



Do Pastors Need Renter's Insurance?

Yes, pastors need renter's insurance. As an employee of the church, you may think you do not need this type of coverage as you are living in a church-owned building. After all, the church has insurance—right? The church insurance covers church-owned buildings, not your personal belongings and personal liability.

As a tenant, you are legally responsible for harm caused to a part of your building or to others who are visiting you.

What would happen if:

- There was a fire in your residence?
- A thief broke into your residence?
- A guest slipped and injured himself in your kitchen?
- Your dog bit someone?

Without renter's insurance, you have no coverage for your personal property loss or damage. You may not think you have enough property to purchase renter's insurance, but think about what you own and what you can lose, and what it would cost to replace everything. Look around your surroundings, you have clothing, furniture, televisions, stereo systems, computers, musical or sporting equipment, books, jewelry.

What would it cost to replace all of this? Renter's insurance provides extremely affordable protection for your personal property should it be damaged, stolen or destroyed. In comparing the small premium for this type of policy to the cost of replacing all of your belongings, a renter's policy is affordable.

A renter's policy will define the named perils that are covered within a policy and also liability protection. Named peril coverage includes items such as fire, theft, smoke, and lightning. Liability protection protects you from injury to another person on your property. Your

policy will also include a limit for medical payments coverage, which pays for medical expenses of people who are injured on your property, who do not live with you.

When purchasing renter's insurance, you should consider replacement cost coverage over actual cash value. Replacement cost will pay the actual cost to replace the items that were damaged, minus the deductible. Actual cash value pays you for what the old item was worth, minus your deductible. If you have valuable items such as jewelry, antiques, etc., they may need to be scheduled separately.

In reviewing your liability protection, a policy will protect you should a guest be injured on your property, up to the limit on the policy. If that person sues you and you are found negligent, you are covered for the judgment and legal expense up to the policy limit.

Your policy may also cover you for additional living expense should your residence become uninhabitable due to fire, burst pipes, etc., and you need to live somewhere else temporarily.

HOW MUCH COVERAGE DO YOU NEED?

Take an inventory. Go through your belongings and list each item, the value, and the serial number. Take photographs or videotape each room. Remember to include closets, open drawers, basements, storage sheds, and the garage. Keep receipts for major items in a fireproof safe.

HOW CAN I SAVE ON RENTER'S INSURANCE PREMIUM?

Please remember, there are a few ways to save on renter's insurance premiums. Many insurers offer discounts if you have one or all of the following:

- Monitored fire or burglar alarms
- Fire extinguishers
- Sprinkler systems
- Dead bolts on exterior doors
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Premium savings can be found by the level of deductible you select.

Insurers may also offer discounts to policy holders who are over age 55.

Renter's insurance is peace of mind should something happen to or on the property. In purchasing a policy, this will help to protect you and your family from financial harm.

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