



TENANT LIABILITY INSURANCE ADDENDUM



Lessee is required to maintain property damage liability insurance on behalf of the Property Owner and Management.

Coverage is required in the amount of One Hundred Thousand Dollars (\$100,000.00) for damage to both Property Owner's and third parties' property with the provisions covering at least the perils of fire, smoke, explosion, accidental water discharge, and sewer backup.

Lessee is required to name McCreary Realty Management, Inc. as an "Interested Party".

Such a policy shall be written not contributing with and not in excess of coverage that Property Owner may carry and must waive all rights of subrogation against Property Owner and Management. It is agreed that Property Owner carries insurance for its protection and that Lessee is not a beneficiary of such insurance. Lessee shall be responsible to Property Owner for all costs of repair for damages as stated in the Lease regardless of existing Property Owner insurance.

Using an Insurance Provider Outside of Management Preferred Vendor:

Lessee may OPT OUT of purchasing this required insurance through Management's preferred insurance provider at any time by providing written proof of the following three items:

- 1) At Lease Start Date, Lessee must Provide Evidence of Required Insurance levels showing Policy is in effect when it will start & end, and who is named on the policy.
- 2) Management must be named as an "Additionally Interested" party on the insurance binder.
- 3) Tenant Liability coverage must be equal to or greater than \$100,000.00 per occurrence.

Using Management Preferred Vendor:

Cost through Management: \$9.00 per month plus a \$3.00 per month administration fee for a total of **\$12.00 per month**, per home. Lessee is required to carry Tenant Liability Insurance. Unless Lessee opts out of this insurance by following the steps above, a policy will be automatically provided to the Tenant for \$12.00 per month.

Failure to Maintain Insurance:

If Lessee's coverage for their independently self-procured Tenant Liability Insurance is lapsed by either non-payment or non-renewal after lease execution, Management will place Lessee under this program by default for \$12.00 per month plus a one-time \$50.00 set-up fee.

In the Event of a Claim: Contact your property manager.

Coverage Notice: BY ELECTING THE TENANT LIABILITY INSURANCE THROUGH MANAGEMENT'S PREFERRED PROVIDER VIA THE AUTOMATIC PROGRAM SET FORTH ABOVE, YOU WILL NOT BE LISTED AS A NAMED INSURED UNDER THE OWNER'S POLICY. THE TENANT LIABILITY INSURANCE POLICY IS NOT DESIGNED TO REPLACE A RENTER'S PERSONAL LIABILITY INSURANCE POLICY. NO COVERAGE IS PROVIDED TO COVER TENANT CONTENTS.

- Lessee **WILL** be using Management's Preferred Vendor for the additional cost of \$12.00 per month to be paid along with the rental payment.
- Lessee **WILL NOT** be using Management's Preferred Vendor and will be obtaining their own Liability Insurance and providing proof of coverage required as stipulated above.

Agreed to this Date: _____

LESSEE

McCreary Realty Management, Inc., Agent

LESSEE