

INSURANCE FACTS ALL OWNERS NEED TO KNOW ABOUT

PRIMELINK Insurance Brokers is your Condominium's Insurance Broker. PRIMELINK Insurance is considered the leader in Condominium insurance.

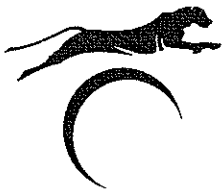
It is each unit owners' responsibility to maintain their own Unit Owners Insurance Policy. This policy provides an assortment of coverage designed to protect you as an owner, even if you own a unit but rent it out, you need to have your own policy. Not all policies are the same.

The insurance policy for your condominium corporation provides coverage for all of the Buildings. It DOES NOT provide coverage for unit owner's or tenant's personal property, unit improvements or personal liability.

A **Unit Owner's policy** provides coverage for **your property** and **your personal liability**. It also provides additional insurance coverage's that are unique only to a condominium unit owner. These are as follows:

Improvements and Betterments: This provides for any improvements that were made to the unit since the original completion, such as completed basements, upgraded carpet, floor tiles, wallpaper, new kitchen cupboards, etc. The by-laws of your corporation are clear that it is the owner's responsibility to insure this, whether it was added by you or a previous owner(s).

Loss Assessment: If there was an insurance loss to **common property** and the Corporation was underinsured, carried no insurance, or had a large deductible the unit owners would be assessed for any shortfalls. Without this coverage under your own **Unit's Owner's policy**, you would be required to pay this out of your pocket. Based on your by-laws, the corporation has a right to place a caveat against your property if you fail to pay this.



Unit Additional Protection/Unit Contingency: This provides coverage for **your unit (excluding improvements)** in the event of a claim for which there is no coverage under the corporation's policy due to:

1) A Deductible: Your Condominium Corporation policy has a \$5000 deductible for all losses except earthquake and flood losses, and those are even higher. Based on the by-laws of your corporation, (which is standard), if there is a loss to your unit **The unit owner is responsible for the deductible under the corporation's insurance, which is \$5000.** Your unit owner's policy is to provide coverage to pay this deductible, so then you are only responsible for the deductible under your unit owner's policy, which is usually around \$500. If you do not have this coverage and do not pay the deductible of \$5000, the by-laws of your corporation state that the board must place a caveat against your property for the unpaid debt to the corporation.

2) No Insurance: Your unit owner's policy will provide coverage for rebuilding/repairing your unit, if the Corporation carries no insurance.

3) Inadequate Insurance: Your unit owner's policy will provide coverage for your unit if the corporation's insurance is not enough to replace/rebuild it. Your board get's annual appraisals but not all boards do but this is extra coverage included in all policies.

Just because you are not responsible for causing a claim, does not mean you are not responsible for paying the Corporation's deductible.