

What Is Condo Insurance?

Condo insurance provides coverage for the inside of your condominium; the external areas fall under the jurisdiction of your condo association and must be covered under the association's insurance policy. Depending upon the specifics of your condominium association's master policy, your condo insurance may include coverage for:

- The interior walls
- Your appliances
- Your personal property and valuables

In addition to covering your belongings in the event of a loss, your condo insurance also protects you against liability claims if you are responsible for another person's injury or property damage, or you have legal fees to pay due to a lawsuit.

You can get the insurance you need for your condo and your valuable possessions by [contacting an agent](#) in the Trusted Choice® network. Your agent will help you compare rates from multiple insurance companies and choose the most suitable coverage for your needs.

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What Does Condo Insurance Cover?

Condo insurance policies typically cover what the condo association's master policy doesn't cover. A condo association master policy can be of two types:

- **An “all-in” condo master policy:** Also known as a “single-unit” master policy, this type of policy covers the fixtures in your condo such as the appliances, wiring, plumbing, and carpets, but does not cover personal property that you own.
- **A “bare walls-in” condo master policy:** This policy does not cover anything contained within your walls. It may or may not cover your condo's plumbing and electrical systems. Be sure to carefully review the association's master policy to determine what your condo insurance policy needs to cover.

You will need to buy more of your own [condominium insurance](#) if your association has a “bare walls-in” condo master policy than if it has “all-in” condo master policy.

Your condo insurance policy will cover you for loss or damage to your personal possessions, and provide coverage for personal liability and medical payments. Additionally, it will often cover loss of use in the event that your condominium becomes badly damaged by a fire or storm and you need to live elsewhere during repairs. Insurance for a particular condo is known as an HO-6 policy. HO-6 policies typically provide you with coverage for a range of causes of loss. You may have to purchase additional coverage for specific items such as artwork, jewelry and other items of value.

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How Does Condo Insurance Work?

Your condo association's master policy, or HOA policy, will cover damage to your condo building, grounds and other external features. Your condominium policy therefore needs to cover your personal possessions, appliances, and sometimes installed fixtures and other attached features in the unit.

In the event of a covered loss, such as a burglary or fire, you will need to file a claim with your insurance company, and/or the condo association's insurance company. For example, if your condominium was burglarized, most likely you will simply file a claim with your insurance company. However, if the burglary involved breaking and entering that

destroyed an external doorway or if the external security experienced a failure that made the burglary possible, the claim may involve both your insurance company and the condo association policy.

When in doubt, be sure to consult with your insurance agent. If you work with an independent agent in the Trusted Choice network, your agent will advocate for you and assist you with the claims process.

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Why Is Condo Insurance Important?

Condo association coverage will only cover the exterior of the condominium. For the interior and for your possessions, condo insurance will cover potential losses, such as theft of or damage from fire.

You also need to protect yourself from liability claims and lawsuits if someone is injured in your condo or you are responsible for damage to someone else's property. Note that liability often covers your responsibility for libel, slander, and other bodily injury claims. Because liability claims can lead to lawsuits, it is important to evaluate the amount of coverage you need to protect yourself financially.

For complete protection, many people purchase [umbrella liability policies](#). An umbrella policy provides liability protection that will exceed what your condo and auto policies will cover.

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How Much Does Condo Insurance Cost?

[Condo insurance costs](#) vary. The cost of condo insurance, on average, ranges from \$100 to \$400 per year, depending on the value of your personal property and the type and amount of coverage you carry. For example, someone with a number of valuables, such as jewelry, fine art, antiques or collectibles, will need to add additional coverage for those items.

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Is Condominium Insurance Tax Deductible?

Condo insurance as a rule, like homeowners insurance, cannot be deducted on your taxes. However, if you rent the condo out to another person, you may be able to deduct the cost of your condo or landlord insurance, at least as it applies to depreciation, wear and tear. Also, if you operate a business out of your condo, you can typically deduct a portion of your condominium insurance from your taxes.

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How to Buy Condo Insurance

Although there are several ways to buy insurance for your condo, your best bet is to work with an independent agent. A local Trusted Choice member agent in your area can compare condo insurance rates from multiple insurance carriers and help you choose the best policy for your needs. Additionally, your agent will be able to provide consultation on various options and available [discounts](#). For example, you may be able to bundle your auto and condo insurance for a multi-policy discount.

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Does Condo Insurance Cover Theft?

Your condominium insurance will cover theft or burglary if your policy includes personal property coverage. Depending on the details of your policy, you may even be covered for items that are stolen from your car. However, you should be aware that certain items may be either excluded or have specified limits, and you may require additional riders or endorsements to get full coverage on such things as jewelry, art, collectibles and other valuable items. You can compare rates through an independent agent.

To ensure that all of your items are covered against theft or damage, you may want to take a full inventory of your personal possessions and estimate their value. Many condo owners are surprised to find out how much they have that is worth protecting. Be sure to compare the amount of coverage you have with your inventory to determine whether you have enough insurance. By taking an inventory of your items you also can create a record of what you own, so that in the event of a loss you are well prepared to file a claim.

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Does Condo Insurance Cover Hurricane Damage?

If you have condo insurance, you will be covered for damage to your possessions and the interior of your condo from major storms such as hurricanes, tornadoes and windstorms. Damages to fixtures, plumbing or wiring may or may not be covered under the condo association's master policy, as some condo policies cover fixtures while others only cover bare walls. If the master policy is a "bare walls" policy then you may opt to get a condo policy that covers these items. It is always important to understand the coverage your condo association carries so that you avoid coverage gaps.

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Does Condo Insurance Cover Special Assessments?

Basic condo insurance does not typically cover special assessments. However, in some policies, special assessment coverage is included for "named perils." For example, if a fire damaged your condominium, including common areas, the unit owners in the association may receive a special assessment notice to cover some of the costs of the repairs. Depending on the specifics of your condo insurance policy, you may have some coverage that would help you cover your portion of the assessment.

You will have to separately purchase special assessment insurance, also known as "title insurance," which covers special assessments not contained within your condo property documents.

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Does Condo Insurance Cover Mold?

Most home and condo insurance companies specifically exclude mold from their policies. However, you still may be able to successfully file a claim with your condo insurance company under certain circumstances. For example, let's say you go on vacation and while you are away a pipe bursts. When you return, you find water and mold everywhere. In this scenario, it's very likely that the insurance company will cover the mold remediation, because it was caused by a covered peril. If the mold was due to a flood, it would not be covered. Flood insurance is a separate policy that you must have in place to receive compensation for flooding damages.

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Does Condo Insurance Cover Appliances?

Yes, appliances are typically covered under your [condo insurance policy](#). Be sure to review the specifics of your policy and the limits on appliance coverage, and update it as needed. For example, if you move into your condo and the

original policy adequately covers your old appliances but you choose to upgrade your stove and dishwasher a month later, it's a good idea to make some adjustments to your policy.

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How Much Condo Insurance Should I Have?

One of the first questions condominium owners ask after they buy is, "How much condo insurance should I get?" Basically, you can get a rough idea of how much insurance you need by performing an inventory of all your personal items and figuring out how much it would cost to replace your belongings after a burglary or fire. Certain valuable items may need special or additional coverage.

Let's say, for example, that you have \$10,000 worth of jewelry, \$20,000 worth of furniture, and another \$20,000 worth of electronics, clothing items and other personal items. The important things to check include whether your total coverage limits are set high enough, and whether any one item in your personal property inventory exceeds the "per-item limit." For example, if you a diamond necklace worth \$5,000, but your per-item limit for jewelry is \$1,000, your insurance is not adequately covering your items.

To find the most affordable coverage that matches your specific needs, connect with a local independent agent in the Trusted Choice network. and get the right condo insurance policy to protect your condo investment and personal assets.