

Scheduling Personal Property Insurance

Every home insurance policy comes with at least a small amount of personal property insurance coverage. Although nearly all home insurance policies come with blanket coverage for personal property, the coverage is very broad and doesn't specifically list any of your belongings. As a result, most home insurance companies give you the option to specifically list items on your home insurance policy. Once listed on your policy, these items are considered scheduled personal property, and they qualify for *scheduled personal property insurance*.

What is Scheduled Personal Property Insurance?

To schedule personal property means to specifically list items you own on your home insurance policy. Your home insurance policy may have \$100,000 in personal property coverage, but that entire amount is non-specific (the home insurance company doesn't ask you to describe each and every item you own and how much it's worth). Therefore, if items in your home get damaged and you file a claim, your home insurance company will only give you an amount of money that is reasonable for the property you are trying to get replaced. Perhaps an example will best illustrate this.

Example: A small fire breaks out in your living room, destroying your couch. The couch was a leather couch that would normally cost \$1,000. However, you had this couch custom made with gold feet and various engravings, and the couch actually cost you ,000. You file a claim to get ,000 for your couch. However, because your couch was not scheduled personal property, your insurance company will probably only pay you \$1,000, which is a reasonable replacement cost for a normal leather couch.

The example above is quite extreme (I mean, who buys a \$10,000 custom made couch?!), but it shows why scheduled personal property insurance is important for items that may exceed the normal cost of goods.

When Should Someone Schedule Personal Property?

Homeowners can schedule any item on their home insurance policies (even a \$10,000 couch!). Most homeowners, however, choose to only schedule personal property that has extraordinary value. The most commonly scheduled items are wedding rings, engagement rings, family heirlooms, bullion, gold, and other expensive items.

Is Anything Required to Schedule Personal Property Insurance?

Every home insurance company is a little different in the way it treats scheduled personal property, but most companies follow general guidelines. Nearly all insurance companies need proof that your items are worth what you say they are before they will insure them for a certain amount. Most home insurance companies will accept a recent appraisal or a recent bill of sale as proof that your items are worth their stated value.

Does it Cost Anything for Scheduled Personal Property Insurance?

Yes. Scheduling personal property is not inexpensive. It costs an additional premium to schedule your belongings. Each home insurance company charges a different amount to add belongings onto the policy in this way, and there is no general average amount that each company charges. Check with your home insurance company, or get multiple home insurance quotes and ask new companies what it cost to schedule your expensive items.

What Are the Benefits of Scheduling Personal Property?

Scheduling personal property definitely has its benefits. There are three benefits in particular that easily justify paying an extra insurance premium to insure your expensive belongings. Those three reasons are:

1. **You Pay No Deductible.** If your scheduled item gets lost, stolen, or destroyed you are not responsible to pay your deductible to get it replaced. Most home insurance companies have a \$0 deductible on all scheduled items.
2. **You Will Receive Full Value for the Items.** Because you are required to give your insurance company an appraisal when you scheduled your property, you are guaranteed to get exactly what the items is worth if you file a claim and the claim is approved.
3. **Your Item is Insured for Mysterious Disappearance.** Perhaps the most compelling reason to schedule personal property is due to its Mysterious Disappearance coverage. When you purchase scheduled personal property insurance, most companies will even cover your items if you just misplace them and they are lost!

Do All Home Insurance Companies Treat Scheduling the Same?

No. Scheduling personal property insurance is one area where many home insurance companies differ. This article discusses the benefits that most companies offer, but double-check with your company before you assume any coverage.