory. A list will help you determine the value of stored items. "It will also help you make sure that you have enough insurance on your items."

The III offers free Web-based "Know Your Stuff" home inventory software. It will help save important data, such as the purchase price of your belongings and serial numbers. You also can upload photos, scanned receipts and appraisal forms.

Buying storage insurance

If you're buying a policy just for your items in storage, shop for the best value by getting insurance quotes from several companies.

"It's an important purchase and you want to protect yourself and your valuables and make sure that your needs are being met," says Jim Whittle, assistant general counsel and chief claims counsel of the American Insurance Association. "You have to shop around for coverage. There is insurance you can buy for stored items and you want to ask for that. The amount of coverage depends on the individual and how much you want to pay and what you have in your storage unit. There may also be coverage that the storage facility has, so you'll want to explore that. Some facilities might offer that as an extra charge." If you're young and have few possessions, you may not need an expensive policy, "but you need something," says Eric Cutler, director of personal lines at Oregon Mutual Insurance in McMinnville, Ore. "As you become an adult and get out on your own, you need to know what's covered and not covered."

Storage at Mom and Dad's house

What if your stuff is stored in your parents' driveway in a storage pod? How about if your belongings are at your mother's house? Are they fully insured? To be sure, read the insurance policy that protects the home.

"A lot of carriers cover this, and we do as well," says Cutler. "We cover personal property, whether it's in a storage pod in the driveway, in your house or in your backyard. It just can't be on the street or across the street from your house."