

TENANT LIABILITY INSURANCE

SAMPLE SCREENING CRITERIA WORDING

Use the below wording in your company Screening Criteria and Lease Application Process

Landlord Approved Tenant Liability Insurance

Required Property Damage Liability Insurance: NOTICE! All Tenants are required to maintain property damage liability insurance on behalf of the Landlord and Property Manager. Coverage is required in the amount of One Hundred Thousand Dollars (\$100,000.00) for damage to both Landlord's and third parties' property with the provisions covering at least the perils of fire, smoke, explosion, accidental water discharge, and sewer backup. **Tenants are required to name YOUR COMPANY as an "Interested Party"**.

Such a policy shall be written not contributing with and will be in excess from coverage that Landlord may carry, and must waive all rights of subrogation against Landlord and Property Manager. It is agreed that Landlord carries insurance for its protection and that the Tenant is not a beneficiary of such insurance. Tenant shall be responsible to Landlord for all costs of repair for damages as stated in the Lease regardless of existing Landlord insurance.

Using an Insurance Provider Outside of Property Manager Preferred Vendor:

Tenants may OPT OUT of purchasing this required insurance through landlord's preferred insurance provider at any time by providing written proof of the following three items:

1. Evidence of Required Insurance levels to show the Policy is in effect, when it will start & end, and who is named on the policy.
2. **YOUR COMPANY** must be named as an **"Additionally Interested"** party to the insurance binder provided by the tenant.
3. The Tenant Liability coverage has to be equal to or greater than \$100,000 in Tenant Liability Coverage to the Property.

Cost through YOUR COMPANY: \$9.00 per month plus a reasonable monthly administration fee; for example \$3.00 for a total of **\$12.00 per month**, per lease. Tenants are required to carry Tenant Liability Insurance. Unless a Tenant Opts Out of this insurance by following the steps above, a policy will be automatically provided to the Tenant for \$12.00 per month.

Failure to Maintain Insurance: If the tenant's coverage for their independently self-procured tenant liability insurance is lapsed by either non-payment or non-renewal after lease execution, YOUR COMPANY will place that tenant under this program by default for \$12.00 per month. Some Managers also add a **one-time \$___ set-up fee.**

Disclosure:

(Company Name) is not an insurance company

The Tenant Liability Insurance program is provided by Great American Insurance company and brokered through Beecher Carlson Insurance Company

Coverage Notice: By electing the Tenant Liability Insurance through Landlord's preferred provider via the automatic program set forth above, Tenant will not be listed as a named insured under the Landlord's policy. The Tenant Liability Insurance policy is not designed to replace a Renter's Personal Insurance Policy. No coverage is provided to insure tenant contents with this policy.