



Understanding When Your Kids Need To Buy Renters Insurance

Your Children Are Out of the House – Make Sure They Are Covered

Your sons or daughters are off to college or they've moved out "on their own." While there may be a bit of celebrating, there's also a bit of trepidation in wanting to make sure they are safe and secure in their new home away from home.

A question we're always getting asked is, "does my child need their own insurance while living away from home?"

There are three simple rules of thumb that can help guide your decision ...

- 1. They Live In A Dorm** – they and their property are covered by your homeowner's policy (subject to your deductible).
- 2. They Live In An Apartment Which Is In Your Name** – they and their property are covered by your Homeowners Policy (subject to your deductible) but you should add the address to your policy for liability reasons.
- 3. They Live In An Apartment Which Is In Their Name** – they need to purchase their own Renters Insurance policy.



Just Because You Rent, You Still Need Insurance Protection:

- **Personal Property Protection** – covers the loss or damage of your personal belongings.
- **Family Liability Protection** – provides legal representation and protection against judgments.
- **Guest Medical Protection** – covers medical costs for visitors injured at your rented home.
- **Additional Living Expenses** – reimbursement for costs of temporary housing during repairs or reconstruction.
- **Non-Owner Automobile Liability** – When a person does not own a car, they still have a liability exposure when they rent, borrow someone else's car or act as a designated driver. This exposure can be covered on a renter's policy as well.

They Barely Own Anything... Why Do They Need Renters Insurance?

The main reason they need their own insurance is to cover personal liability exposure in case the unexpected happens, not necessarily just to cover their prized possessions. We know that your kids likely feel indestructible at this point in their life, but we all know that things can happen that are out of their control.

For instance, water from the sink, toilet or bath floods the apartment below, there may be liability. Or one of their guests seriously injures themselves, (where alcohol may be involved), and a lawsuit is pursued. The right renters insurance policy will cover the costs of defending such lawsuits and any medical expenses incurred.

With respect to property and possessions, they likely own more than you think. The value of computers, electronic devices, clothing, and jewelry can add up quickly.

How Much Does Renters Insurance Cost?

Most policies are in the range of \$200 to \$250 for \$15,000 to \$20,000 of contents coverage and \$1,000,000 of liability. That's a small price to pay to make sure they're covered and to reduce the risk of significant financial liability.

Butwin Insurance Group will work with you to design the right renters insurance policy that will provide the best and most thorough protection to meet your unique needs.