

Why you really need renters insurance if you're renting

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(WXYZ) — If you own a home, chances are you have homeowner's insurance to protect you when disaster strikes.

But what if you rent? Do you still need insurance?

The answer is yes, and as Consumer Reports explains, recent disasters have shown just how valuable renter's insurance can be.



**“RENTERS’ INSURANCE CAN
PROVIDE AN IMPORTANT
SAFETY NET IF SOMETHING
HAPPENS.”**

**BEFORE DISASTER STRIKES
DO A HOME INVENTORY**

IT CAN BE AS EASY AS CAPTURING
THE MOST IMPORTANT ITEMS IN YOUR HOME ON VIDEO

SOURCE: CONSUMER REPORTS



When the deep freeze hit Texas in February, Amani Elsworth was one of the millions of people who lost power and suffered water damage when her frozen pipes burst.

“I was so shocked because it was literally raining in my apartment,” Elsworth said. “It was gushing out so much that it started flooding almost immediately.”

The damage was so bad, she was forced out of her home.

“I had to leave my apartment and find somewhere dry and safe to go,” she added.

Since then, Elsworth has been living in a hotel, and the bills are adding up. Fortunately, she has renters insurance, which will pay some of her living expenses and help cover much of what she lost.

Her policy costs about \$20 a month, money well spent according to Consumer Reports.

“Renters insurance can provide an important safety net if something happens,” Consumer Reports' Money Editor Penny Wang said.

Aside from helping cover damage or theft of your property and reimbursement if you're forced to move out, insurance offers liability protection if someone is injured in your home. It can also cover some possessions when you're not home—like if something is stolen out of your car.

But like any type of insurance, Consumer Reports says it's important to check the policy carefully.

“Renters insurance is fairly standardized, though coverage can vary based on the insurer and where you live. Bottom line: Make sure you understand your policy—what's covered and what's not,” Wang added.

CR suggests getting several quotes to make sure the policy gives you what you need—whether that’s a low deductible, additional coverage for your valuables, or, like Elsworth, a stay in a hotel if your apartment is damaged.

“You don’t know when you’re going to need it until you need it. And then once you need it, you’re glad that you have it,” says Elsworth.