



Property-Specific Coverage and Cost Efficiency

Attention to detail, updated property assessments and speedy response lead to an effective solution

SUMMARY

Alera Group stepped in to help a large commercial real estate company after they inherited an insurance program full of red flags and yielded the following:

- \$200,000 in savings to the client
- Avoided risk of uncovered claims from coverage deficiencies
- Improved overall coverage

The Client

A large commercial real estate company with diverse property holdings.

The Challenge

The client purchased a \$200 million portfolio of buildings in a major U.S. city. Properties included high-rise and low-rise buildings, retail strips, offices, vacant property and a historic structure. The new owners inherited an existing insurance program as part of the purchase. A quick internal review of the insurance raised red flags about the adequacy of the coverage. Given the dollars at risk, the property manager did not want to wait six months until the program was renewed. Based on its expertise in commercial real estate, Alera Group was the choice to assess the situation, provide recommendations and design solutions.

The Solution

The process started with a thorough evaluation of the real estate portfolio, the insurance coverages in place and policy deficiencies. Then, working in close collaboration with the property manager, the Alera Group team assessed each building. Team members considered multiple factors, including usage, occupancy, building age, site accessibility, direct and indirect costs to reconstruct the building to a similar standard, and unique characteristics such as stained glass in the historic property.

Once management had received our findings and decided on a course of action, an Alera Group real estate expert and insurance market specialist worked with the client to design customized solutions for each property. Next, the Alera Group team conducted a market review to identify the insurance companies best positioned to provide the desired coverage terms and support services.

The Result

Alera Group's ability to swiftly analyze needs, design the new program and select the right insurance carriers enabled the client to avoid the risk of significant uncovered claims due to coverage deficiencies.

In addition to strengthening coverage, Alera Group's efforts resulted in \$200,000 in savings to the client.

\$200K

in savings for the client

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The right building values

Choosing the right building values for insurance was critical for the program. Too low a value could lead to significant out-of-pocket expenses if there were a loss. On the other hand, overvaluing a building needlessly drives up insurance costs. In partnership with an experienced appraisal firm, the Alera Group team provided the insight needed to help the client determine appropriate building values and achieve the delicate balance between risk and cost.

Elimination of unreasonable claims-filing restrictions

Several insurers on the prior program had onerous requirements on procedures such as notification of loss. Alera Group was able to bring insurers to the table who were willing to offer more client-friendly terms.

Fully Customized Coverage

The program Alera Group built was carefully tailored to the client's unique needs. The customized approach provided the flexibility to eliminate irrelevant coverages and concentrate dollars in the areas where the client faced the most significant risk.

About Alera Group

Alera Group is an independent, national insurance and wealth services firm with more than \$1.1 billion in annual revenue, offering comprehensive employee benefits, property and casualty insurance, retirement plan services and wealth services solutions to clients nationwide. By working collaboratively across specialties and geographies, Alera Group's team of more than 4,000 professionals in more than 180 offices provides creative, competitive services that help ensure a client's business and personal success. For more information, visit aleragroup.com or follow us on [LinkedIn](#).

Your Contact

Jeffrey Turner

Partner/Producer

D 916-631-6888 O 916-631-7887

jeffrey.turner@aleragroup.com

PWA Insurance Services

2356 Gold Meadow Way, Suite 140

Gold River, CA 95670 |

pwadmin.aleragroup.com

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