Municipal Claims Trends

The Past
- Foundation subsidence and differential settlement claims
- Costly to investigate and defend, and indemnity was usually quite high

Building Envelope Claims
- "Leaky Condo" claims started in the early 1990’s and were in full swing in the mid to late 1990’s

Building Envelope Claims
- $5.7 million spent to investigate and defend, over $10 million in indemnity payments
- MIABC excludes building envelope coverage at the beginning of January 2002

What Could Have Been?
- Toxic Mold Claims

What Could Have Been?
- Concrete Condominium Towers
Present

- Law Enforcement
- Increased frequency and it is expected to continue

MIABC Police Claims Experience

Earth Movement

- Landslides, sloughing and erosion claims are low in frequency but high in severity
- However, in the past 10 years MIABC has had a 100% increase in earth movement claims

Defamation: Libel & Slander

- Increase in the number of defamation claims and threats of defamation claims (especially in election years)
- “If you have nothing nice to say (or write) don’t say (or write) anything at all”

Motor Vehicle Claims – Increasing Awards

- $18.4 Million
- $16.9 Million
- $11 Million

Local Government seen as having “deep pockets”
The allegations typically pertain to negligent design and/or maintenance of the road.

The Future
5/6 Floor Wood Frame Buildings

Development and Zoning Challenges

Climate Change

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