

## C.C.C. No 182

### Insurance

To All Unit Owners:

There has been a great deal of confusion regarding the type of insurance you require and the coverages contained therein.

You have purchased a "subdivision" style condominium which affects your responsibility for repairs and maintenance but not your need for insurance. From an insurance perspective, your unit must be treated as a conventional condominium.

You should purchase a condominium unit owner's package which has four basic coverages which you need.

- The first portion of the coverage is the Contents section which covers all of your belongings in the unit. When you are coming up with a number, take the time to perform a quick inventory of your home. You may only use Christmas decorations once a year, but their replacement cost could be significant. The same with your clothes. The replacement cost of a new set of clothing is going to be far in excess of what you paid for your current wardrobe.
- The second portion of the coverage is the Betterments and Improvements section which covers any and all improvements which have been made to the unit since it was built. The homes did not come with a finished basement, so you need coverage to rebuild it in the event of an insurable loss. The paint or wallpaper inside the home is an improvement, so you need to allow an adequate amount of coverage to have the home refinished to its current situation in the event of an insurable loss.
- The third portion of coverage is your Comprehensive General Liability insurance. This would cover anyone inside your home who, for example, falls down the stairs and is injured. It would also provide coverage should anyone slip and fall on your driveway or front walk as they are both a part of the unit. A recommendation for the liability insurance would be a minimum of two million dollars (\$2,000,000.00) in coverage.

In the event of an insurable loss, the reference bylaws will include the Standard Unit Bylaw which details the level of finish within the unit which would be provided by the Condominium Master Insurance Policy. Any level of finish beyond the standard would be covered by your policy through the Betterments and Improvement coverage.

- The fourth portion of coverage would be the section which provides coverage for the Master Insurance Policy Deductible. You do not have to pay additional premiums for this but ensure that the coverages are there as each unit owner is individually responsible for the master policy deductible as per the Master Insurance Policy Deductible Bylaw.

Both of these bylaws as well as a certificate of insurance are available to you at [www.deerpark.ca](http://www.deerpark.ca) – portfolio – CCC 182. It would be wise to show these documents to your insurance broker so as to ensure that you have adequate and proper insurance coverages.

If you purchase a tenant's policy, you will not have adequate insurance coverage. If you purchase a homeowner's policy, you will think that you have coverages, but the coverages will not be available to you due to the fact that you are insuring a condominium unit.

Your broker is the best person to speak to regarding your insurance needs and requirements. You should direct them to the website so that they can access the required information so that you are guaranteed to have the correct and adequate insurance coverages.

If your broker has any questions, please encourage them to call Deerpark Management Limited at 613-714-2389. We are always happy to speak with your representatives in insurance matters.

March 24, 2015

The Board of Directors

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