



# Renter in a Flood Event Facts and Tips

This document helps tenants and renters understand their unique insurance coverage in relation to a flooding event. Before reading this document, you should read *Understanding Your Insurance Policy – Homeowner*, to familiarize yourself with basic terms and concepts of insurance coverage.

**Renter's Insurance or Tenants Insurance**  
Insurance coverage to protect tenants typically is called 'renter's insurance' or 'tenant's insurance' and it will protect you and your family from normally covered losses like fire, smoke, lightning, etc.

**☞ MOST INSURANCE RENTER'S POLICIES WILL COVER THE PERSONAL PROPERTY OF YOU AND YOUR FAMILY, ADDITIONAL LIVING EXPENSES AND PERSONAL LIABILITY. FLOOD COVERAGE IS AN EXTRA OPTION USUALLY AVAILABLE AT AN ADDITIONAL COST. IF YOU HAVE PURCHASED OPTIONAL FLOOD COVERAGE, IT CAN LIKELY BE FOUND IN THE ENDORSEMENT SECTION OF YOUR POLICY.**

## NOT PROFESSIONAL ADVICE

Information made available on this document is for informational purposes only and should not be relied upon as professional advice. By accessing the information on this document, you agree that the Canadian Red Cross and its agents shall not be liable for any injury, loss, claim or damages of any kind arising from this information, or any other claim directly or indirectly related to the use of this information.



## ADDITIONAL SUPPORTS

Disasters and emergencies can cause significant disruption and add stress to your life. If you experience stress reactions that make it impossible to function normally over a long period of time, seek help. One option is to contact your local health facility, or a local crisis support line. For immediate **assistance support** anywhere in Canada, **please call Crisis Services Canada** at 1-833-456-4566.



## I live in a rented apartment, condo or house. Will my landlord's insurance always cover me in the event of a flood?

**The answer is no.** This is a common misconception.

-  In a disaster situation (flood, fire) tenants without insurance can often find themselves in need of temporary housing either because the building they were living in was destroyed or they were under an evacuation order.
-  If your landlord has insurance, it will cover only the physical building and your landlord's interests, not yours.






## I have renter's insurance with optional flood coverage, what am i covered for in a flood event?

### Costs of Not Being Home

Your renter's insurance includes 'additional living expenses' or ALE. If you purchased optional flood or overland water coverage, it typically covers the additional costs you can incur if you are forced to evacuate your home.

ALE will cover the cost of a hotel or motel stay, usually for a specific length of time, as well as additional costs for food and clothing above and beyond what you would normally spend.




**EXAMPLE: IF YOU NORMALLY SPEND \$300 A MONTH FOR GROCERIES AND BECAUSE OF WHERE YOU ARE STAYING (POTENTIALLY A HOTEL WITHOUT A KITCHENETTE) YOU END UP SPENDING AN ADDITIONAL \$200 FOR RESTAURANT MEALS. THAT ADDITIONAL \$200 WOULD BE COVERED BY ALE.**

	NORMAL MONTHLY GROCERY EXPENSE	\$300
	MONTHLY FOOD EXPENSE WHILE STAYING AWAY FROM HOME	\$500
	<b>YOUR COVERED ALE</b>	<b>\$200</b>

### Contents Replacement Costs

Most of your contents after a flood will be badly damaged or destroyed, sometimes needing to be replaced very quickly. In most cases, your insurance company can provide you with a lump sum for your immediate, emergency needs, such as clothing, diapers, etc. When you are ready to return to your home, or move into a new one, your property – beds, furniture, clothing – are covered under your insurance policy.

**IMPORTANT NOTE: THE ABOVE COVERAGE IS CONTINGENT ON THE AMOUNT OF COVERAGE YOU PURCHASE. IF YOUR FLOOD COVERAGE HAS A LIMIT OF \$25,000 THEN THIS IS THE TOTAL AMOUNT THAT YOUR INSURANCE WOULD PAY OUT FOR CLEANUP AND CONTENTS REPLACEMENT, NO MATTER HOW MUCH YOU HAVE LOST. ASK YOUR INSURANCE REPRESENTATIVE HOW MUCH FLOOD COVERAGE YOU HAVE AND DISCUSS YOUR OPTIONS. CONSIDER COMPLETING THE CRC'S HOME INVENTORY CHECKLIST TO GIVE YOU AN IDEA HOW MUCH YOU WOULD BE LOOKING AT TO REPLACE ALL OF YOUR CONTENTS.**

	CONTENTS REPLACEMENT COST	\$55,000
	FLOOD COVERAGE LIMIT	\$25,000
	<b>INSURANCE PAY OUT</b>	<b>\$25,000</b>

### Cleanup Cost

Cleanup costs are also covered. Water damage cleanup is time consuming and costly, largely because it has to be done fast! Mold forms very easily so very often drywall has to be torn out and carpets and floors lifted.

Not only is mold smelly and unsightly, it also can be dangerous to your health.

**!** *Mold coverage is excluded from most homeowners, condo owners and renter's insurance policies – making it even more important to begin cleanup as soon as possible.*

Your landlord's insurance will typically pay for the clean up and repairs of the floors and walls. If you purchased optional flood coverage your insurer will pay for cleanup of your personal property.