

Lee D May
Choice Insurance Agency
(812) 847-3237
Lee@thechoiceins.com

August 27, 2009

DON'T FORGET THE DORM ROOM

Linton, Indiana – As the kids go off to college, check your insurance. A student's dorm room may qualify, from an insurance company's viewpoint, as if it is an additional room to your home. A homeowners' insurance policy covers all items that a child keeps in the room, but typically is limited to 10% of the amount of your total insured personal property possessions. So if your child has high-end electronics or furniture, check with your insurer about the need to purchase additional coverage.

That may not be the case if the student lives off campus. You may need to purchase a renters' insurance policy if you want items in off-campus housing to be covered. This coverage differs between insurance companies.

Most insurance companies protect renters by using a homeowner policy that is designed especially for tenants. Typical policies cover your possessions for common causes of loss, additional living expenses related to making other living arrangements, medical expenses for treating people injured on your premises and, of course, lawsuits.

Property coverage protection under the standard tenants policy is on an actual cash value basis (the item's replacement cost less depreciation). Most companies offer coverage on a replacement cost basis if you purchase a separate endorsement. There are theft limitations on certain types of property that are more at risk of being stolen, therefore very limited coverage is available for items such as jewelry, gems, gold, silverware, money, and guns and accessories. Protection can be increased by adding additional coverage to the tenant policy or by purchasing a personal article floater policy.

Liability insurance covers you for damage you cause to others or their property. The policy also provides for the cost of a lawyer (if necessary) and most court costs.

Additional living expenses are covered in a typical tenant policy by providing a limit equal to a percentage (%) of your contents (stuff) insurance limit.

Mr. May is Agency Principal at Choice Insurance Agency. He can be reached at Lee@thechoiceins.com.