



## THE IMPORTANCE OF LANDLORD/RENTAL PROPERTY INSURANCE

Landlords need insurance designed for landlords and not for homeowners. Insurance companies consider a rented home to be a slightly different risk than an owner occupied home and your insurance needs change when you rent to others. Ordinary home insurance does not cover many of the things that can arise when dealing with a tenant. Most of the time everything will run smoothly, but when it doesn't, your landlord insurance policy is there to cover you and provide peace of mind.

There are enhanced coverages that are included in a landlord/rental property insurance policy that are not generally offered in an owner's policy.

### These are as follows:

**PROPERTY/BUILDING COVERAGE:** In a conventional condominium, the Condominium Corporation is required by legislation to insure all units, common property and any other property owned by the Corporation.

**LANDLORD'S PROPERTY:** Protect the property you own. This covers property you own in the unit you are renting out, such as a washer and dryer or window coverings. If you rent your unit furnished, you'll need to insure all of the furniture as well.

**RENTAL INCOME:** Protect your revenue source. If your property is damaged by an insured peril, and your tenant can't live there for a month or two (or more) you can purchase insurance to replace that rental income for the period of time your property is uninhabitable.

**DEDUCTIBLE ASSESSMENT:** If your tenant causes damage to your unit, neighboring units or common property, the Board may be able to assess the Corporation's deductible back to you. Review this coverage with your insurance representative to ensure you have adequate limits.

## CONDOMINIUM PROTECTION:

### Includes:

- Unit Additional Protection – coverage for your unit is available only under these circumstances, subject to the limit on your policy: The Corporation has no insurance, its insurance is inadequate, or it is not effective.
- Common Elements Loss Assessment – Insurance will cover your share of any special assessment if:
  - The assessment is valid under the Condominium Corporation's governing rules.
  - And it is made necessary by a direct loss to common elements.

## GENERAL LIABILITY:

Protect your liability. A visitor to the premises can be exposed to many bodily injury hazards such as, rotten decking, stairs, loose carpets or rugs and icy patches. Due to these hazards they suffer an injury and sue you. Now what? You better have liability insurance to protect you against just such claims.



**NOTE:** Landlords should do everything they possibly can to ensure that their tenant's carry adequate insurance. Having a clause in the lease that stipulates that they carry tenant package insurance is good practice. It protects their property and also protects the interest of the landlord.

We are here to help you with your insurance needs.

Please contact us for quotes at:  
[leo@bflcanada.ca](mailto:leo@bflcanada.ca) or **1-844-374-4120**.