

Guide to Condo Insurance

Shopping for condo insurance? You're probably finding out there are a lot of decisions to make and details to work out before you make a choice. Allstate created this guide as a "walk through" for basic condo insurance information. Naturally, insurance coverage is subject to policy terms and conditions. But it's important to help protect your investment by choosing insurance that you decide is right for you. **What kind of coverage should you consider?**

Typical covered perils include:

Fire



Lightning



Wind and hail



Freezing of plumbing



Smoke



Theft



Explosion



Falling objects



Vandalism/riot



1 Property Protection

Condominium associations are responsible for insuring common areas, such as the building exterior and walkways. But as a condo owner, you're typically responsible for covering everything inside your unit, including cabinetry and appliances. Talk to your agent to calculate an appropriate amount.

2 Guest Medical Protection

If someone inside your condo is accidentally injured, this coverage can provide payments for reasonable medical expenses, whether or not an accident in your home was your fault.

3 Liability Protection

This coverage helps protect you against the legal responsibility for any injury or property damage that you or anyone else insured under your policy may have caused to other people on or away from your property. It includes compensation for the injured party, the cost of defending you in court and most court awards – up to the limits of your policy. If you have significant assets, you should consider purchasing additional levels of liability protection.

4 Additional Living Expenses

If a covered loss (like a fire) makes your condo uninhabitable, this policy will cover the reasonable increase in expenses needed to maintain your normal standard of living for a certain amount of time. This may include payments for a hotel, food and other expenses.

5 Loss Assessments Coverage

If your condominium association levies special assessments against you resulting from certain losses to your condominium complex, your policy will pay your share of such assessments up to the \$1,000 coverage limit.

To learn more, talk to an Allstate agent. To find an Allstate agent near you, go to allstate.com and select "Find an Agent" from the top, right-hand menu.



Questions to Ask Before Selecting Your Condo Insurance:

- How much coverage does my condo association carry?
- What parts of my condominium does my association not cover?
- What are my insurance responsibilities?
- How much would it cost to repair the inside of my home if it were damaged?
- What kind of protection do I have against liability claims?

Options to Help Meet Your Needs as a Condo Owner:

Your personal property is typically protected under your condo policy—but within limits. For example, a policy may cover up to \$1,000 for stolen jewelry. Allstate offers unique personalized options for today's homeowner needs, including:

- [\\$10,000 expanded coverage](#) for jewelry, watches and furs (\$2,500 per item)
- [Electronic Data Recovery](#) to help pay costs to recover lost data from your computer
- [Identity Restoration](#) to help you restore your good name in case of ID theft
- [Additional Loss Assessments Coverage](#) to pay for condo assessments more than your \$1,000 limit

FAQ

Q. How can I save money on my condo owners insurance?

A. Raising your deductible is one way to save money. Consider a deductible of at least \$500. If you can afford to raise it to \$1,000, you may save as much as 25%. You may also qualify for a discount if your condo is new or if you've made it safer by installing smoke alarms, fire extinguishers or a security system.

Q. What kinds of things are not covered by condo owners insurance?

A. Most condo insurance policies cover your contents up to a certain value. But expensive possessions like jewelry, furs and silverware may require extended coverage to cover their full value. You might also consider coverage to cover lock replacements, satellite dish antennas, computers and fire department charges. Check with your agent to learn more.

Q. What exactly is "replacement cost?" How does that differ from "actual cash value?"

A. Typically, replacement cost means your insurance will pay the cost (up to your applicable policy limit) of rebuilding or repairing the inside of your condo (or replacing contents) without a deduction for depreciation. This differs from actual cash value, which covers your valuables based on the depreciated value of your possessions at the time of loss.

Q. If I file a claim, do I have to work with the insurance company's contractors?

A. The process for selection of a repair company and guarantee of workmanship may vary by insurance companies. With Allstate, if you choose your own contractor, they are responsible for guaranteeing their work. Or you can choose a contractor participating in the Allstate vendor referral program, and a home repair guarantee will be issued on behalf of the vendor for up to three years from the date on which the repairs are completed.

Q. Does a condo policy include flood insurance?

A. Condo owners policies usually do not provide coverage for flood damage. However, if your community participates in the National Flood Insurance Program, you may be able to purchase flood insurance from a local insurance company. The cost varies based on a number of factors. What happens if you decide not to buy this type of insurance and your home is flooded? You'll only receive federal disaster assistance if the flood is declared a disaster by the U.S. president. The assistance is typically a loan that must be paid back with interest. If you buy flood insurance from an insurance company, claims are paid even if a disaster is not declared by the U.S. president. Better yet, there's no payback requirement. (Source: Federal Consumer Information Center, www.pueblo.gsa.gov, 2004; www.floodsmart.gov, 2006.)

Coverage subject to availability, qualifications and policy terms.

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