

# Apartment Owners Insurance Program

Apartment Complexes  
Section 142  
Student Housing

Multi Unit Buildings  
Single Family Rental  
Quality Conversions

## About The Program

This program is designed to cover residential rental properties as small as single family homes to large multi building complexes or high rise apartment buildings. This program has been designed to provide you with top quality coverage and the lowest possible pricing available in the market place. Meschter Insurance Group, Inc. has negotiated with multiple insurance companies (all "A" rated) to get you the best products for Apartment Building Owners and Property Owners in Pennsylvania.

This program is designed to insure properties that are maintained at an above average level! All properties must be up to code to be eligible. Boarding houses are not eligible. Our quick pricing is extremely fast. Since we work with so many apartment owners it is easy for us to do a quick analysis and give you a ball park price/coverage indication often during your first conversation with me (or one of my assistants/agents). If you like what you hear then we move forward and finalize the coverage and pricing. Because we specialize YOU WIN! Call our office today 1-610-489-6800

## 10 Ways to Save Money on your Apartment Insurance

### 1. SHOP for the BEST RATES

You should look for an independent agent that specializes in insuring Apartment Buildings. Make sure that the agent represents several insurance companies that specifically want to insure Apartment Buildings. This is vitally important for many reasons, no one company is interested in every Apartment Building and if they were you would likely be paying a higher premium, using multiple companies' helps the agent to offer you the best coverage/price combination for your specific Apartment Buildings. Such a specialist also knows how best to protect your assets because they are working day in and day out with accounts just like yours.

### 2. RAISE YOUR DEDUCTIBLE

Deductibles are the amount of money you have to pay toward a loss before your insurance company starts to pay a claim on your policy. The higher your deductible, the more money you can save on your premiums. Insurance companies typically recommend a deductible of at least \$500. If you can afford to raise your deductible to \$1,000, you may save as much as 25 percent on your premium.

### 3. COMBINE POLICIES/LOCATIONS ONTO ONE POLICY

Often companies offer multiple location/building discounts. Such discounts often increase with the number of locations on a policy. Discounts of 5-30% are common!

### 4. DON'T CONFUSE MARKET VALUE/ASSESSMENT VALUE WITH REBUILDING COSTS!

When you are insuring a new building the market value typically equals the Replacement Cost of the building plus site preparation plus initial land value. When it comes to insurance the insurance company is only concerned with the Replacement Cost of the Building. So in the case of a new building market value would be a higher limit than you would need to have insured. If this is the case you can lower your Building limit to Replacement Cost and reduce your premium. HOWEVER, the exact opposite occurs for older buildings. Typically older building construction techniques are much more expensive to duplicate than modern construction techniques and this can make the

Replacement Cost of an older building up to 100% more than modern construction. This issue is often compounded by building owners that purchase a building (at Market Value) for far less than what it would cost to rebuild even with modern day construction techniques! BEWARE, Most insurance companies use a policy stipulation called COINSURANCE when insuring older buildings. In short, it requires that the policy holder insure to the proper coverage limit and if you don't the company may penalize you when there is a loss. I have seen situations where an Apartment Building Owner was so underinsured that he would have only been paid \$20 for every \$100 of repair work needed. (E.G. \$100,000 cost to repair the building, would only get \$20,000 from the insurance company). This is the #1 reason why Apartment Owners don't get paid what they need after a major loss.

## 5. IMPROVE SECURITY/FIRE SAFETY

Hardwired smoke detectors, Central Station reporting Fire & Burglar alarms, Sprinkler systems, Etc. These may generate discounts of up to 50%.

## 6. CHANGE COINSURANCE PERCENTAGE TO MATCH YOUR NEEDS

If you are insuring your buildings to their full replacement cost then increase your coinsurance percentage to 100% (increasing the coinsurance from 80 % to 100% will reduce the rate that you pay). The opposite may be true for older buildings, if you could fully rebuild your building using modern construction techniques for less than it would cost to replace with like kind and quality you may reduce the buildings replacement cost to a limit equaling the Modern Construction Replacement Cost. So, if that limit is 20% lower than the full Replacement Cost you insure at the lower limit and reduce the coinsurance requirement to 80%. This can be confusing, just ask us for clarification.

## 7. LOOK FOR ADMITTED INSURANCE IF YOU ARE WITH AN EXCESS/SURPLUS CO.

Your property may have been insured with a non-admitted carrier (Surplus Lines, if you are paying tax on your policy it is insured with a Surplus Lines company). There are typically only a few reasons for your property to be insured in the Surplus lines market place, they are: Poor Condition of your property, Transient occupancy (EG. Boarding house) or the agent that you are working with doesn't have access to the companies that want to insure Apartment Buildings.

## 8. IMPROVE THE EXTERIOR APPEARANCE OF YOUR PROPERTY

Most insurance companies want to see photos of the property before giving the cost of the insurance. I have seen many companies offer higher pricing or refuse to insure the property due to how the property appears on the outside. Big negatives include: peeling paint, damage/deteriorating siding, roof in bad shape, garbage in hallways or outside the building, lack of handrails, Etc.

## 9. ASK ABOUT OTHER DISCOUNTS

A number of discounts may be offered by companies as we mentioned, but they may not offer the same discount or the same amount of discount in all states. You must ask your agent or company representative about any discounts available. Nothing is automatic. Shop, compare and ask. Insurance Knowledge is powerful! Be informed.

## 10. REQUIRE ALL TENANTS TO CARRY RENTERS INSURANCE

Most apartment building owners have a clause in their lease requiring the tenant to carry renters insurance. While this is a plus for them it also helps you save money in the long run. Tenants do dumb things and often those dumb things end up getting covered by your insurance policy because the tenant didn't carry renters insurance. If they do carry renters insurance then their policy will pay for many liability and property losses on your premise. The less claims that you have the lower your cost of insurance.

# Apartment Program Quick Quote Questionnaire

Please complete this form for 1 property only. If you have multiple properties, make copies of this form and then complete the form and fax, send or scan and email the forms

## YOUR INFORMATION

Your Name (Person Completing this form): \_\_\_\_\_

City, State, ZIP (Person Completing this form): \_\_\_\_\_

Your Phone (Person Completing this form): \_\_\_\_\_

Your Email (Person Completing this form): \_\_\_\_\_

## LOCATION SPECIFIC QUESTIONS

1. What is the location of the property to be insured? \_\_\_\_\_
2. Number of Units? \_\_\_\_\_
3. On a scale of 1 to 10 how would you rate the overall condition of this building & property? (A 10 being the nicest apartment complex you have ever seen) \_\_\_\_\_ (1 – 10)
4. The buildings Exterior wall construction is?  Frame  Masonry  Other: \_\_\_\_\_
5. If Frame, what type of siding is used? \_\_\_\_\_
6. Are there smoke detectors in all units and in common areas? YES NO
7. Are smoke detectors?: Battery Hardwired Combination Battery or Hard Wired
8. Does the building have sprinkler system for fire suppression? YES NO
9. Original Construction Year? \_\_\_\_\_
10. If building is over 25 years old what updates have been done to:  
100% Circuit Breakers: YES NO Year of Electrical System: \_\_\_\_\_  
What type of heat: \_\_\_\_\_ Year of Plumbing System: \_\_\_\_\_  
Year of Roofing: \_\_\_\_\_ Roof type: \_\_\_\_\_
11. Are any of the roofs flat or low pitch (typically Rubber)? \_\_\_\_\_
12. What is the approximate square footage of the building(s)? \_\_\_\_\_
13. Who's names appear on the deed? \_\_\_\_\_
14. What is the entity Type? (Circle One): Individual Partnership S Corp Corporation LLC LLP
15. Are Fire Hydrants within 1000 ft? YES NO
16. What other structures are on the property? (E.G. garages, sheds, pools, Etc.) Value? \_\_\_\_\_
17. Is there a mortgagee? YES NO If so, are premiums paid through an escrow account? YES NO
18. Is property a townhouse or row home? \_\_\_\_\_
19. If yes how many units are in the row? \_\_\_\_\_
20. What % of the units are occupied by Full Time Students: \_\_\_\_\_
21. Does your lease require the tenant to carry renters insurance? YES NO

# Meschter Insurance Group

## Who We Are!



Over 54 years, Meschter Insurance Group, has been a leading independent insurance agency, renowned for building close, long-term relationships with our clients and our community. To earn our client's trust decade after decade, we've adhered to biblical principles and old-fashioned values including personal service, the pursuit of excellence, dedication and integrity. Combined with our dedicated staff, cutting edge technology and commitment to education, Meschter Insurance stays one step ahead of your insurance and financial needs.

Meschter Insurance opened when founder G. William Meschter began with a desire to protect his family, friends, and neighbors from unexpected financial disaster. Meschter Insurance manages the risks and saves money for over 220

family owned businesses and 2,247 families throughout Western Montgomery County. We do everything possible to help families and business owners protect their dreams and future from unexpected financial disaster.

Our job is to create insurance understanding to help you make an intelligent financial decision about your insurance. We do everything possible to help families and business owners protect their dreams and future from unexpected financial disaster. Our job is to create insurance understanding to help you make an intelligent financial decision about your insurance.

We're a privately owned independent insurance agency and founding member of Premier Insurance Network representing over 25 financially secure major national and regional insurance companies, giving you a choice where to place your insurance.

There are two measures of success. One is how many clients stay year after year. More than 92% of our clients renew with us each year. The second is how many of our clients refer their business acquaintances and friends to us. Last year we received 127 referrals. Each staff member is a licensed insurance agent in Pennsylvania. Our staff averages sixteen years insurance experience and continues their technical training and commitment to insurance professionalism through classes and membership in Professional Insurance Agents and the Independent Insurance Agents Associations.

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## "Finally, Affordable Apartment And Condo Property Insurance!"



**George Meschter**  
President  
"No One Helps  
Apartment/Condo  
Owners Save More  
Money on their  
Insurance!"

**"Would You Let Your Plumber or Electrician Perform Brain Surgery On You?"**

Then Why Would You ...

- Put Your Entire Financial Well Being At Risk
- Loose your shirt or your coverage by some "fly by night" carrier. And
- Spend TOO MUCH on Insurance

Contact Meschter Insurance BEFORE Insuring or Renewing Your Apartment Insurance. Call or email Drew at G.Andrew@Meschter.com

## Call NOW & Save 610-489-6800!

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