

FOREMOST QUICK FACTS: RENTAL PROPERTY STUDENT HOUSING



There are roughly 20.5 million students attending American colleges and universities, and about 40% of them live off campus. That's about eight million students that may be living in student rental housing!

HIGHLIGHTS THAT MAKE US STAND OUT:

Flexible Coverage – Foremost Choice® for Landlords

Many Personal Lines companies won't accept Student Housing Rental properties, but Foremost will! And we offer your customers flexibility. Your customers can choose from two packages: our Landlord Package or our Landlord Platinum Package. Or they can start with Coverage on the Dwelling (Coverage A), and then customize their policy by adding coverages and endorsements.

Ease of Use

If the property is vacant between semesters – no problem! With Foremost's Landlord Platinum Package, you can extend the Vacancy clause to 90 days. This means the reduction in coverage that kicks in when the home is unoccupied wouldn't apply until the home has been vacant for 90 days.

Broad Underwriting

Our program offers broad underwriting, which gives you the opportunity to write this business with a Personal Lines carrier rather than a General Agency or an E&S market! For more information about how that benefits you and your customer, see the back of this sheet.

Settlement Method Options

Foremost's base policy includes an Agreed Loss Settlement provision for a covered total loss in most states, and an Actual Cash Value settlement on a partial loss. Customers can also select Replacement Cost, Extended Replacement Cost or Repair Cost on our Dwelling Fire Three policy.

Tenant Screening

Foremost offers policy discounts to customers who screen their tenants, and we've also contracted with TransUnion® SmartMove® to provide access to one of the best tenant screening services in the market at a discounted price.

Our Student Housing sweet spot includes landlords who:

- Have more than one Rental dwelling insured with us
- Are members of a Landlord Association or who use a Property Management Company
- Who want a higher level of coverage, like our discounted Platinum Package

Discounts for customers who ...

- Use tenant screening such as SmartMove– credit history, criminal background, eviction, skip search
- Have more than one property insured with Foremost
- Have another policy with Foremost
- Are members of a Landlord Association
- Use a Property Management Company
- Have a strong credit-based insurance score
- Are claims free
- Own a newer home

Continued

Foremost Choice® for Student Housing Rental Properties

Benefits of writing with a Personal Lines Carrier

When it comes to finding insurance for a Landlord who rents to students, some agents might turn to an E&S carrier or a General Agency – but is that the right choice? Here are some reasons why *Foremost* is the right choice for Student Housing.

Ownership of Expirations – remains with the agency. With E&S or General Agencies, expirations might not be owned by the agency.

Automatic Renewals – Foremost will process the renewal and send it directly to the customer.

Commission – A Personal Lines carrier like Foremost generally pays higher commission.

Profit Sharing for Qualified Agents – Foremost has a robust profit sharing program for qualified agents.

Admitted Carrier – Foremost is admitted, which means customers are protected by the state guarantee fund.

Policy Processing – Easy online quoting, booking and binding authority.

Underwriting Considerations for Student Housing

Here are some things to keep in mind about our underwriting requirements for Student Housing.

- The limit is eight students per unit, and four units per dwelling.
- There must be a lease agreement, and the lease must be signed by all the tenants.
- The maximum liability limit is \$500,000, and we don't offer Liability coverage for student housing with a pool, balcony, or access to the roof.
- Foremost will accept a property that's written in the name of an LLC – many other companies won't.

Special Coverage Considerations

The valuation of student housing can be different than traditional Landlord properties. It is not uncommon for the value of the property's rental income to greatly inflate the value of the property. The Limit for Coverage A should be the value of the dwelling without factoring in rental income. Loss of Rents and Loss of Rental Income coverage will address the potential loss of income that could occur if the dwelling is damaged by a covered loss.

Student Housing usually has frequent periods of vacancy, such as the period of time between semesters. If the dwelling is vacant for 30 days, the policy's vacancy provision will activate and limit coverage. If your customer purchases the Landlord Platinum Package (only available on the Dwelling Fire Three policy), the period of time before the vacancy provision applies is extended to 90 days.

Here are some photos that will help clarify some of our guidelines:

This image shows four family units in one dwelling. This is acceptable on one policy.



This shows four dwellings on the same premises. This must be written as four separate policies with matching Liability limits.



This dwelling has a balcony, which means that we will not write Liability coverage.



Log in to ForemostSTAR.com today to quote and book Student Housing policies.

ForemostChoice®

Not all products, coverages or discounts available in all areas. 9015341 3/17

