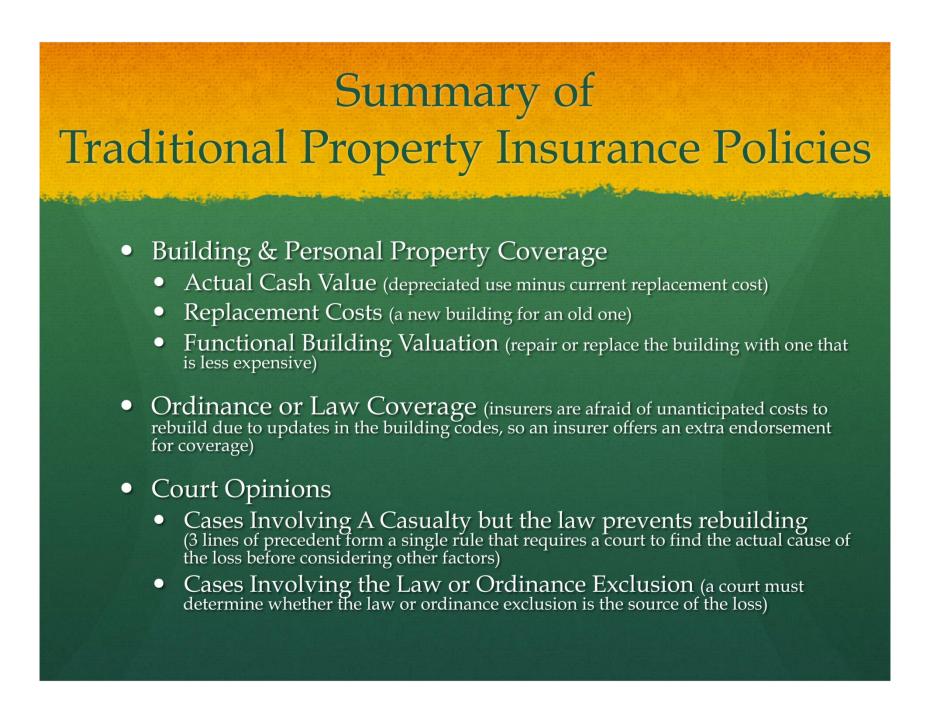
Risk Management Issues for Green Buildings in Property Insurance Policies

What are the property insurance policy issues when obtaining coverage for a green building?



Insurance Industry Solutions Insurance Service Organization (ISO) Building & Personal Property Coverage Form Increased Cost of Loss & Related Expenses for Green Upgrades Form Service Forms Government Incentives/No Public Policy Government Mandates Recommendations to Reduce Uncertainty Companies with Endorsements: Fireman's Fund - Property Gard Green Coverage Endorsement The Travelers - Green Building Enhancement Endorsement Lexington/Chartis - Upgrade to Green Endorsement Liberty Mutual - Green Select Issues with these Forms - Most offer similar coverages and exclusions

Considerations for Insuring a Green Building • Take into Account jurisdictional attitudes towards building green • Does the jurisdiction maintain a green building code? • Valuation Issues • Replacement Cost offers the best solution • Appraisers face obstacles in attaching a proper value for green features • Technological Issues • Unique architectural features • Product lifecycle replacement • Policy Language • Does it specifically exclude the delivery and certification of the structure • Government Incentives

Conclusion: Property Insurance Policies for green buildings needs to reflect how the regulatory requirements, the valuation methods and amounts, and the coverage features correlate with potential losses in order to provide a more precise instrument to shift the risk.

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