

# Renters Insurance - The Basics

Renters insurance protects your personal property against damage or loss and protects you in case someone is injured on your property. Most renters insurance policies provide two basic types of coverage: personal property and liability. Personal property coverage pays to repair or replace personal belongings if damaged, destroyed or stolen. Liability insurance provides coverage against a claim or lawsuit resulting from bodily injury or property damage to others caused by an accident while on the policyholder's property.

If you rent a house or apartment that is damaged by fire, wind, hail or water damage from plumbing problems, your landlord's insurance would only protect the building and the landlord's property. Personal belongings damaged from the home will not be covered by a landlord or property management company's insurance policy.

There are two major types of renters insurance:

**Broad form.** Covers personal belongings against specific events, such as fire or theft. This is the most commonly purchased renters policy. Typical coverage under this form includes damage from fire, lightning, explosion, smoke, vandalism, theft and water-related damage from utilities.

**Comprehensive form.** Provides coverage from a range of events, such as storm damage, unless specifically excluded by the policy. Considering the potential amount of coverage, the premiums for this type of policy may be higher.

Some insurers may reduce your premiums if you have fire or burglar alarms, fire extinguishers, or deadbolts on exterior doors. Some companies might also offer discounts if you have more than one policy with them. Be sure to ask about any discount you might be eligible for.

## Things to Remember

- Only a renters policy will protect your possessions if they are damaged or stolen.
- Evaluate your needs to determine if you should purchase a Broad or Comprehensive Form. If you have unusually expensive items, ask your agent if you need to buy additional coverage.
- Shop around for a policy that meets your needs at the best price. When shopping, ask about contents coverage, replacement value coverage, living expense coverage and what is not covered.



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