

2024 Insurance Update

The appropriate policies for resident owners are HO3, HO5, & HOA. HO6 policies are not acceptable. For non-resident owners the DP3 is the only policy type that we are aware of. HO3 has named perils that are not covered and does not automatically provide full replacement cost coverage. HO5 has less named perils to no named perils and automatically provides full replacement cost coverage. HOA has between 6-12 named perils and is unknown if it automatically provides full replacement cost coverage.

The current replacement cost estimate (RCE) for units without exterior end walls is between \$240,000 and \$250,000. For units at the end of the buildings, the RCE is between \$265,000 and \$275,000. Square footage and number of bedrooms does not factor into the premium for the most part. Differences between floorplans is the installation of non-contractor grade bathroom fixtures, kitchen cabinets, or appliances. These values should be used by homeowners when discussing their Coverage A – Dwelling with their insurance agent/company. Policies with less than these values will be questioned for compliance with the Proof of Insurance Resolution.