

[Company Name]
[Address Line 1]
[Address Line 2]
[City, State, Zip Code]
[Phone Number]
[Email Address]

[Date]

[Policyholder Name]
[Business Name]
[Address Line 1]
[City, State, Zip Code]

RE: Policy Renewal Notice - Policy Number: [Policy Number]

Dear [Policyholder Name],

Thank you for choosing [Company Name] for your commercial property insurance needs. We are writing to provide you with information regarding your upcoming policy renewal and an adjustment to your premium for the period beginning [Effective Date].

Upon review of your account, your annual premium has increased from \$[Old Amount] to \$[New Amount]. We understand that any increase in operating costs is significant for your business, and we want to provide clarity on the factors contributing to this change:

- **Property Valuation Adjustments:** Due to rising construction costs and inflation, we have updated the replacement cost valuation of your building to ensure you are fully protected in the event of a total loss.
- **Market Trends:** The commercial insurance market has experienced a general increase in rates due to a higher frequency of severe weather events and rising reinsurance costs.
- **Claims History:** [Optional: Mention specific claims if applicable, otherwise remove this line].
- **Local Risk Factors:** Adjustments based on updated risk assessments for your specific geographic area.

Our priority is to ensure that your business remains resilient and properly covered. We recommend reviewing your current coverage limits and deductibles. Increasing your deductible is one way to potentially lower your premium payment.

Your new policy documents are attached for your review. If you have any questions regarding these changes or would like to discuss options to manage your premium, please contact your agent at [Phone Number] or [Email Address].

We value your business and look forward to continuing to protect your commercial interests.

Sincerely,

[Name/Signature]

[Title]

[Company Name]