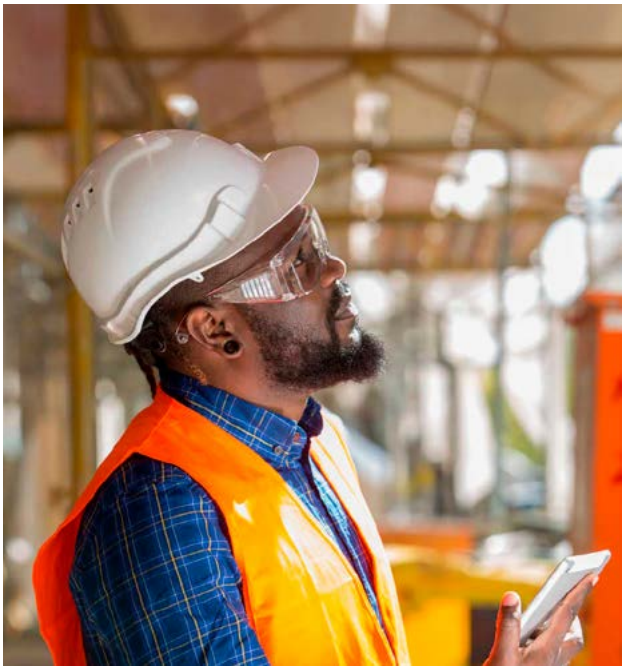


Inherent Defects Insurance

Providing clients with long-term peace of mind in their property investments. HDI's Inherent Defects Insurance (IDI) product is an essential cover for property owners, developers and construction firms looking to protect their investments and projects over the long term.

Our team of IDI specialists have many years' experience in supporting some of the largest and most complex accounts in the market. With local autonomy and a vast global network, HDI are able to take a holistic approach to designing cover for our clients.

And with our S&P 'A+' financial rating, our clients can be assured that their long-tailed project risks will receive the full security of our paper.



What makes us different?

- We can provide significant capacity levels for risks within our appetite.
- Our team are able to write Structural, Mechanical & Electrical and Business Interruption covers under one Policy.
- We can provide full value limits of cover, with variable excesses tailored to each development's needs.
- We provide our clients and brokers with immediate access to underwriters.
- We take a flexible view on all methods of construction.
- Our specialist team have many years of experience in supporting the biggest accounts in the market.
- We can package our CAR/IDI products with any other class of business to provide a holistic cover for our clients.

Benefits of cover

- In a construction market where PI levels offered by Insurers are at an all time low, an IDI Policy reduces the need to make PI claims.
- IDI cover removes the requirement to maintain balance sheet allowance for any future building defects.
- We offer First Party Insurance cover, not requiring proof of negligence or contractor insolvency upon manifestation of defects that have caused damage.
- Our policy cover can run for 6, 10 or 12 years from practical completion of the building, subject to certain requirements.
- Cover can be taken out by the developer, funders, owners, landlords or tenants and is assignable to any future party that has an interest in the Premises.

Market target areas

- PRS/BTL sector (where there is no CML/UKF requirement)
- Retail
- Offices
- Logistics and distribution warehouses
- Hotels
- Student accommodation
- Schools
- Hospitals
- Prisons

Key features

- Subrogation Waivers available for all parties involved in the contract.
- Cover extends to include the cost of demolition, redesign and other fees associated with reinstatement.
- Cover can also be extended to include defects that cause damage in the mechanical and electrical elements of the building.
- Additional cover can be provided for Loss of Rent/ Business Interruption.
  - For the lessor: protection against loss of rental income streams with various Indemnity Periods available.
  - For the lessee: cover afforded for alternative accommodation should the building become uninhabitable.

Team and Contact Details



Chris Loerns
Head of Inherent Defects Insurance
Chris.Loerns@hdi.global



Mark Crosby
Senior Underwriter,
Inherent Defects Insurance
Mark.Crosby@hdi.global

Find out more

HDI Global SE
20 Gracechurch Street
London
EC3V 0BG
www.hdi.global

HDI Global UK Limited
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. (FRN: 1027643).

HDI Global SE – UK
Authorised and regulated in Germany by the Federal Financial Supervisory Authority (BaFin). Authorised by the Prudential Regulation Authority. Subject to the regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. (FRN: 230072).

HDI Global Specialty SE – UK
Authorised and regulated in Germany by the Federal Financial Supervisory Authority (BaFin). Authorised by the Prudential Regulation Authority. Subject to the regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. (FRN: 659331).

0007MD06/26