

Reduce Home Building Risk Before It Starts



How early home insurance planning boosts closing success and lowers risk.



Home builders have demonstrated time and again how they're up for any challenge. Consider how builders have responded to today's challenging home selling environment by compressing timelines and protecting margins while delivering a quality, even more sustainable and resilient product.

Critically rethinking the building cycle opens the door to a host of efficiencies, from offsite assemblies and cloud-based project scheduling and coordination, to deeper collaborations with architects, contractors and major suppliers.

Nearly everything is on the table in the quest to enhance affordability and diminish risk. Home insurance is a case in point.

"After 34 years in the business, I'm optimistic and confident about one thing: Home builders always figure it out," states Alan Umaly, president of Westwood Insurance Agency, the go-to insurance partner for dozens of the country's top home builders, founded to address home builder needs.

Part of that 'figuring it out' is revealed in the way home insurance has evolved over the last five years. The confluence of the pandemic, climate change, a hard insurance market and today's affordability crisis have transformed how home insurance is understood.

Beyond Price Alone

Umaly says saving money is a top consumer goal, as it should be. But insurance industry factors, including carrier availability and capacity, affect consumers' ability to achieve that goal. As a builder, how can you mitigate the insurability factors in development planning? What steps can you take to safeguard buyers (and mortgage lenders) from insurance uncertainty? What assurance do you have that a carrier will be there for buyers a year from now? Or three years?

It's no secret the last few years have been difficult ones for insurance carriers. Now more than ever builders need insurance transparency and industry straight talk, asserts Tom Kriby, Westwood's vice president of client development and partnerships.

"It's important builders understand with clarity the industry's changing dynamics. It's time to think holistically about the insurance piece. Price is just one part of it," he advises.





for every 10% increase in home insurance costs, [home values can decline by approximately 4.6%](#), eroding margins, marketability and buyer motivation.

Value Measured by Decades, Not Quarters

What’s needed in the view of Umaly and Kriby is a new, more comprehensive builder-insurance model that recognizes it’s no longer business as usual. The good news is, an embedded insurance model helps support sales and offers more home-closing certainty, thereby reducing risk for the builder.

“The builders we work with see the insurance piece with a classic beginning, middle and end story arc,” observes Kriby.

Umaly says this perspective resonates well with growth-minded builders focused on long-term performance. “Anyone on the insurance side can offer bare-bones, stripped-down policies to win business,” Umaly explains. “But that’s a false economy. Business is built on relationships that last for decades, not just to meet quarterly goals.”

A durable relationship is based on three support pillars, according to Kriby:

The new insurance paradigm inverts the traditional buyer engagement sequence, one that served the industry for decades:

Traditional	Current
1. Sign-up ease & simplicity	1. Availability
2. Cost	2. Cost
3. Availability	3. Sign-up ease & simplicity

Urgency and Prudence Power a New Vision

For Umaly and other leaders shepherding their companies through an economic gauntlet, the reordering is a necessary

consequence. It’s also a gauntlet that includes the biggest wild card of them all: climate change.

“So far, this year has been comparatively quiet for extreme weather. Last year was also fairly mild in terms of hurricanes. But the playbook is clear. Wildfires, floods, hurricanes and hail aren’t going away. [If anything, quite the opposite.](#) Our industry views the long-term trendline using forward-looking models to estimate future impact,” Umaly says.

To address the affordability crisis, builders must act with increasing urgency and prudence. One recent study concludes

- **BEGINNING SUPPORT:** Development Insight & Pre-Underwriting

Builder development pros work with a variety of site assessment tools to minimize building risk. What they don't have is the insight gained through experience with multiple carriers built over seven decades and hundreds of thousands of homes.

“That’s where an insurance expert like Westwood comes in,” Kriby says, noting his team is increasingly busy handling builder requests when conducting land purchase reviews. “A single carrier can help with a single touch point. As a leading independent agency, Westwood draws from more than 50 carriers, allowing us to blend insights from several carriers in a single area. It’s decision support few can match.” Early insight helps builders more confidently assess development risk, mitigating downstream surprises that can impact insurability, pricing, or project feasibility.

Once a Westwood builder partner greenlights construction, Westwood pre-underwrites each home, which allows the builder to embed the quote for home insurance in the sales contract.

An embedded, upfront home insurance quote accomplishes two things: 1) Ends any availability suspense; and 2) Presents the home buyer with a realistic, sharp pencil quote they can immediately accept or compare to others. Buyers appreciate this extra level of convenience and peace of mind, Kriby says.

- **MIDDLE SUPPORT:** Mortgage and Sales Team Education

How should your mortgage and salespeople best respond to buyers’ questions? “Builders want to communicate expertise to buyers, lenders and other stakeholders,” Kriby says. “It’s our mission to keep the builder’s mortgage and sales teams thoroughly informed on local and national home insurance trends. No conjecture or speculation. That helps address buyer concerns early, reinforce trust, and prevent closing fallout over insurance matters.”

- **END SUPPORT:** Closing Certainty is Just the Beginning

“We made our name by helping builders close on time, every time,” reports Kriby. “But that’s just the beginning. The builder



needs to see their insurance partner as a trusted extension of their brand. The buyer’s experience on Day One with any insurance agency may be great. But what about Day 365? Or three years and beyond?” Third-party validation like an elite NPS score* is peace of mind your buyers will receive long-term white glove care, which translates well with referrals and second purchases.

*Westwood Insurance Agency posted a [2025 Net Promoter Score \(NPS\) of 92](#). An NPS of 80 or above is considered world class, the highest recognition in customer satisfaction.

Home building is tough enough without facing difficult home insurance matters on your own.

Today, more than ever, it makes sense to work with a home insurance expert that focuses on ensuring success across the entire building lifecycle.

Weigh your options. As you do, consider the advantages Westwood Insurance Agency represents to your team.



Stable and sustainable.

There's never been a better time to safeguard closings with home insurance you can count on.

To learn how to minimize home closing disruption, visit [Westwood Insurance Agency](https://www.westwoodinsurance.com/partners).



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