

Vol. 22, No. 15

December 8, 2008

REAL ESTATE PORTFOLIO PROTECTION BREAKS NEW GROUND

Zurich North America Commercial takes the wraps off a major new approach to the \$5.6 trillion U.S. real estate market that insures entire real estate portfolios. These portfolios can be quite complex, as the new product covers everything from portfolios that hold up to 20 percent of values in hard-to-cover exposures such as Florida windstorm, California quake risks and even mixed portfolios with habitational and hospitality real estate exposures. The program aims to help property owners and managers handle real estate risk, offering cover for every protection they need in one package, backed by Zurich's financial strength and a dedicated real estate team with deep industry knowledge that will provide a single point of contact. The one-entity portfolio approach eliminates the need to patch together protection from various sources.

The program generally targets portfolios with insured values from \$100 million to \$2 billion and with less than \$250 million in value at any one location. Expect premiums to start at about \$250,000 assuming coverage of all lines. The approach eliminates gaps in coverage such as those that often exist in protection for pollution and environmental exposures, D&O, employment practices, fiduciary and errors and omissions liability for property investors and managers. All of these are offered in the portfolio approach, which also includes auto, umbrella, fiduciary liability and work comp. Of course, the basics of property and casualty are also covered.

Zurich is the only U.S. insurer with global real estate practice and the opening of this program in the U.S. mirrors the approach it has taken in Europe, where it helped Zurich become the largest single insurer of commercial real estate in the U.K. In addition to the U.S. and Europe, Zurich works the portfolio approach in Asia Pacific markets.

By insuring real estate and real estate operations on a portfolio basis, insureds may secure seamless protection that can simplify claims. Coverage is written with pre-agreed rates for new real estate acquisitions that simplify real estate operations, as it permits new properties to be added and insured in a streamlined fashion. Zurich North America Commercial introduced the portfolio protection approach at the 2008 **National Association of Real Estate Investment Trusts** annual convention, where it was also a sponsor. Key team members involved in the project include **Kurt Hines**, VP of proposition development.

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