

# scheer tips



terri **scheer**

## Landlords now have more protection with Terri Scheer

As of August 17, landlords will enjoy a broader and more comprehensive range of cover with Terri Scheer's Landlord Preferred Policy.

These improvements are in response to customer feedback and our commitment to setting the benchmark for Australian landlord insurance.

A brief summary of the improvements are:

- Contents cover has increased from a maximum of \$45,000 to \$60,000
- Open air contents cover has increased from \$1000 to \$1500
- Deliberate damage cover has been added
- Cover for replacement of locks is covered (up to \$250)
- Referral fees have increased from \$15 to \$20 for each new Landlord Preferred Policy
- Excesses for malicious damage and accidental damages have been reduced from \$350 to \$250, except in Northern Territory, these excesses have reduced from \$600 to \$500 and Queensland where excesses are already at the reduced rate.

We also advise that the premiums have increased slightly (see left). This reflects the increasing costs of claims, where in particular loss of rent claims have alone risen by 25% over the past three years. The new premiums will apply to all new policies effective 17 August and beyond and for renewals effective 1 October and beyond.

For full details, terms and conditions of the policy improvements please refer to the Landlord Preferred Policy Product Disclosure Statement, available at [www.terrischeer.com.au](http://www.terrischeer.com.au)



### New premiums

#### Landlord Preferred Policy

SA	\$255
ACT	\$300
NSW	\$350
NT	\$280
QLD	\$280
VIC	\$275
WA	\$260
TAS	\$225

Effective 17/8/09

*We are happy for you to use any of the information provided to you in scheer tips for your own newsletter. You should however, acknowledge that the information was provided by Terri Scheer Insurance otherwise you might be at risk of providing advice.*

*Please contact Belinda Butler [belindab@terrischeer.com.au](mailto:belindab@terrischeer.com.au) if you need further advice.*

*Terri Scheer is happy to provide you with this information. However, if you would rather not receive future issues please let us know and we will delete you from our distribution list.*

### Comments from Carolyn

This month sees the first premium increase for our Landlord Preferred Policy in almost five and a half years. Over the past few years we have been absorbing the increasing claims costs, particularly claims for loss of rent which make up around 65% of all claims lodged with Terri Scheer.

Data from our loss of rent claims for the past three years show that rents have risen on average by 26% during that time; in the ACT and Northern Territory rents have risen by 30 and 32% in the same period. These increases in weekly rents obviously mean that in 2009 we are paying out an average of 26% more for a loss of rent claim than we were in 2006.

Whilst a price increase is never a pleasure to announce, we are pleased to have added some additional benefits to the policy to ensure it meets the increasing needs of our customers. Some time ago we reduced excesses in the Queensland market and have now reduced excesses in other states and territories as well.

To thank you for your ongoing loyalty and support for our Landlord Preferred Policy, we've also increased our referral fee to you by \$5 for every new policy placed. For those of you who choose to donate your referral fees, your chosen charity will now be better off too.

Your local Terri Scheer Business Relationship Manager will be visiting your office with supplies of new documentation; don't forget, if you're planning a landlord information night, your BRM is happy to come along and talk to your clients about the importance of landlord insurance.

*Carolyn*

## Landlord Preferred Policy – limited building cover

Amber Cauchi, Claims Officer

As you may already know, the Terri Scheer Landlord Preferred Policy also has the additional benefit of providing limited building cover.

This cover includes damage caused to the building by the tenants, their family or guests by:

- accidental damage
- malicious damage
- theft or damage due to theft

Often there may be concerns arising when the landlord assumes that by having the Landlord Preferred Policy that all events or potential damage caused to the building will be covered.

Imagine what would happen if a fire went through and destroyed their entire house – would they be covered under Landlord Preferred Policy? Unfortunately not for the damage to the building – but it would be considered if they had the Terri Scheer Landlord Residential Building Insurance policy!

We must continue to make landlords fully aware that they will need a separate building insurance policy for events such as:

- Fire
- Water damage
- Storm damage
- Impact damage
- Accidental breakage of fixed glass

...and of course Terri Scheer Insurance can provide landlords with Residential Building Insurance to include such cover.

## Did you know.....

Gaynor Megaw, Business Relationship Manager, New South Wales

- Many Property Investors do not understand **why** they need Landlord Insurance? They may feel that their Property Manager is their insurance against any problems that may arise with their property. It is in your own best interests (and duty of care) to alert your Landlords to the varied risks they face in owning an investment property, most of which are totally out of your control.
- The Terri Scheer Landlord Preferred **does** cover Periodic Leases (Continuing Agreements)
- Your Landlord is covered for **Accidental Loss or Damage** to their contents (including curtains, blinds, carpets, light fittings) as well as Malicious Damage?
- The Terri Scheer Landlord Preferred and Scheer Short Stay policies will cover Legal Liability up to **\$20,000,000** for an occurrence which causes damage to other people's property or death or bodily injury to other people?
- If your Landlord owns a unit in a **Strata Managed complex** and the tenant accidentally or maliciously damages part of the structure of the building that it may not be covered under the Strata Building Insurance?
- Your Landlord **does not** have to wait until a tenant moves into their property before insuring their property? We understand that cover is required against unforeseen mishaps whilst prospective tenants are being shown the property and whilst the property is vacant. Therefore the Landlord can arrange cover as soon as the Management Agreement has been signed.
- Landlords can still take out an insurance policy with Terri Scheer even **if the tenant is in arrears**? Please note, restrictions to cover may apply.
- Terri Scheer can also provide Landlord Residential **Building** Insurance cover for stand alone homes?
- Terri Scheer has a Landlord protection policy specifically designed to cover Residential Holiday or Corporate Investment properties?
- Terri Scheer is the **only** company in Australia to **specialise** solely in Landlord Insurance?

Remember, you and your  
Landlords can place cover online  
at [www.terrischeer.com.au](http://www.terrischeer.com.au)