



## Fore!

### *Avoiding bogeys on golf course coverage*

By Julie Carter

A golfer shouting “fore!” is a warning to others that trouble could be on its way—usually an errant ball headed in the wrong direction.

For an agency looking to procure coverage for a golf course, there

are several warning signs and red flags to look “fore” prior to placing these risks.

Of the roughly 35,000 golf courses in the world, 45% are in the U.S., and Florida is home to more than any other state. And both Mother Nature and mankind can wreak havoc on these expensive pieces of real estate, which are often underinsured.

Recent hurricanes along the Gulf Coast as well as heavy flooding in the Northeast have caused extensive damage to entire golf courses—properties that average 75 acres in size. On that scale, loss of trees, shrubs, grasses, sand in sand traps, and landscaping can amount to millions of dollars in replacement costs plus debris removal after a severe flood or storm.

In order to avoid errors & omissions claims for golf course exposures, agents must understand the specifics of each golf course they insure.

Are the trees large and established or young and easily replaceable? What is the value of the shrubbery and landscaping? What grass types are present in the fairways, rough and greens? Is the sand in the traps from a local supplier, or is it an expensive, imported high-angular product? What type of irrigation system is in place?

In addition, understanding the climate, weather patterns and geographic location is essential in properly assessing a golf course exposure. Is the course located in a coastal area? A flood plain? An earthquake region?

Specialty golf course coverage may insure tee boxes, fairways, greens and other golf course property, including sprinkler systems, ball washers, signage, benches, cart paths and fountains.

But structures including clubhouses, golf cart sheds, restaurants, lounges and pro shops may present additional coverage needs, such as property, general liability, liquor liability, auto, crime, inland marine, directors & officers, business income loss, employment practices liability, and even pollution.

You should also evaluate the need for standalone flood and wind policies. Exploring umbrella and excess flood coverages is very important as well.

It is not uncommon for golf course policies to have a mere \$1-million limit, which would be woefully inadequate to cover damage sustained as the result of a massive natural event or catastrophic injury to a patron. Good luck finding a club to get you out of that sand trap.

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