

## Hanover Real Estate Advantage

# Coverage scenarios

Real estate properties face a range of risks, such as cancelled leases, retail anchor store loss and parking lot damage. Hanover Real Estate Advantage is designed to address these challenges with targeted coverages that help real estate companies reduce risk and protect what matters.

### Property broadening endorsement coverages

COVERAGE HIGHLIGHT	YOUR NEED	THE HANOVER SOLUTION
Denial of Access to Premises	Easements or reciprocal agreements with neighboring properties can limit access and create exposure.	Extends Business Income and Extra Expense coverage to include denial of access losses resulting from damage to a neighboring property that limits or denies access to your property.
Foundations and Underground Pipes	Standard property policies may exclude coverage for foundations and underground pipes.	Select endorsements automatically extend building limits insurance to include coverage for foundations and underground pipes.
Lease Cancellation	Lease agreements may allow tenants to cancel if there is a loss at their leased location, potentially impacting rental income.	Provides Lease Cancellation coverage of up to \$50,000 for loss of income due to lease cancellation by tenants when a covered loss at the leased location causes the lease to be cancelled.
Paved Surfaces	Standard property policies may exclude coverage for parking lots, roadways, and sidewalks.	Provides coverage of up to \$50,000 for damage to parking lots, bridges, roadways, patios, and sidewalks.
Realty Tax	Building repairs following a loss may trigger a realty tax reassessment, resulting in increased tax liability.	Provides up to \$75,000 to reimburse increased realty tax liability resulting from repairs, rebuilding or reconstruction of damaged property caused by a covered loss.
Tenant Relocation	Tenants displaced by a covered loss may require relocation and support to return once the property is restored.	Provides up to \$50,000 in coverage for expenses incurred to temporarily relocate commercial tenants and return them to the vacated location following a covered loss.
Unintentional Property Reporting Errors	Unintentional errors or omissions in reporting property locations may result in uninsured losses.	Provides up to \$500,000 in coverage to address policy limit violations resulting from unintentional failures to disclose property locations. Omissions must be reported in writing as soon as they are discovered.

### Real Estate Property Broadening Endorsement

COVERAGE HIGHLIGHT	YOUR NEED	THE HANOVER SOLUTION*
Alternative Key Systems	Buildings use key card or alternative access systems.	Offers Alternative Key Systems coverage, paying up to \$100,000 for loss of or damage to these systems.
Retail Anchor Store Business Income	Some properties rely on retail anchor stores to attract customers to their locations. A covered loss at the anchor store may suspend operations and impact rental income.	Provides up to \$150,000 in coverage for the actual loss of business income sustained during the period of restoration as a result of covered loss or damage to a retail anchor store property.
Tenant Replacement Expense	A covered loss may require tenants to vacate leased space and incur replacement or re-tenanting expenses once the property is restored.	Tenant Replacement Expense provides up to \$50,000 in coverage for real estate broker fees and commissions and/or advertising and promotional expenses incurred to replace commercial tenants when the tenants had to relocate due to a covered loss at the location.

## Optional endorsements

COVERAGE HIGHLIGHT	YOUR NEED	THE HANOVER SOLUTION*
Emergency Event Management	Unanticipated emergencies, such as violent acts or disease outbreaks, may significantly disrupt operations.	Emergency Event Management coverage responds to covered emergencies and income lost due to an emergency event.
Newly Acquired Limited Liability Companies, Limited Liability Partnerships, and Limited Partnerships	Newly acquired or formed LLCs, LLPs or LPs may have a gap in coverage if not reported to the insurance carrier at the time they are acquired or formed.	Offers a Newly Acquired LLC, LLP and LP General Liability Endorsement, extending the general liability policy to cover newly acquired or formed entities for up to 90 days from the date they were acquired or formed.
Real Estate Managers Additional Insured Endorsement	Property managers may need additional insured status under an owner’s policy, subject to the terms of a written management contract.	Offers a Real Estate Managers Additional Insured Endorsement, extending additional insureds on the policy to include the owner’s LLC, LLP or LP members, managers, as well as partners and spouses.
Contingent Property and Business Income	When tenants are responsible for insuring a location under a triple net lease, noncompliance may create uncovered property or business income exposure for the owner.	Provides coverage for properties in which the tenants are required to purchase insurance but fail to comply with their insurance purchasing responsibilities.

### Confidence backed by the right coverage

Your local Hanover Agent can provide additional information on the coverages and help evaluate solutions designed to protect your real estate investment.



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