

NAVIGATING THE INSURANCE LANDSCAPE

Weekly newsletter of Iowa Realty Commercial



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INSURANCE UPDATE

For many of us, insurance used to be on autopilot. You'd reach out to an insurance agent, get the quote, purchase the policy and focus on managing the property, increasing NOI, reducing vacancies, etc. Now, more and more clients have reached out saying they have been affected by large premium increases, dropped coverage and major policy changes. We sat down with Gretchen Schrock, a Country Financial Agency Owner, to get an update on the current state of the insurance industry and how investors and owners can set themselves up for success when dealing with difficult insurance decisions.

Over the last decade, insurance companies have written more and more policies. Some lacked a detailed review or underwriting process on the quality of the properties, parties insured and premiums paid were low to increase business. This has become a major issue now with the increase in national disasters and replacement costs. When you combine the costs associated with paying out policies for properties affected by wildfires, hurricanes, and derechos as well as "normal" occurrences, profitability and even financial solvency has moved front and center for some insurance companies. As result, companies are returning to strict analysis of actuarial data, shedding outlier properties, raising premiums, and even pulling out of markets.



What we wanted to know is how we can best reduce the costs of these changes while maintaining the coverage we need for our properties. The first item that Gretchen mentioned was to look at your deductible.

Depending on your situation, raising your deductible could be an easy way to have a large impact on your overall premium. To find more savings, ask about discounts that could be applied to your policy. New roof discounts, renovation discounts, bundling discounts and military discounts are all examples of what may be available to you. Some security systems, alarms and sprinkler systems may qualify for reduced premiums as well. A final piece of advice was to be thoughtful about what claims you do decide to make. A long claim history can negatively affect your ability to get an insurance policy and at what price.

The best overall advice from Gretchen was to be more involved in the insurance process. Know your liability number needed to cover assets and know your policy coverages. Having a knowledgeable and personable insurance agent can help you along the way.

Gretchen's Insurance Must Haves

- Umbrella policy or liability coverage enough to protect total assets
- Medical payment coverage – could help stop a potential lawsuit with a medical payout.
- Service line coverage – possibly coverage for water and sewer lines.

For a deeper understanding and personalized guidance, reach out to Gretchen directly. Stay informed, stay proactive, and let's navigate the insurance landscape together.

Contact Gretchen
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CONFIDENTIAL Market Evaluation of your property

Contact us for a FREE

“ Stay informed about your insurance coverage and build a relationship with a knowledgeable agent for successful navigation of industry changes. ”

ELEVATE YOUR REAL ESTATE INVESTMENTS THIS HOLIDAY SEASON



1. **Holiday Tenant Appreciation:** Show gratitude to your tenants during the festive season. Consider sending personalized holiday cards or small gifts as a token of appreciation. A positive tenant relationship contributes to a harmonious renting experience.
2. **Decorate Common Areas:** Enhance the holiday spirit by decorating common areas of your properties. Thoughtful and tasteful decorations can create a warm and welcoming atmosphere, fostering a sense of community among tenants.
3. **Year-End Property Maintenance:** Use the holiday season as an opportunity to conduct year-end property maintenance. Address any outstanding issues, ensuring that your properties are in top condition heading into the new year.
4. **Consider Year-End Tax Planning:** Connect with your financial advisor to explore year-end tax planning strategies. This might include deductions related to property improvements, expenses, or other tax-saving opportunities applicable to your real estate investments.
5. **Reflect on the Year's Performance:** Take time to reflect on the performance of your real estate portfolio throughout the year. Analyze what worked well and areas for improvement, providing valuable insights for your investment strategies in the coming year.
6. **Holiday Networking Events:** Attend local holiday networking events or host a festive gathering for fellow real estate professionals. Networking during the holiday season can foster connections, providing opportunities for collaboration or sharing industry insights.
7. **Explore Winter Investment Opportunities:** While the market may experience a slowdown during the holidays, it's also a time when some sellers are motivated. Explore potential winter investment opportunities, as you might find deals that align with your investment goals.
8. **Review Lease Agreements:** Take the time to review lease agreements, ensuring that terms related to holiday decorations, maintenance responsibilities, and any holiday-specific policies are clear and communicated to tenants.
9. **Stay Informed About Market Trends:** Use the holiday break to catch up on real estate market trends and forecasts for the upcoming year. Staying informed positions you to make strategic decisions as the new year unfolds.
10. **Gift Real Estate Books or Courses:** Consider giving yourself or fellow investors the gift of knowledge. Real estate books, courses, or subscriptions to industry publications can be valuable presents to enhance expertise in the field.

Infuse your real estate ventures with the spirit of the season as we unwrap festive strategies to elevate your investments and embrace year-end success.

Joanne M. Stevens and Dan Dempsey wishing you a Merry Christmas filled with joy, laughter, and festive cheer.

WHAT IS YOUR PARK WORTH?

I am always happy to do a FREE, NO OBLIGATION, Real Estate Review for your park(s). You ought to know today's market value of your real estate investments.

If this is something you would like, simply give me a call at 319-378-6786, email me at joannestevens@iowarealty.com, or visit <http://joannemstevens.com/>

Joanne Stevens is a specialist in listing and selling mobile home parks and manufactured housing communities throughout the U.S. With her 20 plus years of experience in developing, zoning, owning, retailing, managing, turning around and brokering parks, she can maximize your sale price.