

## Renters Find Safety Net in Insurance

For most residents of apartments or rental homes managed by property management companies, liability coverage is no longer an option: it's a requirement. More than 66 percent of the major property management companies now require residents to obtain liability protection, which is provided with renters insurance. The significant increase in the number of property management companies requiring renters insurance over the last ten years has made liability protection a standard in the industry.

"The growing demand for renters insurance is being driven by the need for property managers and residents to protect their assets," said Steve Hein, vice president of national sales of Assurant Specialty Property.

Assurant's Renters Insurance program provides personal property and personal liability coverage. Residents are protected against perils such as theft, fire, smoke, explosion, vandalism, burglary, hurricanes, and lightning, and are covered in the event they are liable for an occurrence resulting in injury to others.

Liability coverage provided with the Renters Insurance program for residents also protects property managers. Without this protection, property managers would shoulder expenses related to damages and repairs that fell below their commercial insurance deductible, if a resident caused those damages.

"Property managers and residents alike need to make sure they won't be stuck paying the bill when a resident is liable for damages to the building structure as well as damages to other residents' property," Hein said. "That need becomes even greater as occupancy rates go up."

Property managers across the United States have reported an increase in occupancy rates, Hein said. *The State of the Nation's Housing* study, published by the Joint Center for Housing Studies, reported the number of renters in the U.S. increased by 800,000 in 2009. Contributing to the increase is a new group of renters who, although affluent enough to put a down payment on a home, are renting by choice because of long-term financial concerns. As more members of the Echo-Boom Generation (adults aged 24 and younger) leave the nest, this number is likely to grow.

"The demographics of rental property residents have evolved over the years. Today's residents hold significant purchasing power and own a considerable amount of consumer electronics, furniture and clothing as compared to two decades ago. Renters insurance can protect those assets " Hein said. "For those residents who still remain uninsured, the wrong time for them to think about protecting their valuables is after a fire breaks out or when someone breaks in."

Hein explained that the replacement coverage option offered with renters insurance will replace damaged or destroyed belongings with new items or items of equal value. This is essential for residents who could not afford the expense of replacing those items.

Many industry leaders believe that renters insurance, because of the protection it offers both residents and property managers, should be as commonplace as the security deposit.

For more information on Assurant Renters Insurance, visit [www.assurantspecialtyproperty.com/rentersinsurance](http://www.assurantspecialtyproperty.com/rentersinsurance).

