

CO-OP Insurance Made Simple

A GUIDE FOR BUYERS



— TWA —
THE WHALEN AGENCY

Your guide to home insurance as a homebuyer

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CO-OP owners do not own real property, but rather they own shares of a corporation.

This corporation owns the building and insures the structure, roof, common areas and usually the interior walls, ceiling, and floors of your unit.

They insure this through a master building policy. This master policy is comprehensive in scope but leaves the unit owner exposed and in need of additional coverage in the form of CO-OP OWNER POLICY.

Coop Insurance typically provides protection for a range of perils. Below are a few of the most common ones:

- Theft
- Vandalism
- Freezing of plumbing
- Fire and smoke
- Water damage from plumbing, furnace/AC or water heater.

This guide walks you through the different aspects of a CO-OP policy.

What's Covered?

Building Property Protection

Covers the portion of the unit for which you would be responsible. Many Coop Master policies will bring the unit back to its original state after a loss but will not cover the improvements and betterments that have been made throughout the years. This is where your coop owner policy will provide coverage.

Contents Coverage

Covers everything you own, that is not physically attached to the floor, ceiling, or walls of your unit. This would include furniture, appliances, clothing, electronics, rugs, and many other things.

Liability Coverage

Gives you protection when you are sued or accidentally harm others or their property. Typically, the insurance company will pay to defend the suit and pay any damages that are awarded, up to the policy limits.

Additional Living Expense

Gives you protection when you are sued or accidentally harm others or their property. Typically, the insurance company will pay to defend the suit and pay any damages that are awarded, up to the policy limits.

Guest Medical Protection

Can pay for reasonable and necessary medical expenses if someone is injured in an accident in your co-op.

Loss Assessments Coverage

The Co-op Board can assess the shareholders money when there is damage to the building that the Master Policy does not cover. If this damage is from a covered peril the Co-op owner policy could cover the assessment to the shareholder.

Actual Cash Value Versus The Replacement Cost

The value of most of your belongings decreases over time. Home Insurance allows you to choose one of the personal property coverages below.

- Actual Cash Value typically means your belongings are covered for their replacement cost minus depreciation. Depreciation is the decrease in an item's value due to its age, condition or other factors.

- The Replacement Cost Provision typically means your belongings are covered for the amount it would take to replace them at the time of the claim.

A deductible is your share of the cost.

When you file a claim for a covered loss, you may be responsible for a set amount, called a deductible, to repair or replace whatever is damaged or stolen. CO-OP Insurance deductibles typically range from \$500 to \$2,500. The higher the deductible, the lower the premium.

Optional Available Coverage: *Be sure to ask your agent!*

Water Back-up Coverage

Personal Injury Protection

Building codes

Scheduled Personal Property

If you want to learn more about CO-OP insurance...

Our goal to make sure our clients are the best protected in the industry. We are there for you not only at point of sale, but for all service and especially claims. It doesn't cost any more to have someone in your corner.

Put my agency to work for you.

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