

Streamlining Success: How Altus Equity Centralized Insurance Management to Save Over \$450K



The Challenge

Altus Equity, a private real estate investment firm, was frustrated with the existing insurance coverage options for its extensive residential and commercial property portfolio. Industry-wide challenges, such as the increasing frequency of severe weather events and market volatility, have complicated efforts to obtain reliable insurance coverage for many within the real estate investment space.

The complex nature of Altus's portfolio heightened these challenges. Managing numerous assets, some with separate policies and varying renewal dates, created significant logistical hurdles. The constant cycle of renewals and market fluctuations made policy management difficult, consuming valuable time and resources. This diversion created unnecessary administrative hurdles and, more importantly, negatively impacted investor returns.

The Solution

Under Kevin Thomas's expert guidance, Newfront conducted a comprehensive assessment of Altus's insurance strategy. The evaluation uncovered opportunities for Altus to further centralize its approach, enabling the company to unlock cost savings and scale efficiencies that had been previously overlooked within its expansive portfolio.

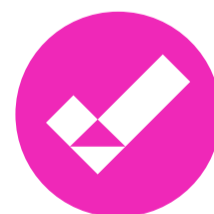
The Newfront team worked with Altus to craft a tailored strategy to centralize and simplify insurance management. This process involved realigning policy renewal dates and consolidating some individual policies into a bifurcated master program for commercial and residential assets. More importantly, Newfront structured layered coverage that utilized multiple carriers to distribute risk effectively—where one insurer would cover initial risk layers (e.g., the first \$10 million), and additional layers were allocated to other carriers. This innovative approach enabled Altus to gain cost efficiencies while maintaining robust coverage.

Newfront presented Altus with several solutions, highlighting potential savings and reduced administrative overhead. The long-term vision included a roadmap to further evolve Altus's insurance strategy, positioning the company to transition into a more strategic, tax-advantaged insurance framework.

The Results

Newfront helped Altus achieve simplified insurance management by reducing the numerous policies to two main programs with synchronized renewal dates, significantly easing administrative burden. The financial benefits of the updated program strategy achieved total cost savings in excess of \$450K, representing a reduction greater than 25% from the previous year's premiums.

The benefits extended beyond direct financial savings. Optimized insurance management enhances operational efficiency, directly supporting improved investor returns and boosting investor retention. This newfound administrative efficiency allows Altus to redirect focus towards strategic investments and scaling its portfolio rather than being weighed down by the complexities of multiple insurance renewals.



25%

REDUCTION IN PREMIUMS