



How one HOA saved \$400,000 and unlocked property value for the entire community



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Bold
Moves

venbrook

Property & Casualty



For one West Coast condo complex, insurance became a liability when its property insurance company exited the state.

Soon, property values at the sprawling gated condominium community dropped over 20% to just \$390k for each condo, and the homeowner's association (HOA) was forced into the secondary insurance market, where coverage decreased and annual premiums soared.

With insufficient insurance backing the property, most lenders refused to approve new mortgages for units within the community. Homeowners hoping to sell were suddenly limited to cash buyers. Those looking to refinance hit dead ends. And the community lost its FHA approval, cutting off access to lower down payment options and government-backed financing.

“We weren’t able to do anything,” said a member of the HOA Board.
“People were losing money, and we had no leverage in the market.”

With a renewal looming, the condo board feared repeating the same cycle of missed opportunities. That’s when they engaged Venbrook to evaluate the community’s risk profile and insurance structure.



Uncovering a Hidden Risk

Venbrook's team immediately uncovered gaps in both coverage and strategy, particularly in the absence of structured business interruption (BI) coverage. While a limited BI clause existed in the old policy, it was embedded as a generic blanket with no clear provisions for how it would respond in a real loss scenario. If a building became uninhabitable due to fire, earthquake, or another covered event, the HOA could be left without dues from affected units, jeopardizing its ability to fund operations and maintain services.

“It was a huge moment when we realized we didn't have clear BI protection,” said a board member. **“That could've been catastrophic.”**

Venbrook restructured the BI coverage to ensure it would apply directly and appropriately in the event of a disruption.

From stalled sales to long-term stability

The new total insurance program came in at \$1 million — a \$400,000 annual savings compared to the previous policy’s \$1.4 million. Total property coverage increased to \$500 million.

“This wasn’t just a policy renewal,” said the condominium community’s General Manager. **“It was a strategic reset. We finally feel protected, supported, and informed.”**

However, the longer-term stability benefits are even greater. With a program that aligns more with the condo community’s true insurable value, it is back in a strong position to reapply for FHA certification. This opens the door to more affordable mortgage options for buyers and helps stabilize condo values.

Coverage at a Glance

	Before	With Venbrook
Property Coverage	\$10M	\$500M
Annual Premium	\$1.4M	\$1M
FHA Certification	Lost	Reapplication in progress
Unit Value Impact	Up to \$100K loss per unit	Stabilizing, market confidence
Buyer Access	Cash buyers only	Conventional mortgage eligibility
Broker Support	Minimal guidance, no risk assessments	Onsite risk management, claims advocacy, and dedicated team

Ready to Rethink Your Insurance Strategy?

If your current insurance program isn’t keeping up with your property value, market conditions, or resident expectations, it may be time for a strategic reset. Venbrook helps community associations, property managers, and boards gain control, close coverage gaps, and build smarter, more resilient risk strategies.



A New Partnership

After years of limited transparency and last-minute renewals from their former broker, this California condo board was ready for a different kind of relationship — one built on risk management expertise rather than just another transactional insurance partner.

Venbrook quickly delivered:

- Comprehensive policy review
- Statement of values audit
- Onsite risk assessment
- Coverage design
- Claims advocacy setup
- Resident program education
- Board and management education

New Coverage Program Includes:

Property, General Liability, Umbrella, Crime, Directors & Officers, Workers Compensation, Earthquake, and Business Interruption

Disclaimer: Business savings, ROI and results will vary depending on the defining characteristics of the HOA, including location, valuation, coverage type and more. Contact Venbrook for more information.

“Effective risk management is built on honesty, integrity, and a relentless focus on the client. A strong broker relationship challenges complacency, encourages bold thinking, and delivers long-term value.”



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