

Checking On Real Estate E&O Risks



Most real estate agents are willing to go the extra mile for their absent clients, which sometimes means coordinating non-traditional projects. This could be as simple as lawn care to more complicated items like replacing the water heater or furnace. Real estate agents that routinely work with bank-owned properties are usually equipped to handle these, but an agent who does so occasionally needs to be careful about what the scope of his or her duties really entail. Simply offering to "check on" the property occasionally leaves a lot of room for an exposure. How often and what will be checked should be worked out ahead of time.

A once-a-week drive by isn't likely to reveal a failed sump pump, faulty furnace, or spot evidence of a break-in, all problems which can only get worse the longer they remain undiscovered. Water damage only increases the longer it goes on, including the risk of mold and mildew. A faulty furnace can allow the temperature to drop below freezing increasing the risk of ruptured pipes. A natural gas leak can cause catastrophic damage if it [explodes](#). Given enough time thieves can strip a house of not only possessions but also plumbing and wiring which [may or may not be covered](#) depending on whether it is considered vandalism (which is covered) or theft (which is not). Additionally the thieves may not take the time to shut off the water, [flooding](#) the house, or [damage gas lines](#) resulting in an [explosion](#).

Travelers **Real Estate Agents / Property Manager E&O** provides professional liability protection for claims or suits resulting from real estate agent or broker professional services.

Policy Features:

- Bodily Injury and Property Damage resulting from a covered professional service(s).
- Disciplinary proceeding defense expenses reimbursement up to \$25,000.
- Increased liability limits available for those who qualify.
- Defense expenses related to covered claims in additional to the limits of coverage.
- Deductible applies to defense expenses, unless endorsed or not allowed by state.
- Option to provide prior acts coverage without a retroactive date limitation, for those who qualify.
- Many extended reporting period options, including an unlimited time period endorsement option.
- No exclusion for fair-housing discrimination committed in real estate professional services as a real estate agent or broker.
- No exclusion for losses resulting from a real estate agent or broker failing to advise a buyer or seller that pollution, fungi and bacteria exists on a property.
- No sub-limits for certain types of claims.
- Coverage for employees and independent contractors of the insured automatically included as protected persons for claims resulting from professional services they perform for the named insured.

Coverage is available in all states with the exception of CA, HI, and LA and is written on admitted paper. Log in to Big "I" Markets at www.bigimarkets.com and click on Real Estate Agents and Property Manager E&O to learn more or to request a quote.