

Eligible Property Managers (& Community Association Managers)

- Residential & commercial property managers with less than \$5MM of gross revenues & under 200 employees
- Managers with real estate sales
- Managers who manage their own properties

Carrier Ratings:

- A++ by A.M. Best
- Available Limits:
- Errors & Omissions:
 \$1,000,000 Limit (Coverage "A")
- Tenant Discrimination:
 \$250,000 Limit (Coverage "B")
- Employment Practices:
 \$1,000,000 Limit (Coverage "C")

A History of Excellence

McGowan Program Administrators is one of the largest and most respected names in America when it comes to insuring Property Managers and their clients. We work through the insurance agent of your choosing.

Please have your local insurance agent call us.



*America's Leading Underwriter
of Insurance Products for
Community Associations
Have you local agent call us!*

McGowan Program Administrators

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McGowan Program Administrators
Risk Management Series



HOW MUCH IS PROTECTING YOUR PERSONAL ASSETS WORTH?

(...As a property or community manager)

Ask your Broker if you're protected
from CLAIMS INSIDE!

WHAT YOU NEED TO KNOW:

Taming the “Teflon Myth”

In speaking with Managers across the country, we find that many do not carry Errors & Omissions (E&O) coverage. Many Managers subscribe to the “Teflon Myth” that they are adequately protected by the indemnification and hold harmless language by their management agreements, and as additional insureds on their customers’ insurance policies. Do these measures provide some protection? Yes. Are they adequate? No. Absolutely not.

Are you Protected?

We provide solutions and answers to your E&O problems and issues:

- What are the most common E&O claims?
- What are the “holes” in your management contracts, particularly with regards to their indemnity/hold harmless provisions?
- What are the limitations of being an Additional Insured?
- What does a Property Managers E&O Policy Cover?
- What can be done to minimize claims?

Top 10 Property Managers Claims

- 1. Diminished Property Value**—Due to improper maintenance of managed property;
- 2. Loss of Income**—Reduction of rents due to poor upkeep of managed properties;
- 3. Discrimination**—Related to leasing of property;
- 4. Discrimination**—Related to implementation of rules or CC&Rs of an association managed by a PM;
- 5. Wrongful termination of property manager’s employee(s);**
- 6. Wrongful termination of property owner’s employee(s) under PM’s supervision;**
- 7. Claims involving the properties owned by a PM;**
- 8. Claims arising out of the sales of real estate;**
- 9. Claims by the owners of managed property against PM;**
- 10. Administrative & licensing actions against PM.**

BONUS CLAIMS!

- **Claims arising out of internet services provided;**
- **Claims by independent contractors.**

Claims / Example:

A Property Manager rented an individual home to three college students. The lease stipulated that they were not to have large parties; however, they were reported for noise three times. The manager on duty called them at each occurrence and told them to stop the noise, but did not investigate. At the end of the lease term, there was substantial property damage. It greatly exceeded their security deposit. The owner of this property sued the Manager for the diminished value of the home that was caused by the damage.

Should you have any questions concerning your policy, or if there is any way we can help, we would be happy to provide you with information to re-evaluate your risk—free of charge!