



CASE STUDIES

The RLL[®] master property liability policy provides habitational owners with a loss control tool for property damage claims caused by resident negligence. The RLL[®] policy is primary over other commercial Property & Casualty policies, placing it as the first insurer to respond to a covered claim.

The resident signs the Property Damage Liability WaiverSM (PDLW[®]), which waives the indemnification requirement as stated in the lease. The policy is available in all 50 states through an A.M. Best A+, XV rated carrier.

Here are five scenarios where RLL[®] reimbursed the owner in a timely manner, eliminating deductible/out-of-pocket exposure and creating a better loss history for the specific property and overall portfolio.

1

A resident was attempting to repair the water connection to the washing machine in a three-bedroom apartment. During the repair the resident ruptured the water line, causing water damage throughout the apartment. The water damage was contained within the apartment.

DAMAGE TO THE OWNER	DAMAGE TO RESIDENT'S PERSONAL PROPERTY	TOTAL DAMAGE	RLL [®] DEDUCTIBLE PAID BY THE OWNER
\$5,280	\$4,225	\$9,505	\$250

Repairs/Replaced Items/Required Services by Owner – Drywall replaced, carpet replacement in all three bedrooms, paint.

The owner is the named insured and was reimbursed first and foremost less the \$250 deductible. The claim was below the \$100,000 per occurrence limit, resulting in the possibility of the resident being reimbursed for their damaged personal property.

The owner saved over \$5,000 in P&C deductibles or out-of-pocket repair costs. All items, including the resident's personal property, were paid at replacement cost. No claim was filed against the owner's P&C policy.

2

The resident caused a grease fire while cooking on an electric stove top. The fire was contained within the apartment, but the resident could not shut off the stove or remove the pot from the stove top.

DAMAGE TO THE OWNER	DAMAGE TO RESIDENT'S PERSONAL PROPERTY	TOTAL DAMAGE	RLL® DEDUCTIBLE PAID BY THE OWNER
\$77,515	\$2,030	\$79,545	\$250

Repairs/Replaced Items/Required Services by Owner – appliances were damaged, floors needed to be repaired.

The owner was reimbursed first and foremost less the \$250 deductible. The claim was below the \$100,000 per occurrence limit, resulting in the possibility of the resident being reimbursed for their damaged personal property.

The owner saved thousands in P&C deductibles. All items were paid at replacement cost, the resident's personal property was replaced, and no claim was filed against the owner's P&C policy. This claim won't increase the owner's P&C premiums.

3

A lit candle fell off a coffee table in the resident's living room, igniting a fire that spread to three additional apartments. The originating apartment sustained smoke, water, and explosion damage. The three additional apartments had water and smoke damage as well.

TOTAL PAID TO THE OWNER	DAMAGE TO RESIDENT'S PERSONAL PROPERTY	TOTAL DAMAGE	RLL® DEDUCTIBLE PAID BY THE OWNER
\$100,000	N/A	\$100,000+	\$250

Repairs/Replaced Items/Required Services by Owner – Repairs to the living room and kitchen of the originating apartment, along with repairs to the common area stairway and damage to the other three apartments.

The owner was reimbursed to the \$100,000 per occurrence limit less the \$250 deductible. Residents did not receive coverage for their damaged personal property since the claim met the \$100,000 per occurrence limit. Personal property coverage for residents is offered by the owner as an amenity and can be available if the per occurrence limit is not met/exhausted.

The owner saved thousands of dollars by not having to pay P&C deductibles which range from \$25k-\$100k per occurrence.

4

The resident drilled a hole in the wall, puncturing the fire suppression water line. The water damage extended to the apartment directly below the originating apartment.

DAMAGE TO THE OWNER	DAMAGE TO RESIDENT'S PERSONAL PROPERTY	TOTAL DAMAGE	RLL® DEDUCTIBLE PAID BY THE OWNER
\$20,585	\$5,586 Originating apartment - \$1,519 Non-negligent apartment - \$4,067	\$26,171	\$250

Repairs/Replaced Items/Required Services by Owner – floors, drywall, paint.

The owner was reimbursed first and foremost less the \$250 deductible. The claim was below the \$100,000 per occurrence limit, resulting in both residents being reimbursed for their damaged personal property.

The owner saved \$20,585 in P&C deductibles or out-of-pocket repair costs. All property of the owner and resident was reimbursed at replacement cost. No claim was filed against the owner's P&C policy.

5

The resident clogged the toilet, causing it to overflow and flood the resident's apartment and the apartment below. Neither resident sustained any damage to their personal property.

DAMAGE TO THE OWNER	DAMAGE TO RESIDENT'S PERSONAL PROPERTY	TOTAL DAMAGE	RLL® DEDUCTIBLE PAID BY THE OWNER
\$18,286	N/A	\$18,286	\$250

Repairs/Replaced Items/Required Services by Owner – floors, drywall, paint, electrical rewiring.

The owner was reimbursed first and foremost less the \$250 deductible.

The owner saved over \$18,000 in potential P&C deductibles or out-of-pocket repair costs. All items were paid at replacement cost.