



Case Study:

Strategic Property Coverage for a Newly Completed \$50M Development

Challenge:

In 2023, a local construction, development, and property management company in the Indianapolis area completed a \$50M, 900,000 square foot building. Despite the successful completion, the property remained vacant — defined as less than 50% occupancy — and proved difficult to lease.

This vacancy created a significant insurance challenge. The company's broker advisor presented a property quote at \$438,000 annually for a stand-alone policy with limited covered perils — notably excluding flood, earthquake, and equipment breakdown coverage. At this price point and with such restrictive terms, the newly built asset risked quickly turning into a money-losing investment.

Client:

Commercial Developer in the Indianapolis Area

Engagement Start:

2021

Services Provided:

Property and Casualty

\$230,000+

Two Year Savings

'KBIC recommended an independent broker to open market options, resulting in a first year savings of more than \$100,000.'

Solution:

KBIC stepped in and recommended bringing in an independent broker partner to evaluate coverage alternatives outside of the existing advisor relationship. This approach opened the market to additional options and competitive placement.

Through this strategy, the new broker partner secured a policy at \$322,000 annually — a savings of more than \$100,000 per year compared to the original quote, while also providing more favorable terms.

Year Two Results:

Vacancy continued into the second year (still below 50% occupancy), making it impossible to move coverage into the client's master property program. Despite this constraint, the renewal came in lower at \$280,000 annually.

To validate the outcome, KBIC asked the original broker what their quote might have been if they had full market access in this second year. Their estimate was approximately \$400,000 annually, reinforcing the value KBIC delivered by engaging alternate placement strategies.



Why KBIC:

KBIC thrives in complex insurance challenges where standard programs or broker relationships fall short. By leveraging deep market relationships and creating competitive tension among broker partners, KBIC secured more sustainable and affordable coverage for a high-value but vacant property.

This approach not only preserved the client's financial stability but also protected a critical investment during a period of uncertainty.

Client Feedback:

"We engaged KBIC to act as our "Chief Insurance Officer" for both health insurance and commercial liability. They keep our insurance providers honest and do a great job of managing our renewals and risks. They are invaluable."

— CFO, Indianapolis-Based Development Company

Impact:

- Avoided unsustainable **\$438,000 annual cost**
- Secured **over \$100,000 in annual savings** in year one
- Achieved **further reduction in premium in year two**. A two year savings of **more than \$230,000**.
- Protected **\$50M, 900,000 SF property under 50% occupancy** with improved coverage
- Demonstrated the value of independent broker partnerships

