



Asset Appraisals Reduce Insurance Premium and Drive Competition for Gaming Group

Client Profile

Industry:	Hospitality – Gaming
Entity Type:	Corporation
Ownership:	Investment Trust Company
Geographic Footprint:	International
Annual Revenue:	\$500 Million

Expansive Expertise in Tangible Asset Valuation

Issue

A large gaming and hospitality provider experienced issues with the valuation of its tangible assets that led to unsupportive replacement cost values and reduced its insurance provider's confidence in the underwriting data.

Solution

Our tangible asset valuation team helped provide the values the corporation needed for its insurance coverage. We conducted insurance appraisals for each property, effectively coordinating the timing of the site visits for each of its U.S. locations to accommodate the sites' individual busy seasons. Each year, we provided the corporation with the timely and accurate appraisal information it needed for its insurance renewal.

Outcome

A full cycle of appraisals was completed in three years, which resulted in about a \$242 million reduction of total insurable value (TIV) that was previously being calculated into the corporation's insurance premiums. The corporation had a 2.4% reduction in TIV in the locations appraised in year one, a 5% increase in TIV in the second year's locations, and 11.3% reduction in TIV in the third year's locations. Along with the premium reduction, our valuation services helped to better position this client in the insurance marketplace because CBIZ provided the necessary detail so that insurance carriers would be more comfortable writing higher limits. The corporation also saw an increase of carriers wanting to participate at different levels within their program, which created more competition on pricing.

Our team delivers accurate, timely, and supportive replacement cost new values for buildings and contents, Construction, Occupancy, Exposure, Protection (C.O.P.E.) and underwriting data by using team members across the country to provide the site data you need. CBIZ is also committed throughout all practice areas to maintain the same personnel each year for a consistent work product, which helps us leverage a comprehensive understanding of the insurance marketplace, as well as industry-specific trends and insights.



For more information about our tangible asset valuation services, contact David Werch.

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