

Rental Property Insurance

Investment protection that puts a landlord's mind at ease.

A standard homeowners policy may fall short when it comes to protecting the interests of a landlord. To fill the gap, American Modern offers two solutions. You'll find a comprehensive program with replacement cost coverage, and a more flexible program that welcomes an even broader range of homes. Optional coverages can be added to eliminate worries such as short-term rental, premises liability, personal property, burglary, vandalism and more.

Option 1 - Comprehensive coverage

DP-3 coverage, sometimes referred to as "special form," approximates what is offered by a homeowners (HO-3) policy. Liability protection is optional.

- Homes up to 80 years of age (60 years in some states)
- Roof updated within the past 20 years

- Above average or better condition
- Up to a four-family structure

Comprehensive coverage - Any cause of loss is allowed except those specifically excluded in the policy documents.

Replacement cost settlement – Losses are settled at the replacement cost, up to the policy limit. There is no depreciation deduction.

Option 2 - Flexible coverage

The most flexibility in terms of coverage and eligibility is offered by a DP-1 policy, also called a "basic form." Liability protection and other coverages are optional.

• No age limit on the structure

• Up to a four-family structure

• Fair or better condition

Named peril coverage – The policy covers those causes of loss listed by name in the policy documents (fire, lighting, wind, hail, explosion, and others). It covers the essentials, but not everything.

Actual cash value settlement – Losses are settled for the actual cash value (ACV), which takes depreciation into account. In many states we offer upgrades to full repair cost coverage or replacement cost coverage.



Rental Property Policy Highlights

Loss of rent – Lost rental income is reimbursed if a covered peril causes sufficient damage that the tenant needs to move out and is no longer paying rent.

Additional coverage

- Reasonable expenses for emergency repairs such as covering a roof after a storm
- Other structures on the property
- · Debris removal
- · Fire department service charge

Additional coverage for DP-3 only

- Collapse
- · Water and mold
- · Improvements and alterations
- · Trees, shrubs, lawn
- Vandalism

Short-term rental permission – Rental terms less than three months, which are common in resort areas, can be accepted.

Short-term vacancy permission – A property between renters or undergoing renovations will be vacant for a few weeks or months. Adding the vacancy permission coverage keeps the property protected without the hassles of rewriting the policy.

Premises liability – Add protection for the land-lord's liability if an injury occurs to someone while on the premises. The option does not cover the tenant's actions.

Personal property – Add coverage for items such as furnishings, appliances, linens and the like, owned by the landlord and kept in the rental property.

Breakdown protection – Widen the policy's scope to include the repair or replacement of major appliances, HVAC and electronics due to mechanical or electrical failure.

Vandalism – Physical damage or defacement of the home is included with the DP-3 program, but optional for DP-1.

Limited burglary – If a forced entry leaves signs of visible damage (for example a broken window or jimmied door) we will cover the theft of personal items or permanently attached items such as a heat pump or even copper piping.

Payment Options

Optional

Coverage

Included

Coverage

EZPay – Pay through automated monthly installments via credit card or bank account.

4-Pay – Pay a quarter up-front with an installment due every 60 days.

Full Pay - Pay when coverage begins or on renewal.

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