

UDI WEBINAR:

Thursday May 14, 2020

STRATA CONDO INSURANCE:

How we got here and
how to move forward.



"Improving the lives of our Clients, Team and Community"



WHAT IS HAPPENING WITH STRATA INSURANCE?

- 35,000 strata buildings housing 1.5 million people
- Rising premiums
- Ballooning deductibles (especially water)
- Risk transferred to unit owners
- Rigorous underwriting (lots of questions)
- Scramble to place coverage

HOW DID WE GET HERE?

- Natural market cycle (correction)
- Withdrawal of capacity
- Reduced competition
- Rising construction and repair costs
- Claims (frequency and severity)

HOW DID WE GET HERE?

- Global catastrophes
- Climate change (e.g. flood)
- Poor R.O.E.
- Regional issues (earthquake risk)
- Reinsurance costs
- COVID-19

DETERMINING FACTORS

- Replacement cost
- Age, location and construction type
- Building type (low rise vs. high rise)
- Claim experience
- Occupancy type
- Condition/maintenance

Megson
FitzPatrick
INSURANCE SERVICES

THANK YOU!


"Improving the lives of our Clients, Team and Community"

