



Protecting Rental Property Investors from Tenant-Induced Damages

When a tenant causes damage to a property, investors are often left shouldering the burden of the cost. Whether it is minor damage from a simple appliance, water overflow, or a more serious event like a cooking fire, these costs can play havoc on the bottom line.

ResidentPro[®] by SES Risk Solutions is a customized insurance solution designed to cover these costs by requiring all residents to carry liability insurance as part of the lease. With ResidentPro, this vital coverage is cost-effective, comprehensive, and user-friendly.

Tenant Legal Liability (TLL) Insurance

Only about one third of renters purchase insurance on their own. Tenant legal liability (TLL) insurance steps in to fill the gap. Here's how it works:

- Typically, if the tenant does not show proof of insurance upon signing the lease, the property owner/manager will opt them into this program
- The property owner/manager is the named insured, but the cost of the policy is passed on to the tenant, typically at only \$7 to \$13 per month
- The TLL base policy provides \$100,000 of liability coverage for tenants for damages they may cause

Costly Claims

Let's face the facts. Tenants can cause a great deal of damage to properties during the course of a lease. In fact, cooking fires alone account for over \$3 billion in damage each year. If the tenant is not covered, the property investor or manager must make the claim through their primary insurance policy, incurring large deductibles and possible rate increases.

A World of Coverage

ResidentPro offers broad-based coverage to ensure this worst-case scenario never becomes a reality, shielding property managers from tenant-caused damage.

For less than \$10/month per property, ResidentPro offers \$100K liability coverage for damage caused by tenants over the following perils:

- Fire, other than fire caused by lightning
- Smoke
- Explosion
- Water damage, backup or overflow of sewer drain or sump pump

Rental Property Investors

- Avoid the deductible expense: First dollar coverage versus AOP on property policy, typically \$2,500 or more
- Create additional passive fee income: Cost can be included within monthly rent and administration fee added
- Lower commercial insurance costs in the long run: Create sustainability through subrogation opportunity
- Reduce your overall out-of-pocket maintenance and repair expenses

Agents/Account Managers/Brokers

- Provide your single family residential and multifamily rental clients with next level coverage from tenant-caused property damage
- Primary package policy + tenant legal liability = complete client protection
- Round out your account and increase revenue by adding this essential coverage

SES Risk Solutions

SES is the gold standard of service and coverage for residential real estate owners and investors, offering the 1-2-3 punch of leading-edge technology, preferred pricing, and flexible coverage built for residential portfolios.

- 30 years in the business
- 3,500+ investor portfolios
- 65,000 properties
- 50 states
- 10+ carrier partners