

Landlord insurance FAQ's

The World Wide Web is littered with questions regarding landlord insurance. The queries range from the simple to the complex, and the answers from the sublime to the ridiculous. Sick of wading through piles of ignorant claims, outlandish suggestions and irrelevant waffle? Fear not, those days are over. Read on for some of the most commonly asked questions, and their simple, crystal clear answers.

Do I need landlord insurance?

Yes

Why?

Because it absolutely essential when it comes to protecting your investment. A property portfolio without landlord insurance can crumble around your ears at any given moment. Not a pretty image, right? Getting it covered will bring peace of mind, allowing you to relax, safe in the knowledge that your property is in the right hands.

Will standard home cover not do?

No. Standard home cover is, on the whole, unsuitable because of the different risks that come into play with a rental property. Landlord insurance will have a significantly wider field of protection and protect your investment both in the short and long-term.

What's the difference between home insurance and landlord insurance?

Landlord insurance is specifically designed with rental properties and the additional income they provide in mind. Landlord insurance includes cover for contents within the property which belong to the landlord as well as the landlord's liability. Neither of these are present in standard home insurance and are vitally important to a happy tenancy.

What is public liability insurance?

This is a legal liability to pay damages as a result of bodily injury, illness or disease sustained by anyone, with the exception of an employee. It also covers payment for loss of or damage to property caused by a third party.

What is employers' liability insurance?

This is essentially the same as public liability insurance, except this one covers employees during their time of employment. Therefore, any injury, illness or disease sustained while 'on the job' is covered.

Do I need it?

That depends. For every business that employs staff, it is a legal requirement. This includes sub-contractors, temps and trainees. So, yes, you may well need it. For limited companies, employers' liability cover is mandatory.

Can my landlord insurance policy cover more than one property?

Yes. Known as portfolio, or block policy, insurance, this will cover an entire block of properties rather than you having to take out an individual policy for each property. A uniformed policy across the board can save both time and hassle, as well as being easier to understand. Obviously, if the nature of your properties differ considerably, than individual cover may still be the way to go.

Will I need any other landlord insurance?

As well as the public / employee liability cover mentioned above, you may also want to consider legal expenses insurance. Every landlord's worst nightmare is a tenant or tenants defaulting on their rent payments or failing to fulfill the obligations painstakingly set out in the rental agreement. Legal expenses will help avoid such a situation.

What about commercial property insurance?

This is designed specifically for landlords who rent out their properties for commercial and business use. Despite this difference, you may well be able to include commercial properties with residential ones on a block policy. Again, it's important to check that this will cover everything you would want it to.

What about the tenants?

While public liability cover will protect themselves, the tenants will need to take out separate contents insurance to cover their possessions.