



ROBERT A. SCHNEIDER AGENCY, INC.

CLAIMS EXAMPLES

Commercial Property Managers Errors and Omissions

1. A property manager oversees a strip mall. Over a period of years, this property manager does not upkeep the property as contracted. As a result, the owner is forced to lower the rent being charged monthly. He sues the property manager for loss of income.
2. A corporation contracts with a property management firm to lease a floor in one of their buildings. Six months after relocating to this property, construction begins on the road leading to this property. This causes heavy traffic, which makes it difficult for vendors to reach the building. This leads to a decrease in productivity. The Corporation sues for misrepresentation, as they were not told of the road construction that had been scheduled before they entered into their lease.
3. A minority and a Caucasian merchant both apply to rent space in a shopping center at the same time. The Caucasian merchant is given a better location in the shopping center and his store is very successful. The minority merchant does not do as well and has to close his store. He sues the property manager for discrimination, stating that he gave the Caucasian merchant the better location because of his race. (Addressed only if Coverage B, Tenant Discrimination Coverage, is purchased.)
4. A maintenance worker is employed by for the owner of a complex, but reports to the Property Manager. On his lunch hour, he uses one of the free computers in the office to visit sexually explicit Internet sites. The Property Manager discovers this and fires him. He sues the Property Manager for Wrongful Termination. (Addressed only if Part C, Employment Practices Liability, Broad Form Option is purchased.)

Loss scenarios are hypothetical in nature and for illustrative purposes only. Whether or not or to what extent a particular loss is covered depends on the facts and circumstances of the loss as well as the terms, conditions and endorsements of the policy issued.