



**RENOVATION AND REMODELING PROJECTS ARE ON THE RISE:
DON'T LEAVE YOUR CLIENTS EXPOSED**

Builders Risk Program Manager, Jeff Benson

March 29, 2023

RENOVATION AND REMODELING PROJECTS IN THE U.S.

- Americans spent \$420 billion on home remodeling ventures in 2020.
- While most consumers (83%) cite they would have remodeled regardless of the COVID-19 pandemic, 86% reported that remodeling one area of their home inspired them to remodel other areas of the house.



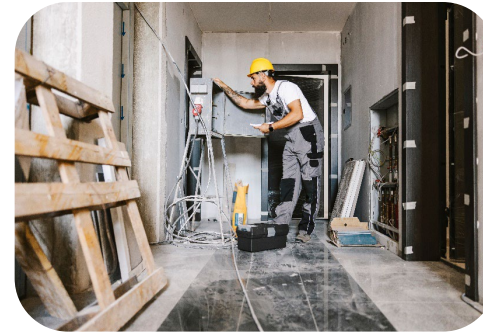
PROJECT CLASSIFICATIONS



New Construction



Remodeling/
renovations only



Remodeling/
renovations and
existing structure



Commercial
tenant build out

PROPER VALUATION



**Construction
budget**



**Importance of
scope of project**

CHOOSING THE APPROPRIATE LIMIT



**Valuation of existing structure
(actual cash value vs stated amount)**



**Relationship of renovation exposures to value of
existing structure**

UNDERWRITING CONSIDERATIONS OF OLDER BUILDINGS



**Historical Designation
(structure vs. neighborhood designation)**



Age of building effect on underwriting

VACANT PROPERTY VS. BUILDERS RISK



Ongoing construction activity



Vacancy clause (remodeling risk vs vacant property)

HOW TO EXPEDITE THE QUOTING PROCESS?



**Expected
turnaround time
on quotes**

“PASS THROUGH” RISK

What’s a “pass through” risk?

A “pass through” risk is any case submitted into V² that does not generate an underwriting hold and flows from quote to bind to issue.

If your client does not need to increase the limit of automatic additional coverages or add any optional coverages, and you can answer, “yes,” to the following questions in your V² submission, your quote will not generate an underwriting hold and you will receive your quote in minutes.

Q. Is the project ground-up, new construction?

Q. Is the project less than 30% complete?

Q. Does the project type fall within protection classes 1-7?

Q. Is this a new construction project with a completed value of:

- \$1.5 million or less (coastal)

- \$3 million or less (inland)

Q. Does the builder, remodeler, owner or general contractor have at least 2 years’ experience?



QUESTIONS?



YOUR EXPERIENCED BUILDERS RISK TEAM



Jeff Benson

Senior Underwriting Manager

jeffrey.benson@victorinsurance.com

(904) 607-4916



Donna Berry

Senior Underwriter

buildersrisk.us@victorinsurance.com

(800) 944-7472

General telephone: (800) 944-7472

General email: buildersrisk.us@victorinsurance.com



THANK YOU