

# SUSTAINABLE RENOVATIONS

## Länsför säkring Kronoberg

# Länsförsäkring Kronoberg since 1801



CARL STELLAN MÖRNER  
Målning av C.F. v. Breda  
Foto NFA

***”.. to be able to assist, in an unaffected way and at lowest possible cost, those unfortunate ones, who at times within a few minutes through the devastating flames of fire lose all of their small fortune, that has been accumulated by many years of work and thrift”***

*County governor Carl Stellan Mörner*

# Länsförsäkring Kronoberg 2018



Beatrice Kämpe-Nikolausson, MD

**Vision:** To be a leader in providing safety.

**Business idea:** To be a local, customer-owned company that provides thoughtful, accessible, competent and attractive security solutions and has the most satisfied customers.

**Promise to customers:** We simplify your workday and contribute to a safer future.

# THREEMAJORAREASWITHINSUSTAINABLEDEVELOPMENT RESPONSIBILITYFOR:



Economy



Environment



Social  
issues

# DO WE GET A LOWER PREMIUM IF WE **RENOVATE** OUR HOUSE?

No. Such benefits do not exist and have not done so for the past ten years.

**Why?**

Full value or first risk

Dwelling space

Age of the property

Basement

Chimney

Number of bathrooms and showers

Year of purchase

Outhouse



# WHICH RULES OF COMPENSATION APPLY ON DAMAGE? 1(2)

- **Damage to building** – restore the building without delay, using rational methods and material.
- **Building** = shown in insurance policy, piping and cables intended for the house, buried or connected pool, parabolic aerial, sun blinds and fuel tanks on the ground.
- **Property** = both building and site.
- **Restoration** is to be done according to rules valid for building and branch.
- **Age deduction** for both material and restoration.
- **Starting point** from corresponding building on same site and ground.



## WHICH RULES OF COMPENSATION APPLY ON DAMAGE? 2 (2)

- **In cooperation** with the customer the insurance company always determines if what has been damaged is to be repaired or replaced and who is to perform these repairs.
- The affected person **is always the one who orders the work** – the insurance company is liable for payment, depending on contingency liability, right of claim etc.
- In case we disagree – which we seldom do – The Swedish Chamber of Commerce will decide.
- **Partial damage** – part of building, installation or household appliance – replacement or repair is determined by value versus cost of repair.
- Compensation awarded for damaged parts of building only.
- **On damage to surface coating** – only onto the nearest natural demarcation – open design.

## **MOST COMMON AND EXPENSIVE TYPES OF DAMAGE**

- **Fire, water and burglary** – around 2000 out of 10 000 yearly property damages.
- About 100 MSEK – 60-70% of total cost.
- Fire – most expensive.
- Water – more frequent problem and often more protracted handling time.
- Type of water damage – connections, piping, surface coating and drains are some of the most common ones.



# DAMAGE PREVENTION 1(3)

## **FIRE: Carefulness**

- Fire alarm
- Fire extinguisher
- Fire blanket
- Fireplace guards – timers
- Lighted candles
- Open fireplace or stove
- Inflammable liquids
- Emergency exits – ladder?
- Choice of material affecting environment – product branding
- Practice

# DAMAGE PREVENTION 2 (3)

## **WATER: Carefulness (check list)**

- Continued maintenance and cleaning
- Water alarm (water gauge/water meter)
- Water leakage switch
- Heating – vacation or holiday cottage
- Make use of artisans approved by branch
- Draining gutters; loose joints and seams of carpets; leaky screw holes, insertions and piping passages
- Ventilation
- Sink cupboards – moisture sensor
- Dishwasher, washing machine and boiler

# DAMAGE PREVENTION 3 (3)

## **ELECTRICITY: Carefulness (check list)**

- **Circuit breaker**
- **Lightning conductor (telephone wire guard)**
- **Old wires – increased risk**
- **Duly qualified electrician**
- **Maintenance and supervision**
- **Wall sockets, switches and fittings**
- **Do all family members know where the cupboard with fuses is located? How to switch off the current?**
- **Installed spot lights – heat protection?**

# BROKER'S VIEW OF IMPORTANCE OF RENOVATION 1(2)

**Peter Stillman, LFF answers:**

*We usually talk to our customers about value-enhancing repairs and maintenance. They frequently have questions about possible renovations prior to sale.*

*What we tell the owners is to try to keep a stable standard of their property, both on the inside and the outside. If some space is in a worse condition than the rest the buyer tends to focus on what has not been tended to and forgets the fact that all other spaces are fine.*

*Something we often talk about: The fundamental functions of the property such as drainage and sewer systems, electrical fittings, ventilation; moisture protection around foundations, in the roof and in spaces exposed to water. We recommend that these parts be continuously supervised and maintained. If these functions are not in order the value of the property often depreciates.*

## **BROKER'S VIEW ON IMPORTANCE OF RENOVATION 2 (2)**

Today many people want to keep on living in their dwelling even when they grow older. Some are reluctant to spend money on normal maintenance and renovation. This often leads to damage to their property. Another consequence is that it may be perceived as shabby and worn.

**IN CONCLUSION:** It pays to renovate the property in order to avoid damage and to get a better price when it comes up for sale. Some renovations and repairs are entitled to ROTAVDRAG (tax deductions). The owner may also get tax reliefs for costs of repairs and maintenance when capital gain is calculated after sale.

# BUSINESSMODEL FOR FINANCING

**Loan – interest, amortization**

**Insurance premium**

**Project leadership**

**Real estate agency and sale**