

# What to look for when buying landlord insurance



## What you need to know

If you own a rental property, it's important to protect your investment from tenant damage and loss with landlord insurance. We've put together some general information to help you find the right policy for your needs. It's important to do your own research so that you can choose the right policy for you.

## What is house insurance?

Landlord insurance covers 'sudden and accidental damage' to your rental property. When you're comparing policies, make sure you check the policy wordings for more details.

## What are some things to consider?

**House vs landlord insurance** - landlord insurance has a range of benefits to protect you from the risks of renting your property. House insurance doesn't cover these landlord-specific risks or features. Some landlord policies include a limited degree of contents cover for items such as whiteware, blinds and flooring.

**Landlord obligations** - when you make a claim, some insurers need you to prove that thorough tenant checks have been done, such as tenant references, a signed tenancy agreement with a bond payment, and regular internal and external inspections. If you don't meet the conditions your claim may be impacted so check your policy wording.

**Basis of settlement** - if your rental property is destroyed, most insurers will replace your property up to its sum insured. You'll need to choose the amount it would take to completely rebuild your property. Be sure to include all the features on your property, such as the driveway, retaining walls or pools. You can use the [Cordell sum insured calculator](#) to help you.

**Gradual damage** - provides limited cover for loss or damage that happens over time. Damage from a leaking pipe may be an example of gradual damage. Cover is limited because gradual damage is not 'sudden and accidental'. Make sure you read the policy wording (including any limits) carefully as it will set out how much cover is available and when it will apply.

**Excess** - this is how much you need to pay if you make a claim and it's accepted. Note, if you're claiming for damage in multiple places e.g. the lounge and a bedroom it may be treated as two events and therefore have two excesses unless you can prove they happened at the same time.

**Loss of rent** - cover if your property can't be rented due to loss or damage covered under the policy.

**Methamphetamine contamination** - cover for damage caused by meth consumption and manufacture in your rental property.

**Liability protection** - your legal liability is covered if there's an accident at your rental property causing damage to someone else's property.

**Deliberate damage** - protects you from deliberate damage to your property by your tenant and their guests.

## Explore your options with Tower

Tower's Landlord's plus policy is designed to look out for you with lots of great benefits. Get a quote online and compare us today!

- Extended sum insured for fire - If your house is destroyed by fire, this benefit gives you up to 20% more cover than your sum insured. Excludes fires following natural disasters.
- One event, one excess - if one event means you need to claim on multiple Tower car, house, contents, and boat policies, you'll only pay one excess. The highest excess applies.
- Multi-policy discount - save up to 20% when you buy multiple Tower car, house, contents and landlord policies online at once using our bundle builder. [Ts&Cs apply](#).
- Manage your insurance 24/7 with My Tower - register for our easy-to-use online self service portal My Tower, so you can update and keep track of your insurance cover online.

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