

Tenant Insurance

What is Tenants Insurance?

Tenant insurance (also known as renter's insurance or content insurance) is insurance coverage catered to those that are tenants of a property.

Typically comprised of:

1. **Contents insurance** covers loss or damage to tenants personal property (contents) due to a insured risk.

2. **Personal Liability Insurance** protects tenants from being liable and having to pay if someone is injured, or their property is damaged, while in your unit.

3. **Additional living Expenses** pays for a portion of your living expenses should you need to vacate your unit due to repairs or other insured risk such as flood or fire.

There are some common myths

Myth 1:

Your Landlord's Insurance will cover you.

Your Landlord Insurance will only protect the building itself and the Landlord's liability.

The cost associated with the tenants possessions, liability claims against them, and their expenses related to a claim, are the tenant's responsibility even if they are forced to vacate the premises.

The tenant requires their own insurance policy.

Why I need Insurance:

The Lease:

- Requires that you carry tenant insurance to protect yourself.
- You may be responsible for damages to your visitors, your neighbours and your building owner.
- Without tenant insurance policy, you may have to personally pay for damages.
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Myth 2:

Tenants don't have enough valuables to justify buying insurance

The tenants usually only look at their **Big-ticket items** to determine the need for insurance. When they take a look at everyday items, they may find that little things ad up: clothes, kitchenware and furniture drive the costs up very quickly.

Myth 3:

I am covered under my roommate's policy

Unless your name is specifically listed on the policy, you are related or in a relationship with the roommate, it is unlikely their policy would extend to cover the other tenants.

Myth 4:

It is too expensive and difficult to purchase tenant insurance

A recent Google survey of 1000 Canadian renters showed that 485 (47.8%) did not have insurance coverage and the main reason for not purchasing it was the cost. There are programs available that offer rates starting as low as \$12/month.

Myth 5:

If I am forced to move out temporary, my Landlord will reimburse me

If the tenant has to move out temporary while their unit is being repaired (maybe due to a water leak or fire), the Landlord isn't responsible for covering the additional costs such as: spending time in a hotel, or fully furnished apartment.

The Landlord has a right to seek a judgement against the tenant for any damage they cause to the building. The tenant insurance protects you from having to pay this out of pocket.

Remember:

Tenant insurance is the only way for you to recover from the destruction of their suite and belongings. It also provides valuable legal liability coverage should you accidentally cause damage to the property.