



Is Your E&O Policy Ready for the Age of AI?

AI is quietly transforming real estate — from listing descriptions written by chatbots to automated valuations and digital marketing campaigns. These tools are fast, powerful, and everywhere. But with innovation comes a new kind of exposure:

What happens when AI gets it wrong — and your firm is held liable?

Most real estate E&O policies weren't written with AI in mind.

Where AI Is Creating Legal Gray Areas

Agents and brokerages are already using AI tools for:

- Writing property descriptions
- Estimating home values
- Drafting email replies and marketing content
- Automating communication with clients

These tools can introduce risks like:

- **Inaccurate or misleading property details**
- **Automated valuations that miss key features**

- **Biased or non-compliant language in client-facing materials**

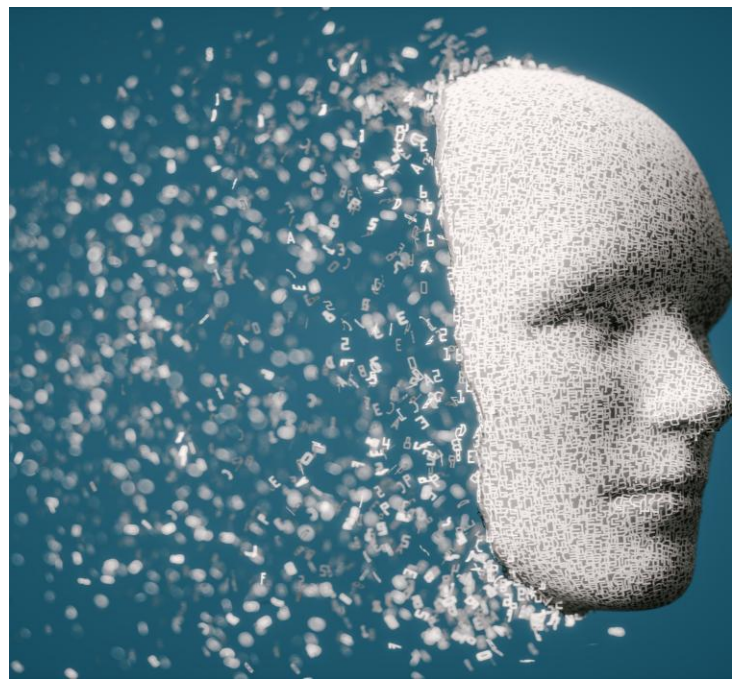
- **Errors that lead to financial loss — and lawsuits**

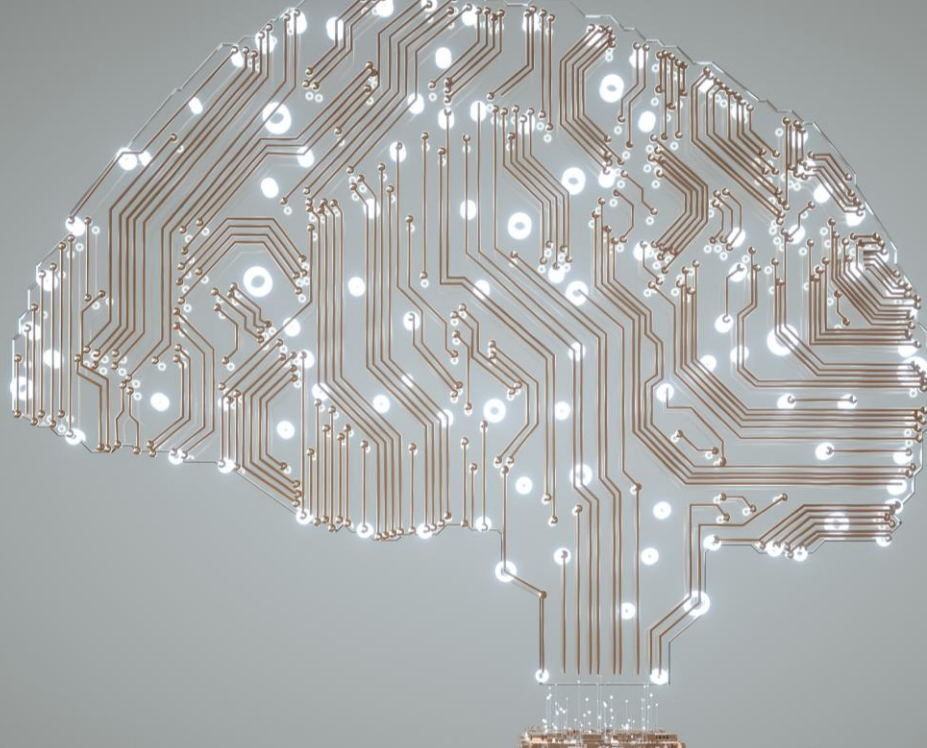
If a client claims they relied on inaccurate AI-generated information, **your firm may still be on the hook** — and your E&O policy might not be prepared to cover it.

Does Your E&O Policy Account for AI-Driven Errors?

Most standard E&O policies were written before generative AI became common.

Now is the time to review how your firm is using AI — and whether your insurance reflects that reality.





For more information, contact:

**BLAKESCHELLENBERG**

Executive Vice President

503.701.6553

blake.schellenberg@imacorp.com

**JOHN AUSTIN**

Producer

925.297.7443

JAustin@riskpointins.com

**ANNIE NEAL**

Vice President

435.513.1745

Annie.Neal@imacorp.com

Stay Ahead of the Risk Curve

At IMA, we help real estate brokerages evaluate and adjust their coverage for a tech-driven future. That includes:

- Reviewing E&O policies for exclusions or outdated definitions
- Helping implement best practices for AI tool usage
- Partnering with carriers that understand emerging risks

AI can be a powerful advantage — but only if you manage the risk as carefully as you manage the innovation.

Let's connect for a quick conversation about how AI is impacting your firm — and how to ensure your E&O coverage is keeping up.

This material is for general information only and should not be considered as a substitute for legal, medical, tax and/or actuarial advice. Contact the appropriate professional counsel for such matters. These materials are not exhaustive and are subject to possible changes in applicable laws, rules, and regulations and their interpretations.

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