

Construction – New and Renovations

You need to talk to your broker if you are planning to do some significant work.

The Contractor

Any contractor that you hire should have a certificate of coverage for both workers' compensation and contractor's liability insurance.

Workers' compensation coverage protects you from liability claims that can result from a contractor (or their employees) getting hurt on the job. Contractor's liability insurance provides coverage for damages to your property caused by the contractor during remodeling. It also provides liability coverage, if one of your friends trips during a "tour" of your dream house and sues.

If you hire a general contractor who is planning on handing off some of the work to a subcontractor (or if you plan on acting as a general contractor yourself), you'll also want to get a copy of the subcontractor's proof of insurance.

Risk must be sorted out between you and your contractor - hopefully through a formal written contract - perhaps using the construction association standard contract formats. Call HUNTERS if we can help you navigate this process.

Whatever insurance the contractor is responsible for - have their insurance agency or company send the certificate directly to you or to your own broker. HUNTERS would be pleased to audit the coverage compliance for you.

Ripping It Back To The Studs

Insurance should be examined very closely in this situation. In the event the original structure burns down through the fault of the contractor – are you sure you want to actually sue to get compensation? One solution is to buy insurance that covers the contractors work as it's being built, supplies on site/in transit *and the existing structure*. Either you or the contractor can buy this insurance – it is a matter of ensuring the right cover for a decent price.

New Home Construction

The issues are less complex than the last situation. Either you or the contractor can buy the insurance. In both cases, make sure the insurance includes sub-contractors.

Call HUNTERS to arrange the appropriate insurance.

We would recommend submitting your plans to your insurer well in advance of tender. A sophisticated insurer should be able to provide (free) advice with respect to security and fire protection to reduce your risk once complete. (This can be very material to premiums if you are building up north i.e. Muskoka or Florida.)

Expect to be asked to install alarms in the later stages of the project – before it is completed.

Update Your Home Insurance

Whether you're updating your kitchen or adding on another room, a remodeling project will likely add value to your home. As a result, you'll want to check the property coverage limits on your home insurance policy to make sure that they reflect any changes you made to your home, no matter how small or large the improvements may be.

For new homes or situations where you are not living in the house through renos – keep your broker in the loop as to status to ensure coverage moves smoothly from construction into "real life".

Call us to make your life easier – at least the insurance aspect!

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A HUNTERS Publication to Reduce Insurance Hassle-Factor

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