P Pinnacle Risk Advisors

FOR RENTAL PROPERTY OWNERS

Landlord Coverage Checklist

DP1 vs DP3 in plain English, the coverages to confirm, and the gaps that quietly cost investors the most.

01 DP1 vs DP3: Know the Difference

DP1 (Basic Form)

Covers only a short list of named perils and typically pays actual cash value (depreciated). Cheapest option, and the thinnest. Sometimes the only choice for older or vacant properties.

DP3 (Special Form)

Covers all causes of loss except those specifically excluded, and pays replacement cost. Recommended for most rentals, and usually worth the modest premium difference.

Bottom line: If the property qualifies, DP3 with replacement cost is almost always the smarter buy. Confirm which form you actually have, many landlords think they have DP3 and don't.

02 Core coverages to confirm on your policy

- ☐ **Dwelling**: at replacement cost, insured to the right limit
- ☐ **Other structures**: detached garage, fence, shed
- ☐ **Liability**: $300K minimum; $500K to $1M preferred
- ☐ **Loss of rents**: fair rental value if the unit is uninhabitable
- ☐ **Landlord contents**: appliances / furnishings you own
- ☐ **Umbrella**: especially across multiple properties

03 The gaps that cost landlords the most

- ☐ Insuring a rental on a **homeowners policy**: a common reason claims get denied.
- ☐ **Actual cash value** surprise: a depreciated roof payout can cost you thousands.
- ☐ No **loss-of-rents** coverage: you keep paying the mortgage while the unit sits empty after a loss.
- ☐ **Undisclosed vacancy**: most policies suspend coverage after 30 to 60 days vacant unless endorsed.
- ☐ Missing **ordinance or law**: older buildings can cost far more to rebuild to current code.
- ☐ No **water backup or service line** coverage: frequent, expensive, and often excluded by default.

04 What we need to quote your rental

- ☐ Property address, year built, roof age
- ☐ Construction type, square footage, # of units
- ☐ Occupancy: tenant-occupied, vacant, or renovation
- ☐ Desired dwelling and liability limits
- ☐ Prior losses and current carrier
- ☐ Monthly rent (for loss-of-rents)

Pro move: If you own more than one rental, ask about a portfolio or package approach plus an umbrella. It is often cheaper and cleaner than a stack of separate policies.

Want a second set of eyes on your coverage?

Independent agency · 20+ carrier markets · 24-hour quote turnaround

Call Derrick: (770) 758-3197

Pinnacle Risk Advisors LLC · Licensed in GA, FL, TX, IN, UT, NC & SC · NPN 21112890 · dbrown@pinnacleriskad.com · pinnacleriskad.com