

Brown & Brown Insurance of Georgia, Inc.

900 North Point Parkway, Suite 300 – Alpharetta, GA 30005 – 770-952-7725 – Fax 770-512-5050

Explanation of the Property Coverages for Condominium Associations

The certificate requestor is responsible for ensuring they have selected the correct association/insured name aka project name.

The building limit shown is for the entire association - we cannot verify a coverage amount for each individual building or unit.

- In Georgia, the property limit shown includes the entire condominium building from the outside of the structure all the way through to the real property on the inside of the unit which would include inside walls, wall coverings, flooring, cabinets, plumbing, electrical, lighting, fixtures, and major appliances used for cooking, heating, cooling, laundry. Real property is defined as items that are appurtenant to the structure. However, unless required by your association Declarations, we may not cover structural upgrades/improvements.
- **The General Liability policy listed includes Separation of Insureds/Severability clause.**
- In accordance with the policy conditions, the insurance company will endeavor to provide the first named insured a minimum of 10 days notice of cancellation.

Explanation of deductibles and abbreviations - **these are examples** - see certificate for the actual deductible amount that applies to this policy:

- "PU" means Per Unit. The deductible amount would be applied to each & every unit owner involved in a covered loss of that type – each unit affected would be fully responsible for their per unit deductible
- "PB" means Per Building. The deductible amount would be applied to each building involved in a covered loss of that type – each building affected would be responsible for its per building deductible to be assessed back to the unit owners of that building per their association guidelines
- "PO" means Per Occurrence. The deductible amount would be applied per occurrence for a loss of that type - a single deductible would be assessed back to the affected unit owners per their association guidelines
- "R/Cost" means there is replacement cost coverage on the buildings; insurer will pay up to building limit of insurance to repair or replace covered buildings damaged by a covered loss without depreciation subject to policy conditions
- "GRC" means there is guaranteed replacement cost coverage on the buildings; insurer will pay actual cost to repair or replace covered buildings damaged by a covered loss without depreciation or limit subject to policy conditions
- "ERC" means there is 125% extended replacement cost coverage on the buildings; insurer will pay up to 125% of the building limit of insurance to repair or replace covered buildings damaged by a covered loss without depreciation subject to policy conditions
- "AV" means there is agreed value coverage on the buildings; insurer will pay up to the agreed upon building limit of insurance to repair or replace covered buildings damaged by a total covered loss subject to policy conditions
- "Orig Spec" means that we do not cover any structural upgrades. However, if required by your association Declarations, we may cover structural upgrades completed during original construction by the developer
- "Incl I&B" means that we do cover any structural upgrades (improvements and betterments) that have been made - however, it is the unit owner's insurance responsibility to provide proof of the upgrades (improvements and betterments) in the event of a loss
- "Incl Management Company" means that the crime/fidelity/employee dishonesty coverage extends to the property management company
- "Ordinance/Law" means that the property policy provides Ordinance or Law coverage
- "PO/AGG in Millions" means Per Occurrence/Aggregate limit, and the limit shown is times \$1,000,000

Request an Insurance Certificate by emailing associationcoi@bbatlanta.com

This document is not intended to alter the certificate



**Master Policy Information for:
Peachtree Towers Condominium Association, Inc.**

March 11, 2022

The Master Policy covers the entire condominium building inside and out including the interior of the units **EXCEPT for additions or improvements made by owners**. The Master Policy only covers damage sustained by covered causes of loss including, but not limited to, fire, lightning, windstorm, hail, vandalism, and water damage occurring from a sudden and accidental discharge of water from plumbing or mechanicals such as a frozen pipe bursting, a washing machine hose malfunctioning, etc. The Policy is not designed to cover losses resulting from maintenance issues such as wear and tear, settling or faulty construction issues. **In the event of a covered loss to a unit, the unit owner is responsible for the applicable Master Policy deductible.** The deductibles are:

***\$10,000 PER UNIT for all covered water losses** – this means that each affected unit owner is responsible for the first \$10,000 in water damage to their unit, and any damage less than \$10,000 will not be included in a Master Policy claim.

Example – Unit A has a pipe burst causing \$70,000 in damage to it and \$9,000 in damage to the neighboring Unit B. Unit A is responsible for \$10,000 of their damage, and the Master Policy should cover the remaining damage to their unit. Unit B is responsible for their full loss of \$9,000 since the damage did not reach the deductible limit.

***\$25,000 PER OCCURRENCE for all covered earthquake losses** – this means that the affected unit owner is responsible for a portion of the \$25,000 deductible proportionate to their share of the loss.

Example – Units A and B have a wind loss causing \$30,000 in damage to Unit A and \$30,000 damage to the Unit B. Unit A has 50% of the total damage making them responsible for 50% of the deductible, and the Master Policy should cover the remaining damage to their unit. Unit B has 50% of the total damage making them responsible for 50% of the deductible, and the Master Policy should cover the remaining damage to their unit.

***\$5,000 PER OCCURRENCE for all other covered losses** – this means that the affected unit owner is responsible for a portion of the \$5,000 deductible proportionate to their share of the loss.

Example – Unit A suffers earthquake damage of \$12,000, and Unit B has \$3,000 damage. Unit A has 80% of the total damage making them responsible for 80% of the deductible, and the Master Policy should cover the remaining damage to their unit. Unit B has 20% of the total damage making them responsible for 20% of the deductible, and the Master Policy should cover the remaining damage to their unit.

Unit owners should carry a Condominium Unit Owner's 'HO6' Policy (or a Dwelling Fire policy if the owner rents out the unit) to insure their responsibility for the Master Policy deductibles as well any additions and improvements, losses to the unit not covered by the Master, personal belongings within the unit, additional living expense and liability for their personal exposure. The personal policy should also include Loss Assessment coverage to protect against a special assessment by the Association to all owners equally for their share of an uninsured/underinsured loss to common property. The unit owner's responsibility for the Master Policy deductible for damage to their unit is not considered an assessment by the Association and will not trigger Loss Assessment coverage. Coverage for the Master Policy deductibles on an HO6 is usually found under the Dwelling coverage.

If we can be of further assistance to you or your personal insurance agent in answering any questions we can be reached at 770-952-7725.

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The information contained in this letter is not intended to replace the Policy language. Please see the Policy for coverage, limitations and exclusions. In the event of a difference, the Policy will prevail.