

# Church Protection

December 2007 Newsletter



## Catastrophic Loss

When most people think catastrophic property loss, they think of major weather issues such as hurricanes in Florida, Louisiana and the Gulf Coast; tornados, wind and hail in the Midwest or earthquakes on the West Coast. But one type of property loss that is not selective about what season it is or where in the country you are located is a fire loss. Fires can cause a total loss, and can happen to anyone, anywhere, at anytime.

After the recent wildfires that swept through Southern California, we thought now would be the perfect time to remind churches about the importance of keeping buildings insured to value. Below we have complied excerpts from leading news sources on this topic. While these pertain to homeowners, we know that construction costs across the country have risen in the last few years and the problem of underinsurance is a countrywide issue.

"One-off rebuilding can be a problem for those whose homes were destroyed by the fires because of cost and insufficient insurance. Many homes in the area were built by developers capable of big economies of scale. They constructed hundreds of cookie-cutter homes at once. Some of the wildfire victims, however, are underinsured and may find that rebuilding a single home will cost more than their insurance will pay." ~ www.npr.org 10/27/07

"Anyone who hasn't been directly touched by the California wildfires should truly use this as an opportunity to take a close look at his or her homeowners policy...two out of three homeowners are underinsured." ~ www.npr.org 10/27/07. Things to consider:

- 1) Price of building materials, labor: As prices of wood, fuel, etc. increase, this directly affects your building costs. Factors like this have increased replacement costs by over 7 percent a year since 2001.
- 2) Home improvements: If you refinish a basement, buy some expensive audio equipment, or upgrade your home in any other way, you need to upgrade your coverage accordingly. As you re-evaluate your policy, it's smart to take photos, or even videos of your home. If the need ever arises, this documentation will help during the claims process." ~ www.cbsnews.com 10/26/07

One of the many benefits of United Christian Insurance Group (UCIG) is our broad property form. While the church's actual values for buildings and contents are used to rate your premium, the actual loss limit of \$100,000,000 is available for each and every loss. In addition, Building Ordinance coverage is included for \$1,000,000 each loss. This will bring your building up to code after a loss. UCIG provides you with a promise that a covered loss will be paid and you will be made whole. You can rest assured knowing you will not be left underinsured at the time of a catastrophic property loss if you are a member of UCIG!

Please contact us at 800.234.6787 with questions or concerns. Don't forget to visit our website for valuable risk management and insurance information at [www.unitedchristianinsgroup.com](http://www.unitedchristianinsgroup.com). We wish you a very safe and happy Holiday Season!

Heffernan Insurance Brokers, Church Unit  
1350 Carlbak Ave, Suite 200  
Walnut Creek, CA 94596  
800.234.6787 • Fax 925.934.8278



[unitedchristianinsgroup.com](http://unitedchristianinsgroup.com)  
[carolynnb@heffgroup.com](mailto:carolynnb@heffgroup.com)  
[mrace@heffgroup.com](mailto:mrace@heffgroup.com)  
License# 0564249