

Scenarios for Renters - Key



Provided by the Insurance Education Institute

Name: _____

In each of the following situations which type or types of homeowners coverage would you expect to cover your loss? Explain why.

Scenario No. 1: A fire from another apartment destroys much of your apartment and your belongings.

Your property coverage covers your belongings,

Loss of use may cover temporary living quarters if needed.

Your policy does not cover repair of the apartment itself.

Scenario No. 2: You are negligent and leave food on your hot stove, starting a fire which destroys your kitchen and damages the apartment above.

Your property covers the belongings in the kitchen,

Liability covers damage to the building.

Scenario No. 3: A pipe accidentally bursts inside the wall and the water destroys your belongings.

Your property coverage covers the belongings

Scenario No. 4: Your landlord is negligent in not repairing a plumbing problem you've been reporting, and a pipe bursts.

Since your landlord is definitely negligent this is his liability and should be pursued through his insurance.

Scenario No. 5: Someone trips and falls in your apartment and is injured.

Your liability

Scenario No. 6: Your dog runs into a neighbor's apartment and destroys her carpet.?

Your liability

Scenario No. 7: Your apartment is broken into, and your stereo, television, and some jewelry are stolen.

Your property

Scenario No. 8: Your landlord claims you have damaged the apartment and is keeping part of your security deposit. Will the renters insurance cover this loss?

Nothing. This is a separate legal contract.