



LANDLORD INSURANCE CHECKLIST

ALWAYS READ THE PAPERWORK

1. Check your policy wording, policy schedule and information disclosed to insurers carefully, paying particular attention to the levels of cover you have requested. Do specific endorsements, conditions or warranties apply to your policy? There may be increased excesses for certain claims, or even special requirements if your property becomes unoccupied.

DON'T BE UNDERINSURED

2. If you have stated sums insured on the policy, do they represent a full replacement/rebuilding value? This is not the market value and needs to be calculated accurately, either through an approved survey or via the Association of British Insurers easy to use rebuilding calculator :- <http://abi.bcis.co.uk/>

DO INSURERS HAVE THE CORRECT TENANCY TYPE?

3. Check that the current tenancy status of your property is accurate; for example insurers differentiate between, working tenants, those in receipt of benefits, asylum seekers or students to name but a few. If your property becomes unoccupied your insurers will need to be advised and they may wish to make a charge or amend your cover accordingly. If you have commercial property the nature of the business you let your property to will also have an effect and needs to be stated correctly on the insurance documentation.

PLANS FOR REFURBISHMENT?

4. Is work being carried out at your property? If this is the case insurers will need to be informed. Check with your insurance provider before renovation and refurbishment work begins.

AVOID A FINE AND CHECK IF YOU REQUIRE EMPLOYERS LIABILITY COVER

5. Are you part of a residents association or a director of a limited company, or are you employing staff to maintain your properties? If this is the case you may need Employers Liability cover as without this you may be exposed to fines of up to £2,500 per day and be prosecuted. For more information check the following leaflet and speak to your insurance provider: - www.hse.gov.uk/pubns/hse40.pdf

IS YOUR LOSS OF RENT FIGURE CORRECT?

6. Should a significant claim occur do you have sufficient loss of rent cover in place? This does not protect you if your tenant simply defaults in their payments but is triggered in the event of a claim to the building, wherein the property becomes uninhabitable whilst repairs and renovation work is carried out.

The question you must ask is how long it would take to rebuild your property following a total loss. This length of time should then be reflected in the "indemnity period" for the loss of rent and the amount covered will be your loss of rent for that period stated. If you charge £10,000 per annum and it will take 3 years to rebuild the calculation should be as follows: - £30,000 for an indemnity period of 36 months. So perhaps a 12 month indemnity would not be sufficient for many properties.

WHAT ABOUT CONTENTS?

7. The Landlord and Tenant Act 1985 requires that landlords are responsible for guaranteeing their property is well maintained and does not pose a risk to tenants, neighbours or the public. This is particularly important during the winter when burst pipes and roof damage caused by storms are common hazards. Buildings insurance will cover landlords for any structural damage, however you should also take out contents insurance whether providing a furnished or unfurnished property – this will protect damage to kitchen fittings, curtains and so on.

CHECK YOUR PROPERTY

8. For more information about your residential property or its location visit this useful property check for flooding, neighbourhood information and environmental conditions: - <http://www.homecheck.co.uk/>