

CHAPARRAL POINTE CONDOS TOWN HALL MEETING
REGARDING INSURANCE
MONDAY, AUGUST 26, 2019 AT 5:30 PM
AT LAKE CHAPARRAL COMMUNITY CENTRE

A Town Hall Meeting was held for Board and Unit Owners for insurance information regarding Corporate Insurance and needs for Owners' unit insurance. Harold Weidman of Reliance Consulting spoke to the attendees. He does assessments for insurance coverage for condominium complexes.

He gave the warning that condo insurance coverage, and so premiums, would be rising drastically. Many insurance companies have shied away from insuring condos because of high claim history. He told the audience that the appraisal process takes into account demolition of the damage/damaged buildings, reconstruction cost of buildings, and cost of the site improvements to be replaced (retaining walls, trees, landscaping).

He very strongly advised that condo complex insurance should not cover improvements and betterments made by owners, as this brings up the cost considerably. Some owners would have done extensive improvements, and this cost for replacing to that expensive improvement level should not be borne by all the rest of the owners. Most owner insurance would be already covering what improvements have been made by that owner; having it included in the complex insurance would be double coverage (with the accompanying cost of premiums for that insurance).

It was found that the current and proposed Bylaws did cover betterments and improvements; this will be changed so they are not included in complex insurance. This will save the owners much money and make the complex insurance cost fair to all owners.

He advised that owners should check that their unit insurance covers these betterments and improvements. He also advised that their unit insurance should cover Special Assessments if they should arise. Also their unit insurance should cover subrogation - the deductible that could be charged back to the unit if damage occurs to other properties or common / managed property when the reason for the damage is caused by events within their unit or by them or their guests.

Harold was thanked for his time and expert advice.