

NEWS FROM

KHEAA–Alabama

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Money Tip for Students, October 2022

College students living off campus need renters insurance

College students who rent an apartment or house, should consider purchasing renters insurance, according to KHEAA–Alabama. This insurance provides coverage if their belongings get stolen, burned in a fire or destroyed by a natural disaster.

Their parents' homeowners insurance may cover any losses experienced by students who live in a dorm, but this won't be the case for students renting a house or apartment. Students should check with their insurance agent to make sure they know what's covered and what the deductible is if they file a claim.

Some colleges offer dorm insurance as part of their enrollment package. Such policies often have a low monthly cost and a small deductible, unlike many homeowners policies.

When buying renters insurance, students should consider replacement versus actual cash value. Replacement means they'll get a new version of the same item; actual cash value will give them an amount based on the item's used value.

KHEAA is a public, non-profit agency established in 1966 to improve students' access to college. It provides information about financial aid and financial literacy at no cost to students and parents.

KHEAA also helps colleges manage their student loan default rates and verify information submitted on the FAFSA. For more information about those services, visit kheaa.com.

In addition, KHEAA disburses private Advantage Education Loans on behalf of its sister agency, KHESLC. For more information, visit advantageeducationloan.com.

For more information about financial aid and college planning, visit alstudentaid.com.