

Renting a House for the Summer? Rest Easy Knowing You Have the Right Coverage

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NEW YORK, July 2, 2013 ? Whether you're renting a share in The Hamptons, a log cabin in the Smoky Mountains or a cottage on Cape Cod, the Insurance Information Institute (I.I.I.) can help you understand how to protect your personal possessions while you are away.

If you are renting a vacation home during the summer, any personal possessions you take with you are covered under your homeowners or renters insurance policy. Belongings are protected against losses from fire or smoke, lightning, vandalism, theft, explosion, windstorm and water damage (not including floods) anywhere in the world, minus your deductible. But keep in mind that some policies may limit the amount of off-premises coverage to 10 percent of the total coverage for personal possessions. For example, if you have \$100,000 worth of personal possessions insurance for your primary residence, only \$10,000 would be applicable to possessions you bring with you to your vacation home.

Your personal belongings are not only covered at your vacation rental, but also in the event they are stolen from your car.

If you have expensive jewelry, musical instruments or sports equipment, you may want to consider purchasing a floater (also known as an endorsement) to your home or renters policy. This provides a higher amount of insurance and broader coverage. Most floaters, for instance, include additional coverage for ?mysterious disappearance,? meaning you are generally protected even if you lose the item. Having a floater or endorsement provides additional coverage not just while you are on vacation but also throughout the year.

When choosing your homeowners or renters insurance, there are two types of policies to consider. Actual Cash Value pays to replace your possessions up to the limit of your policy, minus a deduction for depreciation. Replacement Cost pays the current cost of replacing your belongings (regardless of depreciation), also up to the limit of your policy.

Before heading on vacation, the I.I.I. recommends taking the following steps:

1. Contact your insurance professional. Ask about the insurance implications of renting a summer home and whether you may need supplemental insurance. If you have any questions, the time to ask is before you have a loss.
2. Create a ?vacation inventory?. The I.I.I.'s Know Your Stuff® ? Home Inventory tool can help you create an inventory conveniently and easily. Enter information and photos of belongings either through the app or through our free, Web-based software and your data will automatically synchronize between the two. And the secure online storage gives you access to your inventory anywhere, any

time. Be sure to note specific high-value items such as a computer, camera or musical instrument and scan receipts into the system in order to document their retail value.

3. Leave expensive jewelry at home. Unless you plan to attend a fancy event, it may make sense to leave expensive jewelry at home or store it in a safe deposit box. You may save money on the cost of insuring your jewelry as some companies offer "in vault" coverage. If you wear the jewelry for a special occasion, many insurers will offer the option of purchasing additional coverage for the time it is out of the bank. You do, of course, have to notify your insurer in advance.

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- Article: Renters Insurance Checklist
- Videos: Renters Insurance; Taking a Home Inventory

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