

# MARSH'S PRIME HABITATIONAL CASUALTY INSURANCE PROGRAM



Multifamily housing is in high demand, with rents typically rising moderately and vacancy rates low in most areas. As the sector continues to grow, property owners and managers need to protect their investments. Insurance coverage can transfer liability risks on their properties, such as slips and falls by tenants, their guests, and others; crime; environmental hazards; maintenance and other contractors on the property; and aggressive animals.

## CUSTOMIZED CASUALTY INSURANCE

Marsh's PRIME Habitational Casualty Insurance Program provides a comprehensive solution. The program has a number of policy enhancements, including first-dollar coverage, separate aggregate limits per location, and enhanced environmental/pollution coverage.

In the growing multifamily sector, organizations are looking for new and innovative ways to manage their risk and improve their bottom line. Marsh's PRIME is a customized casualty insurance solution, designed to provide capacity tailored to your risks.

## MARSH'S PRIME DETAILS

Marsh's PRIME can help risk professionals obtain competitive coverage terms and pricing for habitational risks. With coverage capacity provided by the strength of Sompo Global Risk Solutions, Marsh's PRIME is well placed to deliver habitational risk solutions. Product details include:

### Standard Policy Limits:

- \$1 million each occurrence/  
\$2 million general aggregate.
- \$1 million for personal and advertising injury coverage for any one person or organization.

### Who it's for

Habitational risk professionals, including:

- Owners and managers of multifamily properties.
- Owners of managed real estate portfolios.
- Real estate investors.

### What you get

Dedicated coverage and capacity for each policyholder for habitational risks, backed by the strength of Sompo International — S&P rated A and A.M. Best rated A+ (as of December 2017).

- \$100,000 for any one premises — damage to premises rented to you (fire damage liability).
- \$1 million for employee benefits — each employee (claims made)/ \$1 million aggregate:
  - \$1,000 deductible.
- \$250,000 for garage keeper legal liability (increased limits available if needed).
- \$1 million for hired/non-owned automobile liability (standalone auto available if needed).
- \$1 million/\$1 million for pesticide and herbicide risks (per-location aggregate will not apply).

#### Coverages include:

- Guaranteed cost — first-dollar coverage.
  - Admitted paper (where available).
  - An uncapped per-location aggregate limit the for entire asset schedule.
  - Broad form named insured wording, including any organization of the named insured that either directly or indirectly has majority control, exercises management or financial control of the named insured, or is obligated by written contract to provide insurance for the named insured.
  - A real estate development exclusion with carve-back provisions for renovation and maintenance, as well as projects less than \$10 million in total construction cost, subject to acceptable underwriting information.
  - An affirmative grant of coverage for biological agents to include mold and legionella for bodily injury only. Subject to \$10,000 to \$25,000 retention, depending on size of risk.
  - Blanket additional insured.
- A cancellation notice (60 days) to third parties.
  - Primary and noncontributory — other insurance condition.

#### General program parameters:

- Minimum premium is \$250,000.
- Preference to write all three primary lines of casualty — general liability, workers’ compensation, and auto liability.
- Rates and premiums will be developed for each account based on individual risk characteristics.

#### Critical submission requirements:

- Statement of values (SOV) with underwriting information — construction, occupancy, protection, and exposure (COPE) — including life safety information.
- Sample copies of lease agreements with tenants.
- Sample copies of property management agreements if third-party managers are used.
- Sample copies of third party-vendor agreements (such as janitorial, landscaping, snow removal, and construction).
- Five years of carrier loss runs and five years of historic exposures.
- For workers’ compensation, number of employees by location and current experience modifications.

Staying competitive in the dynamic world of habitational real estate requires a thorough understanding of risk and insurance trends affecting the industry. By understanding the complex nature of owning and managing multifamily properties, Marsh can deliver a comprehensive solution for your habitational casualty risks.

#### WHY MARSH? A LEADER IN REAL ESTATE

Marsh’s Real Estate Practice serves risk professionals and property owners and managers in all sectors of the industry. With experience spanning conventional apartment communities, affordable housing, distressed properties, and new construction lease-ups, Marsh has the experience, people, and resources to help maximize organizations’ real estate value.

Marsh places more insurance premium for real estate entities than any other insurance broker, providing clients with the solutions to effectively navigate the evolving nature of real estate risks and exposures. Marsh’s proprietary PRIME program offers a competitive risk transfer option for difficult-to-place risks.

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For more information on multifamily and real estate risk issues, contact your Marsh representative or:

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Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

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