

Equipment Breakdown from Security Mutual Insurance Company Landlord Rental Dwellings and Condos



A Landlord Policy or Landlord's Protective Policy, is designed for property owners who rent their home or similar dwelling structure to multiple tenants within 1-6 individual rental units in the same building. Typically the landlord does not reside in the rented building(s), and tenants can range from the elderly to college students to Section 8 housing.

A Landlord Policy covers an equipment breakdown loss if the landlord's owned appliances sustain an electrical, mechanical or pressure systems breakdown. The landlord, who owns the appliances, is responsible for repairing or replacing it, and Equipment Breakdown coverage protects the landlord from this type of expense.

Equipment Breakdown coverage also includes protection for loss of rents due to a covered loss. The landlord would be compensated for the loss of income sustained while he or she is unable to collect rents.



Exposures

- Fire Detection Systems
- Protection Systems
- Boilers
- Air Conditioning Units
- Appliances
- Heating Furnaces
- Generators
- Exhaust/Ventilation Fans
- Motors
- Computer Equipment
- Phone Systems
- Electric Motors
- Copiers
- Printers

Typical Losses

The low water cutoff for the cast iron boiler did not operate properly causing the boiler to overheat and crack. The boiler required replacement.

Property Damage: \$11,500

The control boards for the refrigerator and oven were damaged due to power fluctuations. Due to the age of the appliances, replacement parts were unavailable and required replacement.

Property Damage: \$3,500

Loss Prevention Tip

Install a surge protective device (SPD) between the incoming utility feed and the main distribution panel to protect electrical and electronic equipment.

