

# Condominium Unit-Owners Insurance



## WHAT'S A CONDOMINIUM?

A condominium is a building comprised of separately owned units with shared common areas that are jointly owned. A condominium owner's interest in real estate is essentially the 'walls-in' portion of the unit, whereas the association manages and protects the exterior and jointly owned common areas and other community parts of the building.

Although most condominium associations carry insurance to cover the exterior of the condominium building (exterior walls, roof, heating and air conditioning units, etc.), a unit owner may still need insurance to protect their interest in the building.

Whether the unit is occupied by you or by a tenant, purchasing a condominium unit-owners policy is a wise choice when it comes to protecting your investment.

## FACTORS THAT CAN IMPACT THE AMOUNT OF COVERAGE REQUIRED INCLUDE:

- Living area square footage of the condominium unit
- Construction quality
- Floor coverings
- Cabinet types
- Number of bathrooms
- Fireplaces and wood stoves
- Other interior attributes

We can easily work through the process of estimating the amount of coverage you should carry for your individual unit.

A condominium association should be able to provide a copy of their bylaws or the master policy which outlines the insurance responsibility for individual unit owners. A licensed Armed Forces Insurance agent can assist with the review of this documentation to determine the appropriate amount of coverage for the unit.

## INCLUDED COVERAGE:

- **Dwelling:** Commonly referred to as interior coverage, protects building elements that the association policy does not cover, such as interior wall finishing, floor coverings, built in cabinetry, appliances and light fixtures.
- **Personal Property:** Provides coverage for household goods such as furniture, electronics, clothing, dishware, tools and toys. Replacement Cost Coverage is available.
- **Loss of Use/ Fair Rental Value:** Provides coverage if the unit is unlivable as a result of a covered claim. This coverage assists with payments to live elsewhere or loss of rental income.
- **Liability and Medical Payments:** This coverage pays for bodily injury to others and provides legal expense coverage if the unit holder is held legally liable for accidental injuries.

## OPTIONAL COVERAGE

- **Increased Loss Assessment:** Provides coverage or special assessments levied by the condominium management because of direct physical loss to commonly owned condominium property.
- **Building Ordinance or Law:** Insures potential increased reconstruction costs as a result of changes or updates in building ordinance codes.
- **Water Back up:** Covers damage from water that backs up from a sewer drain or sump pump in the unit.
- **Flood:** Standard condominium unit policies do not cover flood damage. Please contact one of our flood agents at Armed Forces Insurance to secure this valuable coverage.

This brochure is intended to provide general coverage information and is not part of the policy. The terms and conditions of the policy will apply for any loss.

Call **800-255-6792** for the right answers from a real person.

Visit: **[www.afi.org](http://www.afi.org)** for more information or a no-obligation quote.