

Compass Realty Management Group

"Pointing your investments in the right direction"



Next Month's Newsletter:
Beware of Retaliation

Is It Time to Revisit Your Insurance?

There have been incredible weather events happening all over the world - earthquakes and tsunamis in Japan, tornadoes throughout many states, and flooding along the Mississippi to name a few. Insurance is a necessity for investment property. You pay with the hope that you will never have to use it for unforeseen events. With all the different emergencies, disasters, or problems that can happen to a rental property, perhaps it is time to revisit the insurance on your property. After all, none of us can predict what disasters could happen and it is better to be prepared.

Compass Realty Management

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We are here for you!

We provide you with professional management services for residential properties throughout the metro Atlanta area. Our business focus is to care for each individual customer and cater to their individual needs in order to deliver the highest level of personalized service at a minimal cost. Our caring Attitude and commitment to the highest standards of integrity will keep us in the forefront of the industry and will always be the focus of our property management services. We are detail oriented and leave nothing to chance ensuring that we uphold your best interest well into the

When did you last review your insurance policy for your rental property? If it is not within the last year, you should take steps to review your policy immediately and discuss the current coverage or needed updates with your insurance agent.

If you previously lived in the property, do you still have your homeowner's insurance covering the property? If you resided in the property, moved out and never changed your policy, part or all of your insurance could be invalid.

Do you have a rental/landlord policy? A rental/landlord policy is a basic fire and liability policy with some "extras" to protect landlords. This is important if you have vandalism, fire or any other natural disaster. It is crucial that your policy pays for lost rent if a property requires rebuilding or rehabilitating.

Have you set up your insurance as required in your management agreement with TRS? If you have not done so, be sure to advise your insurance agent that you need to add TRS to your insurance policy as either co-insured or additional insured with a minimum of \$300,000 liability insurance on the property. Please ask them to send us a copy of the insurance policy as soon as possible - thank you. Your agent can also contact us directly if he or she has questions.

Do you have enough liability insurance? Increases in liability are normally very small in cost per \$100,000. In today's market where people are prone to sue for any reason, a policy with \$100,000 covers very little when it comes to attorneys fees and costs. A \$1-2,000,000, or more, umbrella policy is highly recommended, but consult your insurance agent. Beware of misleading captions, such as "all risk". Often these policies contain a long list of things that are excluded.

What items should the liability insurance cover? A fully comprehensive policy will cover injuries on the property, defense of personal injury lawsuits, slander, discrimination, unlawful and retaliatory eviction, and invasion of privacy for tenants and their guests. It may not be possible to obtain all these coverage's with an insurance

company, but landlords should try to obtain the most coverage possible.

Do you have enough coverage in the event of a fire or disaster? Perhaps you haven't updated your policy in several years and the insurance coverage is now less than the current replacement value of the property. Research your current property value with a reliable source.

Have you shopped your insurance lately? It's an excellent idea to get competitive quotes, but do *not* let your insurance lapse while researching other rates. Many companies are continuing to renew existing rental/landlord policies, but are not issuing new policies because of high profile problems such as mold or natural disasters. Only discontinue the existing policy when you are *certain* you have a new insurance policy in place.

Where is my policy going and who is making the payment? It's very important to make sure your insurance policy and/or appropriate copies are going to correct addresses, such as the mortgage company, property manager and of course, you. Mortgage companies are quick to put on an expensive insurance policy to cover the loan because they believe your insurance has lapsed. Your agent can assist you with all of this.

What about insurance for the tenant's contents? Generally, insurance companies do not cover a tenant's possessions and tenants are strongly urged to obtain renter's insurance.

Don't wait until a problem occurs. To be satisfied there is adequate coverage for any property you own and to reduce your liability, review your policy on a *yearly* basis with your insurance agent.



Our Services

- Full-service residential property management
- Aggressive rent collection
- Technology driven company
- Extensive advertising/marketing of vacancies
- Competitive rental/leasing rents and rates
- Friendly, efficient full-time office staff
- Year end - tax ready summary statement
- Easy-to-read computerized monthly financial owner statements/reports
- Access to reliable, licensed and insured maintenance contractors
- Supervise/coordinate maintenance
- Thorough tenant screening
- Administer legal proceedings, if necessary
- Cooperate with Real Estate agents
- 24 hour/7 days a week availability for emergencies
- Digital photographs of available rentals on our website

Announcements

Check Your Insurance: Events can happen - flood, extreme heat, hurricanes, fire, and more! It is important to check your insurance to obtain the best coverage possible and ensure that it is current. Review now with your insurance agent before a disaster/emergency occurs.

If An Emergency Occurs: Our first priority during any emergency is to handle the situation, taking any necessary measures for the safety of your property and your tenants. Then, we will contact you as soon as we are able.

