

# Insurance Reviews

## Regulatory Scrutiny of Insufficient Collateral Insurance Coverage

In the current insurance market, lenders are facing regulatory scrutiny due to inadequate collateral insurance coverage. With skyrocketing premiums, borrowers may be reducing their coverage and increasing deductibles at policy renewal, which poses a risk to lenders.

To address this issue, Newmark Valuation & Advisory's Bank Credit Risk Solutions team offers expertise in reviewing borrower pre-close, renewal, and in-place policies. We ensure that your collateral has appropriate coverage that meets banking compliance requirements. With extensive experience in the insurance industry and regulatory compliance for banks and other financial firms, our team can assist borrowers in structuring suitable coverage, including captive programs.

For syndicated loan administrative agents, we can help review coverage pre-closing to ensure adequate coverage and provide insurance information to syndicate members during closing and policy renewals.

*Our expertise encompasses the following coverages:*

- **Property and liability,**
- **Blanket and other policies covering multiple properties,**
- **Business income, ordinance or law, boiler and machinery/ equipment/mechanical breakdown insurance,**
- **Builder's risk, fidelity bond/crime,**
- **Regional perils, catastrophic risk, flood, earthquake, terrorism,**
- **Commercial general liability, professional liability, risk retention groups and captive programs,**
- **Workers' compensation, directors' and officers' liability, and commercial auto liability.**

Our advice is unbiased and solely focused on ensuring that your loan collateral is adequately protected.

Given the current turmoil in the insurance market, it is of utmost importance for lenders to thoroughly evaluate borrower policy renewals. Our Bank Credit Risk Solutions team is dedicated to assisting you in ensuring that your collateral is adequately covered, meeting all regulatory requirements.



### ABOUT NEWMARK

**We transform untapped potential into limitless opportunity.**

At Newmark, we don't just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

### CONTACT

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