



Construction and Premises Protective Product

Claim Examples

General Liability Claims

- ▶ **Bodily Injury:** An investor had recently purchased a vacant apartment building that he planned to completely renovate. A month after he purchased the building and prior to any construction activity beginning, a pedestrian tripped on an uneven sidewalk in front of the building and fractured their finger. The injury later required surgery. The claimant alleged that the building owner was negligent in failing to adequately maintain the sidewalk resulting in a claim payment of \$20,000.
- ▶ **Property Damage:** A new tenant within a three story building was renovating his space prior to opening for business. A general contractor hired by the tenant left oily rags on the premises over the weekend. The rags started a fire that caused severe water and smoke damage to the building and to the property of the surrounding tenants. Though the general contractor was responsible for the loss, his general liability coverage had lapsed which required the tenant's policy to respond since he had hired the general contractor. The incurred loss totaled \$110,000.
- ▶ **Bodily Injury:** A claimant slipped and fell on ice injuring her back. It was determined that there was a pipe that dripped water from the air-conditioning system onto the sidewalk of the insured's vacant commercial building causing the water to pool and freeze. A contractor was doing work inside of the building at the time of the loss. The claimant went to the emergency room and was unable to work after the loss. The claim settled for \$55,000 with an additional \$10,000 paid for defense costs.
- ▶ **Property Damage:** During the construction of a new apartment building, a part of the exterior wall fell onto an adjacent building. This caused extensive damage to the top floor apartment and additional damage to the second floor apartment of the adjacent building. The loss totaled \$328,000 with an additional \$15,000 paid in attorney fees.

- ▶ **Property Damage:** A claimant alleged encroachment, as well as various damages to her home, due to construction activities at a building under construction. While the contractors had the bulk of the liability, the total incurred to defend the insured, including a contribution toward settlement was over \$103,000.

Property Claims

- ▶ **Lightning:** An insured was having an office building renovated to lease out space. Before renovations were completed, a severe storm hit the area. Lightning struck the building, requiring repairs to the partially-installed phone and electrical system.
- ▶ **Vandalism:** Vandals threw a fire hydrant through the window of a vacant building, which was undergoing renovation. The impact damaged newly installed floor tiles that had to be repaired.
- ▶ **Wind:** An insured was having a vacant home renovated before selling it. A severe windstorm tore off its old roofing and rainwater leaked in, damaging some of the insured's recently completed renovations.