

Condominium: Unit Owner's Policy

When you buy a unit-owner's policy to cover your condominium unit, you are obtaining a variety of coverages. The policy includes coverage for your personal property, additional living expense, and personal liability. The unit-owner's policy also offers the opportunity to insure any building items that are within the unit. You must determine the amount of building coverage you need to cover these items.



The condominium association carries an insurance policy covering part of the building. Some associations cover the unit up to the interior bare walls, others cover everything that is permanently attached to the building, even if it is inside the unit. The challenge is to determine where the association policy stops so you can insure the building items it does not cover. There are two steps to meeting this challenge.

1. Determine Responsibility

The bylaws of the condominium association will tell you which building items are covered under the association insurance. By reading these documents or by asking a director of the association, you will be able to find out which building items are your responsibility to insure.

2. List and Value Items

Make a list of the building items within the unit that are your responsibility to insure. Place a value on each of these items and total the list. Be certain to include such things as installation, shipping and sales tax.

You may find it a challenge to determine an accurate amount of coverage for these building items. In that case, you can substitute an estimate for step number two. Your insurance agent will be able to give you the cost per \$1000 of coverage, but should not be expected to determine the amount of coverage you need.