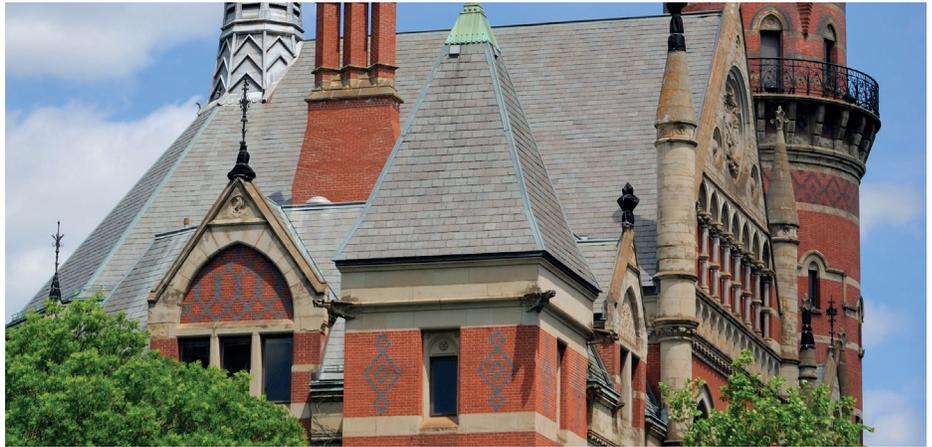


Historic properties program

When considering insurance coverage, one has to think about the total original worth of their property versus what it's actually going to take to replace it in the event of an emergency. Not all losses are covered under one policy; sometimes it takes getting an insurance package to solve the problem.



Thinking about the covered cause of loss is crucial. Lacking coverage when it's needed most means that you're risking not having the funds to replace and rebuild vital parts of your property. This can lead to disastrous results.

If you're a new historic property owner or looking to purchase a historic property, it's important to know what historic replacement cost means, especially when it comes to laws, insurance coverage, and potential disasters. Here's everything you need to know about historic replacement cost.

What Is Historic Replacement Cost?

When talking about historic replacement cost, it's critical to know the definition behind it, as well as how it ties into your historic commercial property insurance.

Historic replacement cost means the cost to repair, rebuild, or replace real property at the time of direct physical loss or damage with the same materials, workmanship and architectural features for the same use as before.

If the resources that you need are not easily available, then the insurance company can help by paying for the cost to repair, rebuild or replace the property with the closest substitute possible, as long as the deductible is met. All in all, getting everything to look the way it did before is the end goal.

Historic Replacement Cost and Zoning Laws

The historic replacement cost also complies with applicable zoning, land use or construction codes in place during loss or time of damage to the property. Unless it's otherwise required at the time of loss by certain codes, the cost is then based on repairing, rebuilding or replacing real property at the same location where the loss or damage happened.

If there's some type of ordinance that regulates zoning, land use or construction of the property at the location; if loss or damage covered by this policy causes a demolition order to be issued pursuant to the applicable law, historic replacement cost includes the costs to demolish and clear the site of the undamaged portion of the real property.

What Historic Replacement Cost Isn't

Talking about historic replacement cost when consulting an agent about historic commercial property insurance is critical; it's the best way to find out what it doesn't mean. The things that aren't applicable to historic replacement cost include:

- Costs associated with the enforcement of ordinance or law which requires any insured or others to test for and essentially completely handle the effects of pollutants or detrimental microorganisms.
- If demolition, repair, replacement, remodeling, reconstruction or remediation or property due to pollutants or microorganism activity.
- The costs to comply with the ordinance or law that you were required to adhere to before the damage or loss.

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