

Residential Lets
Underwriting Guide

Residential Let Property

Underwriting Authority

MG Insurance Consultants Ltd. has the authority to quote and issue Residential Let Property policies on behalf of Towergate Underwriting Binder Management ("TUBM") writing on behalf of Towergate AUL in accordance with the following Underwriting Guidelines.

Acceptable Business

Cover is available for houses, bungalows, maisonettes, individual flats and blocks of flats occupied on the following basis anywhere in the United Kingdom (including Northern Ireland, Channel Islands and the Isle of Man):

- a) Let to working people (including tenants on Income Support)
- b) Students
- c) DSS / DSS Referrals
- d) Housing Associations

Referral Parameters - The following are to be referred to MG Insurance before releasing terms

- a) Risks with:
 - 3 or more claims or any claim(s) exceeding £1,000 or where the Gross Loss Ratio exceeds 35% in the last 5 years.
- b) Properties of Non Standard Construction including properties with flat felt on timber roofing up to 50% of the total roof area, Listed or where situated in an area where flooding has occurred or where there has been a history of subsidence. (As declared on the Proposal/Quote Form or defined within the Decline Postcodes list)
- c) Unoccupied Properties
- d) Postcode Refer/Decline Areas (as attached)
- e) Non-standard answers to proposal form information
- f) Where the property is undergoing any refurbishment, repair or renovation
- g) Properties where the Building Sum Insured exceeds £1,500,000
- h) Properties with flat felt on timber roofing that exceeds 50% of the total roof area.
- i) Properties let to the Local Authority. *(See Note 1 below)*
(Refer any that form part of a portfolio where the majority of risks fall within the acceptable business criteria)
- j) Properties divided into bedsits where it is known that no Local Authority or Fire Service approval exists. For this risk type generally the maximum number of bed sits permitted in each acceptable property is 10.
- k) Unoccupied properties pending sale
- l) Asylum Seekers
(Refer any that form part of a portfolio where the majority of risks fall within the acceptable business criteria confirming the number that occupy any property)
- m) Where the Proposer has any convictions for fraud or dishonesty of any kind.
- n) Properties where there is commercial usage (other than residential letting)

Notes

1) **Properties let to Local Authorities**

Cover May be available for properties and/or flat(s) that are rented under contract to Local Authorities for the placement of tenants. However, multiple risk locations where this type of occupancy forms a part may be considered upon receipt of full details and referral to MG Insurance.

Sum Insured/Limitations per location

Building Sum Insured:	Minimum	£ 35,000
	Maximum	£1,500,000
Loss of Rent (12 months):	20% of Building Sum Insured (<i>included</i>)	
Alternative Accommodation:	20% of Building Sum Insured (<i>included</i>)	
Property Owners Liability:	£2,000,000 (<i>included</i>)	

Rating Structure

Occupancy	Buildings Rate
Professional Lets	0.14%
Student Lets	0.15%
DSS Category 1	0.16%
DSS Category 2	0.275%

DSS Category 1 - The definition for DSS 1 is where the tenancy agreement is a private agreement between the landlord and tenant.

DSS Category 2 - Tenancy agreement is directly with the DSS/Local Authority

Additional Cover

Loss of Rent

The policy limit is 20% of the buildings sum insured over 12 months.

Landlords Contents

Landlords' contents is available as an addition to buildings cover or in .

Excess Levels

Subsidence:	£1,000
All Other Claims:	£ 250

Voluntary Excess and premium reduction:	Excess	Reduce Premium By
	£250	10%
	£500	15%
	£1000	20%
	£5000	25%

Minimum Net Premium

£100.00 + IPT