



PROFESSIONAL INSURORS
AGENCY, LLC

The Benefits of a Master Policy



We have all heard the phrase “Cheaper by the Dozen.” This means that things are handled more efficiently as a group than individually. This same principle can be applied to insurance as well. More specifically, property owner’s insurance and whether that be rental properties, apartments, or other commercial buildings, there are many benefits to an insurance consumer that can be achieved by combining multiple insurance policies into one master policy.

The first benefit, and probably the one that consumer’s value the most, would be the premium saved by combining policies. Using the “Cheaper by the Dozen” example, say you own 12 rental properties and currently insure them all on their own separate policies, each costing you \$1,000 for the year (\$12,000 total). If you could combine them into one policy, the larger premium amount will allow you to gain a “bulk discount” of say, 10%. Your annual insurance premium would then drop from \$12,000 to \$10,800, saving you \$1,200 per year. Over an extended period of time this kind of savings could really add up. With the larger premium for the portfolio you may be able to better absorb a loss vs. a single location premium.

In addition to saving you money, **combining your insurance policies will make your life easier**. Imagine reducing 12 separate renewal dates into just one common effective date. Handling everything once a year instead of 12 different times will make the task of managing your insurance portfolio much simpler and give you more time to focus on growing your business.
