

## Being a landlord isn't easy –

it's a round-the-clock job with many responsibilities. Some landlords prefer a hands-on approach with their rental properties; others hire property managers or rental agencies to tend to all the details. Whether you share your property with tenants or live offsite, be sure to carefully screen prospective tenants. A rental agreement should address sublet conditions, if any, and insist that tenants purchase their own insurance.

A rental agreement stipulating that tenants have the appropriate insurance may narrow down the list of applicants but will provide peace of mind in the event of a loss – for landlords and tenants alike.



## Questions about insurance? Call us.

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# ARE YOU A LANDLORD?



HOME INSURANCE → VISIT IBC.CA



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Renting out your basement?  
Taking in boarders? Renting  
a room online? If yes, you're a  
landlord. Even if a friend moves  
in with you temporarily, you  
should inform your insurance  
representative in writing ***before***  
altering your living arrangements,  
to ensure you have the right  
coverage.

## Here's why:

If you own rental property that you don't live in, you'll need a separate insurance policy. Speak with your insurance representative about the coverage you need.

- **Failure to provide full disclosure relating to occupancy may void your home insurance policy.** If anything were to happen – for example, a tenant accidentally starts a fire in your rented basement – and your insurance provider was unaware of the tenant living there, your policy could be voided. This would leave you without coverage at a time when you need it most.
- **Your home insurance policy only covers your property, contents and personal liability and that of your spouse and dependants.** It does not include your tenant's or boarder's contents and personal liability. Should a fire destroy your tenant's or boarder's belongings, you may be held responsible for compensation of that person's lost or damaged contents if you are found liable for the fire.
- **Your property may see new tenants coming and going each year, thereby posing a different kind of insurable risk.** It's your obligation to inform your insurance provider of any change in risk such as a boarder renting a room in your home.

Here are additional reasons why it's important to have the appropriate coverage when renting your property:

- **It covers damage to your property** including walls, flooring, fixtures, appliances, heating and cooling systems, and furniture (furnished rentals only), subject to the terms of your policy.
- **It replaces your lost rental income** if tenants must vacate the premises due to damage from an insured loss.
- **It covers your defence costs in the event of a lawsuit** should tenants or their guests suffer injury or damages on the property.

**Familiarize yourself** with the rights and responsibilities of landlords and tenants within your province or territory.

