



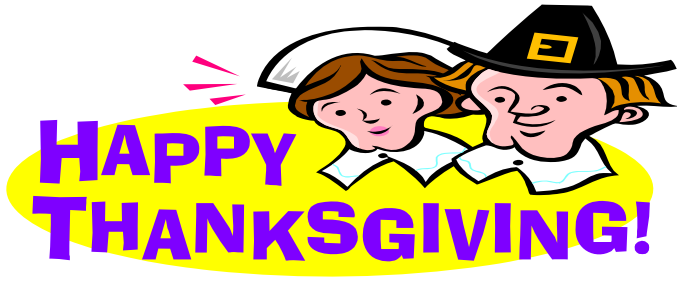
Risk & Insurance Review

COMMUNITY RISK & INSURANCE SOLUTIONS

For Condominium Associations
Property Managers – Officers & Directors
Association Members

Sunshine State Edition

Autumn 2008



Review of Risk Related CHANGES to HB601 TO F.S. 718 beginning January 1, 2009.

The Board of Directors will select an insurance deductible that is consistent with the *“prevailing practice for communities of similar size and age, and having similar construction and facilities in the locale where the condominium property is situated.”* Notice of an Open Meeting must be given to all unit-owners and consideration must be given to available funds on hand as well as the assessment authority of the Board.

The Association is required to *“...obtain and maintain adequate insurance...”* for the condominium property.

Associations are now required to insure HVAC Equipment including separate central air units servicing individual and separate units. The changes do not address maintenance, repair and/or replacement of HVAC equipment.

The statute *requires* that each unit-owner have a policy and include *“special assessment”* coverage of at least \$2,000. The Association *must* require unit-owners to produce evidence of insurance annually. The unit-owner’s policy must name the Association as an Additional Named Insured.

A Condominium Dishonesty Bond is required to cover the maximum amount of funds in the custody of the association or management agent.

SAVE \$\$\$\$ WITH WIND MITIGATION

(The State of Florida is requiring that Florida Admitted Insurance Companies make Wind Mitigation Credits available on residential buildings and some are offering credits for other commercial structures.) While credits on Newer Construction are automatic, Buildings constructed before 2002 can be hardened to better withstand hurricane-force winds. Having your roofer attest to FBC compliance by completing a Windstorm Mitigation form is the first step in reducing the cost of your Wind coverage. For more information, contact CRIS at SCarsonbh@aol.com. Website: www.condominiumriskinsurancesolutions.com. Call Barrett-Harding Associates at 727-863-1149. You can also visit the Office of Insurance Regulation Website to see Revision of 627.0629(1) for Residential Buildings including Condominium & Other Associations. For policies that provide Windstorm coverage, a premium credit may be available if one or more of the following loss mitigation features are present: Roof Covering & Roof-Wall Connections, Opening Protection, Roof Shape, & Secondary Water Resistance. *Regardless of the year constructed, your building may qualify for roof covering credits if a new roof was installed after 1/01/02. The highest credits are applied for roof deck sheathing minimum 1/2” thick attached to roof trusses/rafters by 8d nails spaced to a maximum of 6” on the edge & 6” in field, or other with deck fastenings that result in an uplift resistance of 103 pounds per square foot. Your roofer or a Certified Contractor can usually supply the certification. You can receive credits to your current policy by keeping your agent or broker advised when you have a new roof installed or take other measures to reduce Wind-related losses to your property.*

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