

Damage Liability to Landlords Property Policy aka resident neglect

What is the intent of the policy?

This policy intends to cover losses for “property damage” caused by a current resident to an insured location. **This is not a policy for the resident**, it is a policy for **the landlord- our client**, for which eligible damages are recovered to the benefit of our client

How do you know if your property is included in this Policy?

If your residents are paying a Property Liability Fee that has been billed and paid to United Defense and has met the requirements, **it is important to note** the liability fee must be paid before an incident is covered.

To verify a covered unit monthly, a box folder has been created where you can see unit enrollment status per month, for new move ins please refer to this source document, if the unit is on the report, there is coverage.

When does coverage start for a new resident and when does it stop for an existing resident?

Coverage is triggered when the **property** pays the first liability fee to United Defense and continues for up to 15 days after resident vacates provided the loss occurred during the coverage period.

How do you explain the liability fee and its purpose/benefit to an applicant and or resident?

The NAA and TAA lease contract states that you must promptly pay or reimburse the property for a loss, damage, consequential damage, cost of repairs or service in the community because of a lease violation, improper use, **negligence**, or other conduct by you, your occupants, or guests. The property liability fee provides a level of coverage for damages which are caused by the negligent act, offsetting, part, or all the resident’s responsibility to pay.

What determines if the damage is covered?

The current residents intentionally or accidentally cause damage to the unit or the property.

What specifically is covered by this policy and what triggers the coverage?

All insurance is an event, coverage is triggered because something happened at a specific time and place, property damage occurs because the resident did something,

- left a pot on the stove and went to work
- lit a candle and fell asleep causing fire
- The resident hangs his TV on the wall and hits a sprinkler line

Coverage is not for damage to the unit as part of the resident living experience, the wear and tear of occupying the unit. Resident abuse and damage to the unit related to their conduct or living conditions, is a violation of the conduct section of the lease and must be billed to the resident ledger.

Be Aware: The property is not entitled to brand new or an upgrade

The policy will pay the lesser of the cost to repair or replace the damaged property using similar materials and construction methods or the per occurrence limit applicable to the residence premises.

EXAMPLE: if a fire damages the entire kitchen, we are responsible to put the kitchen back the way it was before the fire with like materials, if the countertops were laminate, they will be restored with new laminate. If a portion of a refrigerator is damaged, the damaged portion will be replaced- if it can be replaced and match the existing

Claims submission process

An incident report and all supporting documents must be submitted to the United Defense email address, **Uniteddefense@uaginc.com** along with all supporting documents placed in the incident report box folder.

All required documents need to be submitted timely

Concealment or Fraud

We do not provide coverage if, whether before or after a loss you have:

- Intentionally concealed or misrepresented any material fact or circumstances
- Engaged in fraudulent conduct
- Made false statements relating to any claim or the insurance coverage provided under this policy

Other Insurance

The United Defense policy is primary to owners' property policy if it is determined that the damage was caused by resident neglect. Resident "renter" insurance policy, if one exists, shall be primary and fully exhaust limits before triggering the United Defense policy as excess.

**Policies are renewed on an annual basis. Expense Deductibles and aggregates are subject to change.*

Covered Perils under this policy

DAMAGE LIABILITY TO LANDLORD'S PROPERTY

\$100,000 per resident premise.

Events such as fire, water damage, or any premise damage which are caused by the residents' negligent actions.

LANDLORD LOSS OF RENT INCOME

\$1,000 per residence with a per occurrence limit of \$5,000.

Triggers if the unit is inhabitable where the property has limited vacancies.

PET DAMAGE

\$1,000 per residence with a \$250 deductible.

Eligibility is if the pet is on the lease and there is damage to the unit at a specific time, there is no coverage for a bad puppy who keeps eating the carpet, this is repeated or continued conditions that cause damage.

BED BUG REMEDIATION EXPENSE

\$500 per residence with a \$250 deductible.

Triggered by pest control confirmation but not a repeated or continued condition.

LIMITED FUNGI & BACTERIA REMEDIATION

\$1,000 per residence with a \$250 deductible.

Events such as biohazard cleanup in the event of death.

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