

Landlord Product Guide



CSE Insurance offers the broadest Landlord Insurance coverage of any carrier in the market. We've innovated our product with confidence and extensive protection in mind. Not only is it designed specifically for a landlord's real needs, it's meant to help plan for unexpected occurrences – something that landlords know all too well.

Our product is bundled with discounts and a la carte flexibility, so you can rest assured that our policyholders are getting the most affordable and comprehensive coverage in a way that makes sense for them.

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California



Product Highlights

	Basic	Plus	Premier
Coverage A – Dwelling (Replacement Cost % of Cov. A)	100%	150%	175%
Coverage B – Other Structures* (% of Cov. A)	10%	10%	10%
Coverage C – Contents*	Optional	\$5,000	\$7,500
Theft Coverage	Optional	\$5,000	\$7,500
Coverage D – Fair Rental Value (% of Cov. A)	10%	10%	20%
Ordinance or Law* (% of Cov. A)	10%	10%	20%
Premises Liability	Optional	\$300,000*	\$1 million
Personal Injury	Optional	\$300,000*	\$1 million
Comprehensive Personal Liability (CPL)	Optional	\$300,000*	\$1 million
Medical Payment to Others	Optional (with CPL)	\$5,000	\$5,000
Loss Assessment	Optional	\$3,000	\$5,000
Sewer and Drains Back-up	N/A	\$5,000	\$7,500
Bed Bug Infestation Remediation Coverage	N/A	N/A	\$5,000

*Higher options available on an à la carte basis

Target Market

Preferred middle market

Newer buildings – built after 1940

Coverage A limit between \$250K - \$1M

Buildings greater than 1,250 sq. ft.

Low wildfire risk

Liability limits > \$500K / \$1M

Cross sold with DF6, Auto, PUP, and Earthquake

Numerous properties owned

Professional Property Manager

Clean preferred

Discounts

- ✓ Multi-Policy
- ✓ Protective Devices
- ✓ Property Manager
- ✓ CSE Agent
- ✓ Neighborhood Watch Credit
- ✓ Loyalty
- ✓ Renters Insurance Verification

Nevada



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Sewer and Drains Back-up	N/A	\$5,000	\$7,500
Bed Bug Infestation Remediation Coverage	N/A	N/A	\$5,000

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Target Market

Preferred middle market

Newer buildings – built in the last 45 years

Coverage A limit between \$250K - \$1M

Buildings greater than 1,100 sq. ft.

Low wildfire risk

Liability limits > \$500K / \$1M

Cross sold with Auto, PUP, and Earthquake

Numerous properties owned

Professional Property Manager

Clean preferred

Discounts

- ✓ Multi-Policy
- ✓ Protective Devices
- ✓ Property Manager
- ✓ CSE Agent
- ✓ Loyalty
- ✓ Renters Insurance Verification

Arizona



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Discounts

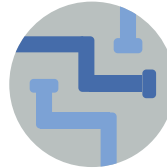
- ✓ Multi-Policy
- ✓ Protective Devices
- ✓ Property Manager
- ✓ CSE Agent
- ✓ Loyalty
- ✓ Renters Insurance Verification

Optional Enhancements



Premises Liability Coverage

Covers up to \$1 million in case of any bodily injury or property damage caused to others from the use of the policyholder's rental property.



Service Line Coverage

Covers the major service lines connecting to the policholder's home, such as gas line, power line, sewer line, and water line, against a service line failure.



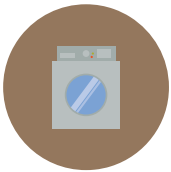
Loss Assessment Coverage

Pays the policyholder's share of any loss assessment charged against them by the association of property owners.



Extended Replacement Cost

Provides additional coverage up to 175% of the dwelling's policy limits to rebuild the policyholder's rental unit in the event of a covered loss.



Equipment Breakdown Coverage

Covers the policyholder's major household appliances against an unexpected mechanical or electrical breakdown not caused by normal wear and tear or corrosion.



Eviction Expense Reimbursement Coverage

CSE Exclusive!

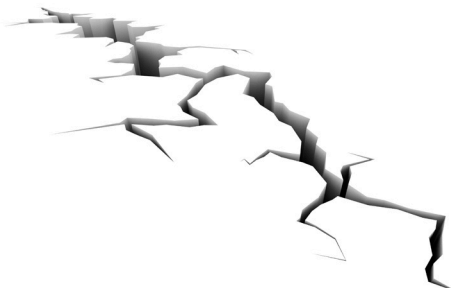
Covers the expenses incurred by the policyholder due to an eviction action pertaining to the tenant.

Earthquake Coverage — for California

Earthquakes are one of California property owners' most costly risks and are not covered under a typical Landlord policy. Policyholders can add this earthquake coverage to protect their property and their peace of mind. Earthquake insurance provides coverage for their damaged structure, as well as loss of personal possessions and loss assessments. Coverage for swimming pools is also available, and a multi-policy discount can apply.

Three coverage options are available to choose from so the policyholder can tailor a policy that meets their needs AND their budget. Deductibles are as low as 10%!

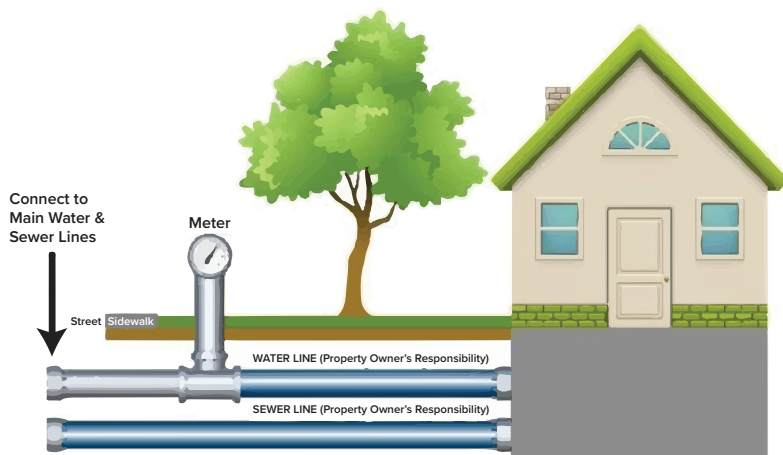
Underwritten by Palomar Speciality Insurance Company.



For more information on optional enhancements and coverages, go to www.cseagents.com/training to find our training manuals!

Service Line Coverage

Service Line Coverage provides protection from an unexpected loss caused by a service line failure. Most landlords don't realize that they're responsible for the service lines from the street to their property. Repairing or replacing service lines is costly and can easily total \$5,000 or more.



(Electrical line and gas line are also covered by CSE.)

A typical Landlord policy doesn't usually cover these costs, but with **Service Line coverage added to their CSE Landlord policy** for just \$15, they're covered for the unexpected costs associated with service line repairs, excavation, and damage to outdoor property.

Perils Covered

- Wear and tear
- Rust, corrosion, decay
- Hidden or latent defects
- Freeze
- Collapse (except sinkhole collapse)
- Electrical breakdown

How is this endorsement provided on a Landlord policy?

Service Line coverage has been added as an endorsement for just a \$15 premium, with a \$500 deductible, and \$10,000 limit. If the policyholder wishes to remove this coverage from their Landlord policy, they can simply contact their CSE Agent and opt out.

Loss Examples

1

A tree root grew through a sewer pipe located on the landlord's premise, causing the pipe to leak. This required a backhoe to dig up the damaged piping and replace it.

Property Damage: \$5,800

2

An underground power line providing electrical service to the home significantly deteriorated over time and resulted in arcing. The underground power line had to be excavated and replaced.

Property Damage: \$7,800

Equipment Breakdown Coverage

Equipment Breakdown Coverage covers most mechanical and electrical equipment in a home, including refrigerators, air conditioners, heaters, boilers, furnaces, washers, dryers, home electronics, and more.

A Landlord policy doesn't cover the cost of repairing or replacing essential equipment in the premise when it suddenly breaks. With **Equipment Breakdown coverage added to a CSE policy**, a loss caused by an electrical, mechanical or pressure systems breakdown will be covered.



How does this coverage compare to a home warranty?

	CSE Equipment Breakdown Insurance	Typical Home Warranty (Not covered by CSE)
Equipment covered	Includes: appliances, HVAC, water heaters, security systems, electronics and more!	Usually limited to HVAC and appliances.
Maximum Coverage	\$50,000	\$10,000
Wear and Tear (deterioration)	Not covered	Covered
Spoilage Coverage	\$10,000	Not covered
Fees	N/A	Average \$65/service call
Deductible	\$500	\$50 or more
Cost	\$27	\$350 - \$1,200

What's the difference between "wear-and-tear" and "mechanical breakdown"?

Wear-and-tear occurs over time and is typically more foreseeable. It's the gradual deterioration of a machine's ability to function. **Mechanical breakdown** is a loss where the equipment suddenly breaks or mechanically locks up. Due to its sudden nature, it's usually more difficult to plan and budget for. **This is covered under Equipment Breakdown.**

Loss Examples

1

A water heater built excessive pressure and the pressure relief valve didn't open, causing the unit to suddenly rupture. The unit required replacement.

Property Damage: \$1,700

2

An air conditioning unit stopped functioning due to damage to the compressor and controls from a power surge. The system required replacement.

Property Damage: \$6,200

What's covered?

- Mechanical breakdown
- Electrical breakdown
- Rupture, bursting, or explosion

What's not covered?

- Wear-and-tear deterioration, such as worn-out water heater
- Rust and mold

How is this endorsement provided on a Landlord policy?

Equipment breakdown has been added as an endorsement for just a \$27 premium, with a \$500 deductible, and a \$50,000 limit. If the policyholder wishes to remove this coverage from their Landlord policy, they can simply contact their CSE Agent and opt out.

Frequently Asked Questions

1 Is there a minimum policy premium?

Answer: The policy minimum premium is \$300.

2 What are the requirements for the Renters Insurance Verification discount?

Answer: We need proof of HO4 (Renters) Insurance (e.g. photo of dec page or a copy of evidence of insurance). A lease requirement for HO4 is not sufficient. If documentation isn't provided, the discount will be removed.

3 Can discounts be added mid-term or on renewal without documentation?

Answer: Discounts can be added mid-term and on renewal. Proper documentation is required for discounts as stated in the underwriting guidelines. If supporting documentation isn't provided, the discount(s) will be removed.

4 What type of LLC qualifies as a named insured?

Answer: The owner, managing member, or partner is limited to an individual, or an individual and spouse/domestic partner and their family members. This rule is identical for both the Landlord policy and the Landlord – Condo policy. The LLC cannot participate in any commercial venture other than the rental of investment property. A copy of "Statement of Information, Form LLC-12" must be submitted for underwriting review to determine the purpose of the LLC.

5 Does the CSE Umbrella policy have a limit on the number of Landlord policies?

Answer: 99 units.

6 What type of property manager qualified for the discount?

Answer: A licensed professional management firm that meets this requirement:

- has a Real Estate Broker License.

To see more frequently asked questions on our Landlord product, please visit www.cseagents.com/marketing-materials/landlord!